

Annual Report 2024-25

Zuari Cement Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Roberto Callieri
Chairman

Mr. Juan-Francisco Defalque
Non-Executive Director

Mr. Joydeep Mukherjee
Managing Director

Mr. Vimal Kumar Jain
Non-Executive Director

Ms. Poonam Sharma
Non-Executive Director

Registered Office

Krishna Nagar, Yerraguntla, Kadapa District
(YSR), Andhra Pradesh - 516 311

Auditors

S.N. Dhawan & CO. LLP
Chartered Accountants

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ZUARI CEMENT LIMITED

Regd. Office: Krishna Nagar, Yerraguntla, Y.S.R. District,
Andhra Pradesh-516 311

Phone. No. 080-41194408; E-mail Id: arjun.dutta@zcltd.com; Website:
www.zuaricements.com

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25th (Twenty Fifth) Annual General Meeting of the Members of Zuari Cement Limited will be held at 03:15 PM on Wednesday, the 24 September 2025 through Video Conferencing ("VC") / Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial year ended 31 March 2025, together with the report of Directors and Auditors thereon be and are hereby considered, approved and adopted."

2. To consider, approve and adopt the Audited Consolidated Financial Statements of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial year ended 31 March 2025, together with Auditors Report thereon be and are hereby considered, approved and adopted."

3. To appoint a Director in place of Mr. Vimal Kumar Jain (DIN: 09561918) who retires by rotation and being eligible offers himself for reappointment; and for this purpose, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Vimal Kumar Jain (DIN: 09561918) who retires by rotation and being eligible has offered himself for reappointment be and is hereby reappointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. To ratify the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants as Cost Auditors and in this regard if thought fit to pass, with or without modification(s) the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies

(Audit and Auditors) Rules, 2014 consent of the Company be and is hereby accorded for the payment of remuneration to M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No. 000026), appointed by the Board of Directors of the Company to conduct the audit of the Cost Accounting Records of the Company for the financial year ending 31 March 2026 at INR 0.375 million plus applicable taxes, and reimbursement of out-of-pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

5. To appoint Ms. Poonam Sharma as Non-Executive Director of the Company and to consider and if thought fit to pass, with or without modification(s) the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification, amendment or re-enactment thereof for the time being in force and the provisions of Articles of Association of the Company and based on the recommendation of the Board of Directors of the Company, the consent of the Shareholders be and is hereby accorded for appointment of Ms. Poonam Sharma (holding DIN: 11104806) as Non-Executive Director of the Company, being liable to retire by rotation.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this resolution, including but not limited to filing of necessary returns/forms to the appropriate authorities.”

6. To approve alteration in the Objects Clause of the Memorandum of Association of the Company and in this regard if thought fit to pass, with or without modification(s) the following as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with applicable Rules and Regulations made thereunder, including any statutory modification(s) or re-enactments thereof for the time being in force, and subject to the approval of the Registrar of Companies, consent of the members of the Company be and is hereby accorded to insert the following sub clause (3(i)) after sub clause (3) of clause III (A) of the Memorandum of Association of the Company:

“To carry on the business of providing outsourcing services for all processes, sub-processes, transactions, activities and all other work performed by business in various industries within India and across the world. This includes those process or sub processes that are enabled by information technology including but not limited to technical support, managed data centre, managed technical centre, training centre, web support back office, business or financial analysis, storage, disaster recovery, accounting, pay roll, inventory management, customer relationship management, enterprises resources planning and to develop

software, provide consultancy, software solution and services that are normally offered by the outsourcing business.”

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary of the Company be and is hereby severally authorized to take such steps as may be necessary for obtaining necessary approvals and to do all such acts, deeds, matters and things as may be necessary for filing with the Registrar of Companies as may be deemed necessary, proper, expedient or incidental for giving effect to this Resolution.”

By the Order of the Board of Directors

Reena Bagla
Company Secretary

Date: 29 July 2025
Place: Gurugram

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its general circular dated 19 September 2024 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the General Circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes at the meeting.
3. The facility for joining the meeting in the VC/OAVM mode shall be kept open at least 15 minutes before the scheduled time for the commencement of the Meeting and 15 minutes after the completion of the meeting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 and the Registered Office of the Company will be deemed to be venue for the purpose of this meeting.
5. The chairman may decide to conduct a vote by show of hands, as the number of members are less than 50 unless a demand for poll is made by any member in accordance with section 109 of the Act.
6. The Members/participants will be allowed to pose questions concurrently or may submit questions in advance on the email address of the company.
7. The recorded transcript/Video recording of the VC/OAVM shall be maintained in the safe custody by the Company.

8. A copy of the notice shall also be prominently displayed on the website of the Company.
9. In compliance with the aforesaid MCA Circulars Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses is registered with the Company.
10. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at the Email-ID reena.bagla@zcltd.com till the date of AGM. Similarly, statutory registers that are available for inspection at the registered office of the Company in the normal course of business prior to and during the continuance of AGM at the venue of meeting, may also be accessed through the above-mentioned mode.
11. Since the AGM will be held through VC/OAVM, the route map, attendance slip, and proxy form are not annexed to this Notice.
12. Following are the instructions regarding access and participation in the Annual General Meeting:
 - a. Members will be sent a link to their registered email IDs sufficiently in advance to enable them to participate in the Annual General Meeting, which requires an electronic device such as computer or laptop or mobile phone with appropriate audio video facilities;
 - b. Members shall click on the link and can join the Annual General Meeting to participate;
 - c. Members participating in the Annual General Meeting shall ensure that no person other than the concerned Member is attending or has access to the proceedings of the said meeting;
 - d. Every participant shall identify himself/herself before speaking at the Annual General Meeting.
 - e. All the proceedings at the said meeting would be recorded and maintained in the safe custody of the Company;
 - f. The person to whom Members may contact in this regard is Ms. Reena Bagla, Company Secretary of the Company at reena.bagla@zcltd.com.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 are given below:

Item No. 4:

The Board of Directors of the Company at its meeting held on 28 May 2025 approved the re-appointment of M/s. R.J. Goel & Co., Cost Accountants, to conduct the Audit of the Cost Accounting Records of the Company for the financial year ended 31 March 2026. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be approved by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors during the financial year 2025-26 as set out in the Resolution for the aforesaid services to be rendered by them. The Board of Directors has recommended the resolution set out at Item No. 4 of the Notice for approval of the members at the ensuing AGM.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5:

The members are informed that in view of resignation of Ms. Soek Peng Sim and further to ensure compliance with the provisions of Companies Act 2013 ("Act"), the Board of Directors at its meeting held on 28 May 2025 has appointed Ms. Poonam Sharma (Holding DIN:11104806) as an Additional Director in the category "Non-Executive & Non-Independent Director" with effect from 28 May 2025. Ms. Poonam Sharma holds office of the Directorship up to the date of ensuing Annual General Meeting of the Company. It is, therefore, proposed to obtain approval of shareholders by means of an Ordinary Resolution for appointing Ms. Poonam Sharma as a Non-Executive & Non-Independent Director of the Company liable to retire by rotation.

Brief profile of Ms. Poonam Sharma is given below:

Ms. Poonam Sharma is an MBA from HP University, Shimla and is an alumnus of Saint Bede's College, Shimla. She did her schooling from Auckland Home School, Shimla.

She brings with her more than three decades of work experience in business and human resources profession and is presently working as Director – Human Resources at HeidelbergCement Limited. Before HeidelbergCement India, she had worked with Hero Honda Motors Limited (now Motor Corp) world's leader in two wheelers manufacturing handling import (Commercial) in the initial part of her career and later moved to Corporate, Human Resources. She took care of Human Resources function in their Gurgaon plant of Hero Honda Motors before moving to ACME Telepower as Head – Human Resources.

She joined Carrier (an air-conditioner pioneer in the world) as Director – Human Resources before moving to HeidelbergCement India Limited. Having experience in both sides of commercial and in human resources her interest lies in partnering

with the business to address the business as well as people aspects of the organisation. Have interest in organisational development and integration of people and processes with respect to M&A, Organisational Design, People Development and Human Strategy. She is an ardent trainer and is a strong proponent of Diversity and Inclusivity in the Company.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Poonam Sharma, for the office of Director of the Company.

In the opinion of the Board of Directors, Ms. Poonam Sharma fulfils the conditions for appointment as Non-Executive & Non-Independent Director of the Company as specified in the Act. Therefore, Board of The Director proposed the appointment of Ms. Poonam Sharma as Non-Executive & Non-Independent Director of the Company.

She is not related to any other Director or Key Managerial Personnel of the Company or their relatives.

Except, Ms. Poonam Sharma, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

The details required under Secretarial Standard-2 on General Meetings are set out at annexure to this notice.

By the Order of the Board of Directors

Date: 29 July 2025
Place: Gurugram

Reena Bagla
Company Secretary

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting (pursuant to Secretarial Standard 2 on General Meetings).

Name of Director	Mr. Vimal Kumar Jain	Ms. Poonam Sharma
DIN	09561918	11104806
Brief Resume	Mr. Vimal Kumar Jain has done B.E.-Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU. In his career spanning over 30 years, consisting of 19 years abroad and 14 years in India, he has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning. He has a successful track record for developing strategic initiatives, organizational improvements, capacity expansions, de-bottlenecking, production and quality improvements, adoption of new technologies, overall cost reductions, waste processing, and working with diverse cultures & challenging environments. He is working with Heidelberg Materials since 2007. He has worked as Project	Ms. Poonam Sharma is Director – Human Resources at HeidelbergCement India, is MBA from HP University, Shimla and is an alumnus of Saint Bede’s College, Shimla. She did her schooling from Auckland Home School Shimla. She brings with her more than three decades of work experience in business and human resources profession and is presently working as Director – Human Resources at HeidelbergCement India Limited. Before HeidelbergCement India she had worked with Hero Honda Motors Limited (now Motor Corp) world’s leader in two wheelers manufacturing handling import (Commercial) in the initial part of her career and later moved to Corporate, Human Resources. She took care of Human Resources function in their Gurgaon plant of Hero Honda Motors before moving to ACME Telepower as Head – Human Resources. She joined Carrier (an air-conditioner pioneer in the world) as Director – Human Resources before moving to the Cement company, HeidelbergCement India Limited which is a German multinational company, which is a leader in Aggregate and number two in cement manufacturing globally.

	Manager with Heidelberg Technology Centre handling projects in Indonesia and Thailand. He joined HeidelbergCement India Limited on 03 January 2022 as Technical Director. Prior to joining HeidelbergCement Group, he has worked with RAK Cement of U.A.E., Prism Cements and Raymond Cement in various capacities in projects and technical functions.	Having experience in both sides of commercial and in human resources her interest lies in partnering with the business to address the business as well as people aspects of the organisation. She is an ardent trainer and is a strong proponent of Diversity and Inclusivity in the Company. Reading, painting and sports are her passions other than Human Resources.
Date of Birth	12 January 1968	15 November 1964
Date of First Appointment on the Board	10 June 2022	28 May 2025
Expertise in specific functional area(s)	He has acquired rich and vast experience of over three decades in the Cement sector in Operations & Maintenance and Project Management from concept to commissioning.	She has more than three decades of work experience in business and human resources profession and is presently working as Director – Human Resources at HeidelbergCement Limited.
Qualifications	B.E.-Mechanical Engineering from Madhav Institute of Technology & Sciences, Gwalior (M.P.) and has also completed Post Graduate Diplomas in Business Management and Projects Management from IGNOU.	Master of Business Administration from HP University, Shimla.
Shareholding in the Company (including shareholding as a beneficial owner)	Nil	Nil
Terms and Conditions of Appointment	Appointed as Non-Executive Director liable to retire by rotation.	Refer Explanatory Statement
Remuneration last drawn	Not Applicable	Not Applicable

Remuneration proposed to be paid	Not Applicable	Not Applicable
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company.	Not related to any Director or Key Managerial Personnel of the Company.
No. of Board meetings attended during FY25	4/4	Not Applicable
Directorships held in other Indian public limited companies	HeidelbergCement India Limited and Gulbarga Cement Limited.	Gulbarga Cement Limited
Position of Chairperson / Member in the Committees of Directors of other public limited companies in which he/she is a Director.	HeidelbergCement India Limited • Member of Corporate Social Responsibility Committee.	Nil

BOARD'S REPORT

To the Members,

The Directors are pleased to present the 25th Annual Report together with the audited financial statements of Zuari Cement Limited ('the Company') for the financial year ended 31 March 2025 (FY25).

FINANCIAL HIGHLIGHTS / REVIEW OF OPERATIONS

Production and Sales figures for the financial year ended 31 March 2025 were as under:

	<u>FY25</u>	<u>FY24</u>
Clinker Production (KMTs)	3,320	3,628
Cement Production (KMTs)	3,979	4,482
Cement Sales (KMTs)	3,992	4,492
Clinker Sales (KMTs)	514	442

A snapshot of the Company's financial performance for FY25 vis-à-vis performance for FY24 is as under:

INR in million		
Particulars	Financial year ended 31 March 2025	Financial year ended 31 March 2024

Revenue from Operations (Gross)	19,710	23,910
Other Income	267	213
Total Revenue	19,977	24,123
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	189	1,814
Depreciation and Amortization	1,894	2,354
Finance Costs	467	416
Loss before Tax	(2,172)	(956)
Tax expense/(Income)	(874)	(455)
Net Loss	(1,298)	(501)

It is further informed that the Company's integrated plant at Sitapuram obtains power supply from the captive power plant of 43 MW (net capacity 38 MW) which had commenced commercial operations in March 2008. On account of

decline in operational performance leading to higher cost of production, it was decided to enhance the power supply from the grid and mothball the captive power plant. In order to reduce the power cost and utilise the waste heat, the Board at its meeting held on 29 May 2024 had approved to set up a waste heat power generation plant of 7MW capacity at Sitapuram plant.

The aforesaid project has made consistent progress. Civil and mechanical works were advancing well, with major engineering and equipment milestones largely achieved. Procurement activities were nearly complete, and site execution was actively underway. Cooler and AF upgrades are scheduled for implementation in 2026. Quality control processes are firmly in place, and construction teams are working in close coordination to maintain strong execution and meet project objectives.

CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of your Company during the year.

TRANSFER FROM RESERVES:

During the Financial Year under review, due to loss the Company has transferred INR 1306.59 million from the Reserves.

DIVIDEND:

In view of the loss suffered by the Company during FY25, the Board of Directors expresses its inability to recommend any dividend for the financial year ended 31 March 2025.

DEBT SERVICING:

Your Company has met all obligations towards repayment of principal and interest on all loans availed from time to time.

DIRECTORS:

Resignation and Appointment of Directors

Ms. Soek Peng Sim tendered her resignation as the Director from the Board of Directors of the Company w.e.f. the close of business hours on 28 May 2025. Consequent to the resignation by Ms. Soek Peng Sim, the Board in its meeting held on the same day, appointed Ms. Poonam Sharma as an Additional Director in the category of Non-Executive Director on the Company's Board with effect from 28 May 2025.

Approval of Members is being sought for the appointment of Ms. Poonam Sharma as Non-Executive Director in the ensuing Annual General Meeting which forms part of the AGM Notice.

Retirement by rotation

Mr. Vimal Kumar Jain, Director retires by rotation at the ensuing AGM and being eligible has offered himself for reappointment. His brief profile is given in the Notice of AGM. The Board hereby recommends his reappointment.

DISCLOSURE UNDER SECRETARIAL STANDARDS:

The Directors state that the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The details with respect to the composition, terms of reference, number of meetings held, etc. of the statutory committees of the Board of Directors are included in the Report on Corporate Governance, which is forming part of this Annual Report.

DISCLOSURE FROM LOAN TAKEN FROM DIRECTORS:

The Company has not taken any loan from the Directors of the Company.

BOARD MEETINGS:

During the financial year ended 31 March 2025, the Board of Directors of the Company met 4 times on 29 May 2024, 31 July 2024, 28 October 2024 and 30 January 2025. The maximum time gap between two sequential meetings was less than 120 days. The Company does not pay sitting fee to any of its Directors.

PERFORMANCE EVALUATION OF BOARD:

Pursuant to the provisions of Section 134 of the Companies Act, 2013, a performance evaluation Policy has been formulated containing the criteria and methodology for facilitating performance evaluation of the Board as a whole and directors individually. The Board has carried out an annual evaluation of its own performance and, also of its individual directors. Its own performance was carried out on the basis of Board composition and quality, Board meeting and procedure and, on Board strategy and risk management. For the evaluation of the performance of individual directors' criteria for evaluation included attendance, contribution at the meetings, decision making ability and their preparedness for the meetings. The Directors expressed their satisfaction on the outcome of the performance evaluation.

AUDITORS:

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 the members at the 21st Annual General Meeting of the Company held on 13 September 2021 had appointed S.N. Dhawan & Co. LLP., Chartered Accountants, as statutory auditors of the Company to hold office up to the conclusion of the 26th Annual General Meeting for conducting statutory audits commencing from FY2021-22 until FY2025-26.

The observations of the Auditors in their report on Financial Statements read with the relevant notes are self-explanatory. The Independent Auditors' Report does not contain any qualification, reservation or adverse remarks.

COST AUDIT:

The Company is maintaining cost accounting records in accordance with provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder. The Cost Audit for the financial year ended 31 March 2025 was conducted by M/s R. J. Goel & Co., Cost Accountants, Delhi and as required Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Audit of the cost accounts of the Company for the financial year ended 31 March 2026 will also be conducted by the said firm and the Report will be filed within the stipulated time.

In accordance with Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 the Board of Directors has appointed M/s. R.J. Goel & Co., Cost Accountants as Cost Auditor of the Company for the financial year ending 31 March 2026 on a remuneration of INR 3,75,000/-million. Pursuant to Section 148(3) of the Companies Act, 2013, a resolution seeking member's ratification for the remuneration payable to M/s. R. J. Goel & Co., Cost Accountants for the financial year ending 31 March 2026 is included in the Notice convening the AGM. The Board recommends the aforesaid resolution for approval of the members.

SECRETARIAL AUDIT:

In accordance with the provisions of Section 204 of the Companies Act, 2013 the Board had appointed M/s. Rajesh Relan & Associates, Company Secretaries, New Delhi to conduct the secretarial audit of the Company for the financial year ended 31 March 2025. The Report of the Secretarial Auditor is annexed herewith as Annexure 'A'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

ANNUAL RETURN:

A copy of the annual return for the financial year ended 31 March 2024 filed with Registrar of Companies is posted on website of the Company. The draft Annual Return for FY25 is also posted on website of the Company. After filing of Annual Return for FY25 with MCA, the draft will be replaced with the final version. Weblink to access abovementioned Annual Returns is as under:

<http://www.zuaricements.com/index.php/our-company>.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee as on 31 March 2025 comprised three members namely, Mr. Joydeep Mukherjee (Chairman of the Committee); Ms. Soek Peng Sim and Mr. Vimal Kumar Jain. During the financial year ended 31 March 2025, the Committee met twice on 29 May 2024 and 30 January 2025.

However, consequent to the resignation of Ms. Soek Peng Sim, Ms. Poonam Sharma was appointed as a member of the Corporate Social Responsibility Committee w.e.f. 28 May 2025.

The Terms of reference of the Corporate Social Responsibility Committee are in conformity with the provisions of Companies Act, 2013.

AUDIT COMMITTEE AND NOMINATION AND REMUNERATION COMMITTEE:

Amended Sub-rule (2) of Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, inter alia exempts unlisted public companies which are wholly owned subsidiaries from the requirement of appointing Independent Directors on their Board. Similarly, amended Rule 6 of the Companies (Meeting of the Board and its Powers) Rules, exempts such unlisted Public Companies from the constitution of Audit Committee and Nomination and Remuneration Committee. Your Company is an unlisted public Company and is a wholly owned subsidiary of Heidelberg Materials Italia Cementi SPA (*Formerly known as Italcementi S.P.A*).

In view of the aforesaid provisions of the Companies Act, 2013 and the Rules made thereunder, the Company is exempted from the requirement of appointing Independent Directors and constitution of Audit Committee and Nomination and Remuneration Committee.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of investments and loans covered under Section 186 of the Companies Act, 2013 are given in notes to the financial statements at Note No. 5 and 6 respectively. No guarantee or security in connection with a loan to any other body corporate or person is given by the company.

General: The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions with respect to these items during FY25:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of stock options or sweat equity shares.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
- Neither any application was made, nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking loans from the Banks or Financial Institution along with the reasons thereof: - The Company has not defaulted in the repayment of loans to the Banks or Financial Institutions. Accordingly, disclosure relating to one-time settlement with the Banks or Financial Institutions is not applicable

PUBLIC DEPOSITS:

Your Company has not invited any Fixed Deposits from the shareholders / public during the period under review.

LISTING OF SHARES:

Your Company is not a listed Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earnings and outgo during the year stood at INR 2502.7 million and INR 20.5 million respectively.

SECRETARIAL STANDARDS:

The Company has also ensured compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India pursuant to Section 118(10) of the Companies Act, 2013.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION:

The particulars relating to Conservation of Energy, Technology Absorption and Research & Development as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 forming part of this report are annexed as 'Annexure B'.

ENVIRONMENT:

Your Company aims to achieve progress in harmony with the environment. We continuously seek environment friendly approaches in our operations viz. conserving energy, exploring alternative source of energy, reducing air pollution, conserving water, enhancing the carbon sink by increasing green cover, promoting circular economy etc.

During FY2024-25, following measures were implemented towards protection of environment, controlling and reduction of pollution levels:

- Plantation of 4800 Nos. saplings covering an area of 4.0 Hectares in the year 2024-25.
- Ground water recharge pits were constructed at mines office and rest shelter area for recharging the water table of the area.
- Sewage treatment plant wastewater is used for green belt development.
- Installed drip irrigation system in the greenbelt area.
- Constructed garland drain and retaining wall at the west side of the pit.
- Coir mat has been laid down and agave plantation on the black cotton soil dump for better dump stability.
- Solid waste management available for colony waste treatment.

- Development of habitat gardens for Animals and Humans, Birds, and greenery together with the Abiotic Environment as organic Fruits Garden Like Mango, Orange, Cashew, Badam, Coconut, Jackfruits, Chikoo, Amla, and Mahogany fruits.
- Creating Awareness amongst all employees on the Environment by Celebrating Environmental related Programmes World Water Day, World Environment Day, Earth Day, Mines MEMC Week, Several Mass Plantation drives.

It is further informed that the Company had been operating the Sitapuram Power Plant to supply electricity to its Sitapuram Cement Plant. However, the power plant was running at suboptimal capacity and incurring higher variable costs compared to grid power. This situation prompted a strategic decision by the management to hive off the power plant.

The Sitapuram Cement Plant has historically relied on the Sitapuram Power Plant for its energy needs. However, the cost of power generated by the Sitapuram Power Plant has been significantly higher than the cost of grid power. Recognizing this inefficiency, the Sitapuram Cement Plant has successfully secured a grid connection to meet its power demands. Consequently, the Sitapuram Power Plant is no longer in operation.

Accordingly, the Board at its meeting held on 28 May 2025 approved to identify and evaluate potential buyers for Sitapuram Power Plant. Therefore, the process of divesting the power plant along with the adjacent land is under process. Discussions are underway with potential buyers. A team from one potential Buyer has already conducted a comprehensive site visit to the facility. They have been provided with all relevant technical, operational, and commercial information necessary for their due diligence. It is aimed to finalize and complete the transaction by the end of Q3`2025.

OCCUPATIONAL HEALTH AND SAFETY

Your Company follows a comprehensive Health and Safety Policy with the goal of achieving “Safe Work, Healthy Life” and “Zero Harm” in the workplace. We firmly believe that all accidents are preventable and are committed to applying the highest safety standards across all operations.

The following safety measures were implemented across all plants during FY25:

- All plants ensured the highest safety standards by implementing the following Health and Safety Action Plans:
 - “No Guard, No Start” – Safety interlock system for machine guarding.
 - Work at Height – Replacement of non-standard platforms.
 - Review of Hazard Identification & Risk Assessments (HIRA) and Safe Operating Procedures (SOPs) for all plant activities.
 - Regular Safety Conversations and Dynamic Risk Assessments with workmen conducted by Plant Managers and Heads of Departments (HoDs).

- A set of twenty-four critical safety hazards relevant to the cement industry was compiled. Monthly safety themes were introduced, and key aspects were emphasized throughout each month to foster a strong safety culture within the organization.
- Truck drivers were trained in defensive driving techniques. Workplace environmental parameters—such as noise, particulate matter, free silica, and illumination—are regularly monitored in accordance with regulatory standards.
- All plants are certified under the ISO 45001 Occupational Health and Safety Management System, which is rigorously adhered to.
- The use of Personal Protective Equipment (PPE) is mandatory for all employees.
- Safety talks are conducted for all work activities, accompanied by the issuance of appropriate work permits (e.g., Safe Work Permit, Work at Height, Confined Space Entry, Lock-Out Tag-Out Try-Out (LOTOTO), etc.).
- National Safety Week was celebrated from 4th to 11th March 2025 across all plants to promote safety awareness.

We are pleased to inform you that the Company has completed a safe business year with zero fatalities and zero Lost Time Incidents (LTIs).

AWARDS AND ACCOLADES

The Company continues to pursue excellence in all areas of its operations as evident from the recognition in the form of awards and honours:

- Sitapuram Limestone Mine has achieved an extraordinary milestone during the 39th Mines Safety Week Observance 2024, winning a record-breaking six prizes, including the Overall 1st Prize in Zone 1 (B2 Group).

The awards are as follows:

- Overall Performance - 1st Prize
- Safe Mine Workings - 1st Prize
- Heavy Earth Moving Machinery - 1st Prize
- Loading and Transportation - 1st Prize
- Health Management Systems & Training - 2nd Prize
- Crusher and Conveyor Belts - 2nd Prize.
- Sitapuram Plant received the British Safety Council's International Safety Award 2025 in the highest category – Distinction Level.
- Sitapuram Works has received the following awards from British Safety Council:
 - International Safety Award for best in region (South India)
 - International Safety Award for best in sector award in Manufacturing Chemicals, Speciality Chemicals, Paints
 - International Safety Award for demonstrating a strong commitment to good health & safety management during 2024.
- Chennai Grinding Unit (CGU) received a National award for Excellence in Energy management for 2024 from Confederation of Indian Industry.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is committed to the three pillars of ecology, economy and social responsibility. We are working for the benefit of the communities around our plants and mines with the spirit of "partners in progress". We encourage community participation at all levels from planning and implementation to monitoring and maintenance of assets created under CSR projects. While discharging our responsibilities as a good corporate citizen, we are looking at all aspects of development. Our CSR initiatives have wide coverage ranging from education, skill development, healthcare, infrastructure development and sports. During FY 2024-25 the Company has spent INR 157.8 lakhs on various CSR projects /programmes exceeding the obligations pursuant to Section 135 of the Companies Act, 2013.

The Company has undertaken projects in the areas of promotion of education, healthcare, skill development and rural development as part of its commitment to Corporate Social responsibility (CSR). These projects are in accordance with the scope outlined under schedule VII of the Companies Act, 2013. The CSR policy of the Company is posted on the Company's website. The web-link to access the said policy is as follows:

http://www.zuaricements.com/images/ZCL_CSR_Policy.pdf

The plant's health centres provide free consultation, medicines, treatments and ambulance service are being provided for patients of nearby villages. The Company provided supported school infrastructures namely through rehabilitation of schools, Scholarships to students and distribution of educational kits, construction of classrooms, school boundary walls, desks, and benches etc.

At all locations of the plants, support was extended towards rural infrastructure development works for construction of roads, community hall, overhead water tanks, installation of solar streetlights, enhancing drinking water facility etc., and supported special target group.

The Report on CSR activities in the format prescribed by the Ministry of Corporate Affairs is annexed herewith as 'Annexure C'.

KEY MANAGERIAL PERSONNEL:

Details of Key Managerial Personnel of the Company are given below:

- Mr. Joydeep Mukherjee, Managing Director
- Mr. Vimal Kumar Chaudhary, Chief Financial Officer.
- Mr. Arjun Dutta, Company Secretary (Ceased to be Company Secretary w.e.f. 26 March 2025.)
- Ms. Reena Bagla, Company Secretary (appointed w.e.f. 01 June 2025).
- Mr. Kishan Kumar Acharya, Chief Financial Officer (appointed w.e.f. 01 June 2025).

VIGIL MECHANISM/WHISTLE BLOWING POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud, non-ethical behaviour, irregularities, and mismanagement, if any, and to ensure effective, timely and transparent process of such violations. During FY25, no complaint was received under the Vigil Mechanism. The Vigil Mechanism / Whistle Blower Policy is posted on the Company's website. The web-link to access the said policy is as follows:

https://www.zuaricements.com/images/policy/ZCL_Vigil_Mechanism.pdf

RISK MANAGEMENT SYSTEM

The Company has a sound Risk Management System and a structured Risk Management Policy in place. The business risks have been classified under the broad heads - strategic, operational, financial, and legal and compliance risks. The Company's Risk Management Policy lays down a bottom-up process comprising risk identification, analysis and evaluation, treatment and controlling. Risk owners identify and analyse all risks in their area of operations. The business risks are reviewed by the Senior Management and critical risks are placed before the Risk Management Committee/Board of Directors for review. The Risk Management Policy is posted on the Company's website. The web-link to access the said policy is as follows:

<http://www.zuaricements.com/images/Company/2.ZCLRiskManagementPolicy.pdf>

RELATED PARTY TRANSACTIONS (RPT):

All the transactions entered into between the Company and its related parties for the year ended 31 March 2025 were in the ordinary course of business and on an arms' length basis.

Details of transactions entered into by the Company with the related parties are given in the notes to the accounts under Item No. 32 titled Related Party disclosure and Related Party Transactions.

The Company has in place a Policy on Related Party Transactions and a Framework for the purpose of assessing the basis of determining the arm's length price of relevant transactions. The Related Party Transactions Policy is posted on the Company's website. The web-link to access the said policy is as follows:

<https://www.zuaricements.com/images/Company/1.ZCLRelatedPartyTransactionsPolicy.pdf>

The Company does not have any material related party transaction during the year therefore the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable for FY25 and does not form part of this report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE:

The Company continues to remain compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which aims to protect women at workplace against any form of sexual harassment and prompt redressal of any complaint. During the year ended 31 March 2025, no complaint was received by the Company in this regard. The web-link to access the said policy is as follows:

<http://www.zuaricements.com/images/Prohibition-Against-Sexual-Harassment.pdf>

Status of complaints as on 31 March 2025:

S.no	Particulars	No. of Complaints
1.	Number of complaints of sexual harassment received in the year	Nil
2.	Number of complaints disposed off during the year	Nil
3.	Number of cases pending for more than ninety days	Nil

STATEMENT ON COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company is committed to upholding the rights and welfare of all employees in accordance with applicable labour laws and statutory regulations. The Company fully complies with the provisions of the Maternity Benefit Act, 1961, as amended, across all its locations in India. All eligible women employees are entitled to maternity benefits, as prescribed under the aforesaid Act. We remain committed to fostering employee well-being and ensuring that our policies and practices are aligned with both the letter and the spirit of the law.

INTERNAL FINANCIAL CONTROLS:

The Company has in place relevant internal controls, policies, and procedures to ensure orderly and efficient conduct of its business. Standard Operating Procedures (SOPs) and Risk Control Matrix (RCM) have been designed for critical processes across all operations. The internal financial controls are tested for operating effectiveness through management's ongoing monitoring and review processes, and independently by the internal auditors. In our view the internal financial controls are adequate and are operating effectively.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments that affect the financial position of the Company for the year ended 31 March 2025 and up to the date of signing of the Boards' Report.

The Board of Directors at its meeting held on 28 May 2025 approved and recommended the alteration of Object clause of the Memorandum of Association of the Company. The approval of the members is being sought in the ensuing Annual General Meeting and forms part of the AGM Notice.

DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them and based on the assessment of the management, the Board of Directors makes the following statements in terms of Section 134 of the Companies Act, 2013:

- i) that in the preparation of the accounts for the year ended 31 March 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2025 and of the profit or loss of the Company for the financial year ended 31 March 2025;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the financial statements for the financial year ended 31 March 2025 have been prepared on a 'going concern' basis;
- v) that proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- vi) that systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively.

SUBSIDIARY COMPANIES:

The Company has a subsidiary company namely, Gulbarga Cement Limited (GCL) and it is in the process of setting up a Greenfield cement plant of 3 MTPA.

A separate statement containing the salient features of the financial statements of the Company's subsidiaries are attached under Form AOC-1 to the financial statements.

PARTICULARS OF EMPLOYEES:

Particulars of the employees as required, to be furnished under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013 are given in the 'Annexure D' of this Report.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the assistance and support received from the customers, dealers, suppliers, bankers, government, and all other business associates. Your Directors also wish to place on record their sincere appreciation for dedicated efforts put in by the employees at all levels.

For and on behalf of the Board of Directors

Date: 29 July 2025
Place: Gurugram

Joydeep Mukherjee
Managing Director

Vimal Kumar Jain
Director



Rajesh Relan & Associates

Company Secretaries

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Zuari Cement Limited
Krishna Nagar, Yerraguntla,
Andhra Pradesh-516311

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Zuari Cement Limited** (hereinafter called 'the company') CIN: U26942AP2000PLC050415. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of;

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Complied to the extent applicable).**
- (iv) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable)**
- (v) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable)**
- (vi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not applicable)**
- (vii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable)**



Rajesh Relan & Associates

Company Secretaries

- (viii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable)**
- (ix) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable)**
- (x) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable)**
- (xi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable)** and
- (xii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable)**

We have also examined the following industry specific laws/ General Laws/ as specifically applicable to the Company based on the information received and records maintained by the Company including Sexual Harassment of Women at Workplace (Prevention and Prohibition and Redressal) Act, 2013 on test check basis.

- i) Cement Control Order, 1967.
- ii) Legal Metrology Act, 2009.
- iii) Mines Act, 1952.
- iv) Boilers Act, 1993.
- v) Explosives Act, 1884, Explosive Substances Act, 1908 read with Explosive Rules, 2008.
- vi) Bureau of Indian Standards (BIS) Act, 2016.
- vii) Other allied applicable Industry-specific Laws, Rules & Regulations thereof

General Law-

1. Factory/Environmental Laws, importantly -

- a. Factories Act, 1948.
- b. Environment Protection Act, 1986.
- c. Water (Prevention and Control of Pollution) Act, 1974.
- d. Air (Prevention and Control of Pollution) Act, 1981.
- e. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.
- f. Electricity Act, 2003.
- g. Other allied applicable Factory Laws, Rules & Regulations thereof.

2. Labour Laws, importantly -

- a. Employees State Insurance Act, 1948.
- b. Employees Provident Funds and Miscellaneous Provisions Act, 1952.
- c. Payment of Wages Act, 1936.
- d. Payment of Gratuity Act, 1972.
- e. Industrial Disputes Act, 1947.
- f. Employees Compensation Act, 1923.
- g. Contract Labour (Regulation and Abolition) Act, 1970.
- i. Other allied applicable Labour Laws, Rules & Regulations thereof.



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Company Secretaries

Apart from above, we have also examined compliance with the applicable Secretarial Standards with regard to meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);

Accordingly, we state that during the period under review there were adequate systems and processes in place to monitor and ensure compliance with various applicable laws and that the company has complied with the provision of the Acts, Rules, Regulations, Guidelines and Standards etc, mentioned above.

We have not examined compliance by the company with respect to applicable financial laws, like direct and indirect tax laws, maintenance of financial records, etc., since the same have been subject to review by statutory (financial) auditors, tax auditors and other designated professionals.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors, including a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors & members of Corporate Social Responsibility Committee to schedule the Board & Committee Meetings; agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the Board & CSR Committee Meetings duly recorded and signed by the Chairman, the decisions at all the Meetings were taken unanimously.

During the year under review, there was no amendment/modification of the Memorandum and Articles of Association of the Company and the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.

We further report that based on the information provided and representations made by the Company, there were adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, there were no instances during the year under review with respect to the following events:

- Public/ Rights/ Preferential issue of shares/ Debentures/ Sweat equity.
- Merger/ Amalgamation/ Reconstruction.
- Foreign Technical Collaborations.
- Major decision by Members in pursuance of Section 180 of Act.

During the year under review, the following instances have occurred;

- i) The Board of Directors of the Company at its meeting held on 31st July, 2024, had approved investment in Gulbarga Cement Limited up to INR 80 million.
- ii) The Company compounded an offence under FEMA relating to the delayed reporting of foreign inward remittance received towards share capital subscription and the delayed submission of Form FC-GPR pertaining to allotment of shares during years 2002 and 2003. The said non-



Rajesh Relan & Associates

Company Secretaries

compliance was compounded by Reserve Bank of India vide its order number - CA BGL887 dated June 20, 2024. The company has paid an amount of INR 2,86,000/- within the prescribed time.

We further report that; after closure of the financial year, the following instances have occurred;

- i) Ms. Reena Bagla has been appointed as Company Secretary w.e.f. 01st June, 2025 on account of resignation of Mr. Arjun Dutta w.e.f. 26th March, 2025;
- ii) Mr. Kishan Kumar Acharya has been appointed as Chief Financial Officer of the Company w.e.f 01st June, 2025 on account of resignation of Mr. Vimal Kumar Choudhary w.e.f. 31st May, 2025.
- iii) Ms. Poonam Sharma has been appointed as Additional Director on the Board of Directors of the Company w.e.f. 28th May, 2025 on account of resignation of Ms. Soek Peng Sim.

For **Rajesh Relan & Associates**
Company Secretaries
FRN-S2024DE996600

Rajesh Relan
Proprietor
FCS:6093
COP:27594
UDIN: F006093G000886852

Place: Delhi
Date: 29 July 2025



Rajesh Relan & Associates

Company Secretaries

ANNEXURE – A

To,
The Members,
Zuari Cement Limited
Krishna Nagar, Yerraguntla,
Andhra Pradesh - 516311

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained Representation Letter from the Management about the compliance of laws, rules and regulations and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. Our examination was limited to the verification of procedures on test basis; and
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by them or obtained from the Company electronically/physically and also the information provided by the company and its officers.

For **Rajesh Relan & Associates**
Company Secretaries

Rajesh Relan
Proprietor
FCS: 6093
COP: 27594
UDIN: F006093G000886852

Place: Delhi
Date: 29 July 2025

Annexure – B to the Board's Report

Particulars of Energy Conservation Technology Absorption and Research & Development as required under the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) The steps taken or impact on conservation of energy:

- Installation of VFDs for packer 1&2 Bag filter fans. Cost of installation is KINR 450.
- Installation of belt conveyor at Packer no. 2 radial discharge to avoid Vento sort conveyors. Cost of Installation is KINR 300
- Installation of Air slide in place of Screw conveyor in packer discharge for 2 packers. Cost of installation is KINR 50.
- Installation of DP transmitter for Mill Vent Bag House & WT BH purging operation in DP Mode. Cost of installation is KINR 50.
- Railway track lighting optimization. Energy saving of 22 unit/ day.
- Regrading of grinding media in Ball Mill.
- In house refurbishing of air conditioners.
- Preheater Fan operation changed to VFD from GRR which has resulted in saving of 180Kw/Hr.
- Services power has been reduced which has resulted in saving of 500 Kwh/Day
- TOD implemented regularly.
- Replaced identified faulty capacitors.
- Improved AFR Thermal substitute ratio to conserve energy from fossil fuel from 10.5% to 11.8%.
- Segregation on Mill Second chamber for improving the mill grinding efficiency as per scheduled plan was completed.
- Utilized wind energy from 86.9% instead of conventional energy during the year 2024-2025.
- Modified L#2 Cooler vent dust by providing bypass dust for cooler heat exchanger

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- Modified Line #1 Alternate Fuel feeding point in Calciner to increase AF consumption
- Installed Calibrator for Line #2 AF feeding BRU to increase the AF Consumption
- Modified all Line#2 Belt conveyor discharge chutes and double flaps to increase AF consumption

- (iii) The capital investment on energy conservation equipments.
- Roof top rainwater harvesting – 1000 KINR
 - Wagon tippler HMI upgradation – 1000 KINR
 - Diverting of Bag House fines to Silo feed – 5100 KINR
 - Road sweeping machine – 2000 KINR
 - Sewage treatment plant 20 KLD
 - WHR project started: 9.0 MW/Hr.
 - Cooler Upgradation: saving 10 Kcal/Kgcl.
 - Resulted in reduction of year 2024's Auxiliary power consumption by 3000 kWh compared to year 2023.

B. TECHNOLOGY ABSORPTION:

- (i) Efforts made towards technology absorption –
- Installed VFD for Preheater Fan.
 - Installation of 2KVAR LT capacitor bank to maintain plant non-operating hours power factor.
 - Installed Vibrating Screen for Bulk loading system.
 - Optimized Grinding aid dosage in PPC Grinding.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution –
- Incentive amount received from KSEB every month.
 - Modification of Bag Cleaning device for reduce dust environment in packing plant
 - Shifting of Wagon Tippler Manifold assembly to reduce demurrage charge and shunting time
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **Nil**
- (iv) The expenditure incurred on Research and Development - **Nil**.

Annexure - C to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company on recommendation of the CSR Committee approved a CSR Policy. Brief outline of the said Policy is given below: • The overall objective of the CSR Policy of the Company is to promote sustainable development of the local communities with set targets and timeframes. The Policy focuses on mitigating the adversities faced by the communities and guiding them towards helping themselves. • The Company takes up CSR activities in key sectors including but not limited to, healthcare, education, rural development and skill development, giving maximum freedom to the local communities and employees to evolve meaningful initiatives. • The Company believes that supporting the development efforts of local community, addresses the felt needs of the community and in return leads to greater ownership and involvement in maintaining the assets created. • CSR initiatives are implemented through the Company's own employees. However, if required, the Company may also deploy appropriate agencies based on their proven credentials in the area of rural development to supplement its efforts. • The CSR projects are implemented through Committees comprising local Company Officials at all Plants. The Committees are chaired by the Plant Heads and have key officials representing Human Resources, Welfare and Administration Functions at the local level as members. • Proposals sent by the Implementation Committees are vetted by a Committee at the Corporate Office together with the financial allocation and thereafter the same are placed before the CSR Committee and the Board of Directors for consideration and approval. The Policy is placed on the Company's website and the web link to access the same is: http://www.zuaricements.com/images/ZCL_CSR_Policy.pdf
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2.	The Composition of the CSR Committee as on 31 March 2025:				
	SN	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during FY25	Number of meetings of CSR Committee attended during FY25
	1	Mr. Joydeep Mukherjee	Chairman	2	2
	2	Ms. Soek Peng Sim	Member	2	1
	3	Mr. Vimal Kumar Jain	Member	2	2
3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.		The web-link to access composition of CSR Committee, CSR Policy and CSR projects are approved by the Board are as under: Composition of CSR Committee: http://www.zuaricements.com/index.php/our-company CSR Policy: http://www.zuaricements.com/images/ZCL_CSR_Policy.pdf CSR Projects: http://www.zuaricements.com/index.php/our-company		
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.		Not Applicable		
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.		INR 73.14 lakhs		
6.	Average net profit of the Company as per section 135(5) i.e, for last three financial years (FY2022, FY2023 and FY2024).		Nil		
7.	(a) Two percent of average net profit of the Company as per section 135(5). (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. (c) Amount required to be set off for the financial year, if any. (d) Total CSR obligation for the financial year (7a+7b-7c).		Nil Not Applicable - Nil		

8.	(a) CSR amount spent or unspent for the financial year:										
	Total Amount Spent for the Financial Year (In INR Lakh)		Amount Unspent (Rs. In Lakhs)								
			Total Amount transferred to Unspent CSR Account as per section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)					
			Amount	Date of Transfer		Name of Fund		Amount	Date of Transfer		
	157.8		N.A		N.A		N.A		N.A	N.A	

(b) Details of CSR amount spent against ongoing projects during FY25: NIL												
SN	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the Project (In Lakhs)	Amount spent in the current financial Year (In Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District						Name	CSR Registration Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
N.A												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of project		Amount spent for the project (in INR Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
01.	Expenditure towards students in our Schools coming from nearby Villages.	II	Yes	Andhra Pradesh	Yerraguntla	59.4	Direct	-	-
02.	Scholarship to students and Distribution of educational kits	II	Yes	Maharashtra	Solapur	1.12	Direct	-	-
03.	Providing support to other Schools infrastructure such as Desks and Benches etc. and providing infrastructure support to Schools such as rehabilitation of Schools, construction of classrooms and boundary wall.	II	Yes	Telangana	Sitapuram	10.5	Direct	-	-
				Maharashtra	Solapur				
				Kerala	Cochin				

04.	Development of infrastructure for Anganwadi centres at nearby villages and Computer teacher.	II	Yes	Andhra Pradesh	Yerraguntla	3.4	Direct	-	-
				Tamil Nadu	Thiruvallur				
05.	Free Medicines Distribution through Health Centers and health facility improvement.	I	Yes	Andhra Pradesh	Yerraguntla	8.1	Direct	-	-
				Telangana	Sitapuram				
				Maharashtra	Solapur				
				Kerala	Cochin				
06.	Skill Development Trainings.	II	Yes	Maharashtra	Solapur	3.9	Direct	-	-
07.	Providing infrastructure like construction of Community Hall, Water Tank, Roads, Public Toilet, etc.	X	Yes	Andhra Pradesh	Yerraguntla	49.3	Direct	-	-
				Telangana	Sitapuram				
				Maharashtra	Solapur				
				Tamil Nadu	Thiruvallur				
08.	Providing drinking water facilities.	X	Yes	Andhra Pradesh	Yerraguntla	22.1	Direct	-	-
				Telangana	Sitapuram				
				Maharashtra	Solapur				
				Total		157.8			

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	157.8 Lakhs

(g) Excess amount for set off, if any:

Sl. No,	Particulars	Amount (In Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	Nil
(ii)	Total Amount spent for the Financial Year	157.8
(iii)	Excess amount spent for the financial year [(ii)-(i)]	157.8
(iv)	Surplus arising out of the CSR projects or Programmes or Activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	157.8*

*In addition to the excess spending of INR 157.8 lakhs, the Company has also carried forward amount of excess spending of INR 4.43 lakhs in respect of FY23 and Rs.48.0 lakhs in respect of FY 24. Thus, the aggregate amount available for set off during FY26 is INR 210.2 lakhs.

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135(6) (In Lakhs)	Amount spent in the reporting Financial Year (In Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), in any			Amount remaining to be spent in succeeding financial years (In Lakhs)
				Name of the Fund	Amount	Date of transfer	
N.A							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects preceding financial year(s): Nil

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Lakhs)	Amount spent on the project in the reporting financial Year (In Lakhs)	Cumulative amount spent at the end of reporting Financial Year (In Lakhs)	Status of the project - Completed/ Ongoing
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
N.A								

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (Asset-wise details): (a) Date of creation or acquisition of the capital asset(s). (b) Amount of CSR spent for creation or acquisition of capital asset. (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Nil Not Applicable
11	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

Place: Gurugram
Date: 29 July 2025

Joydeep Mukherjee
Managing Director & Chairman - CSR Committee

ANNEXURE 'D' TO DIRECTORS' REPORT

Information pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation / nature of duties	Qualification	Age/ years	Experience (No. of years)	Date of commencement of employment	Remuneration received Rs.	Name of last employer, post held and period
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(A) EMPLOYED THROUGHOUT THE YEAR								
01.	Joydeep Mukherjee	Managing Director	Master's degree in International Business & Marketing, Bachelor's Degree (Honors) and Top Mgmt. Level Executive Education Programs in IMB Lausanne, CH & ISB Hyderabad.	58	35	01/11/2022	3,78,98,800/-	RR Kabel Limited, Mumbai Chief Operating Officer 3 Years
02.	V.V.L. Narasimha Rao	President (Sales & Marketing)	MBA - Marketing PGPMAX	59	37	18/03/2010	1,54,09,143/-	Andhra Cements Senior General Manager 7 Months
03.	Vimal Kumar Choudhary	Chief Financial Officer & Head-Logistics	Chartered Accountant	52	29	01/12/2018	1,57,93,993/-	HeidelbergCement India Ltd. VP - Commercial 8 Years
04.	G. Gopala Krishna Murthy	Head Works (YGL)	B.Tech. (Mech), PGDMM	60	38	16/03/2015	96,90,948/-	Bharathi Cement Corporation Limited Sr. General Manager 6.9 Years
05.	P. Jagatheesan	Head - Safety (HC India)	B.Tech. - Civil & M.Tech. - (Industrial Safety)	57	29	19/02/2014	1,06,49,817/-	Dalmia Cement DGM & Corporate Head (Safety) 1 Year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
06.	Trivikram Dasu	Head - Legal (HC India)	B.Com., LLB, ACS	60	40	06/07/2015	84,89,397/-	Mythra Energy India Limited Asst. Vice President 3 Years
07.	Ganta Nag Bhushan Rao	Head Works (SPM)	M.Sc., eMBA	57	37	01/03/2021	92,50,650/-	HeidelbergCement India Ltd. Unit Head-Jhansi 3.9 Years
08.	K.V. Subrahmanyam Sarma	Sr. General Manager - Mines	BE (Mines), MBA (HR)	58	34	14/03/2012	70,20,850/-	Parasakthi Cement Industries Ltd. General Manager-Mines 7 Years
09.	R.K. Nagesh	Sr. General Manager - Technical Support	B.Tech.	54	29	10/05/2004	71,84,807/-	Gujarat Ambuja Cement Ltd. Asst. Manager 9 Years
10.	P Sarath Kumar	Regional Manager (AP, TEL & ODI)	B.Sc., MBA	52	28	31/05/2012	66,93,088/-	India Cements Ltd. Regional Sales Manager 2.8 Years
(B) EMPLOYED PART OF THE YEAR								
11.								
12.								

- Notes:**
1. Remuneration has been calculated in accordance with the applicable provisions of the Companies Act, 2013.
 2. None of the employees is a relative of any Director of the Company.
 3. None of the employees stated above, hold more than two percent of the equity shares either by himself or along with his spouse and dependent children.

**Independent Auditor's Report
To the Members of Zuari Cement Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Zuari Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our Auditor's Report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 33 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year and has not proposed final dividend during the year.

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN: 25077974BMOBLV7289

Place: Gurugram

Date: 29 July 2025

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Zuari Cement Limited** on the standalone financial statements as of and for the year ended 31 March 2025)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which these assets are verified in a phased manner to cover all assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except for the immovable properties in earlier years as mentioned in Note 3 of the standalone financial statements for which registration of title deeds is in progress.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management and in respect of goods-in-transit, the goods have been received subsequent to year end. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

- (iii) (a) According to the information and explanations given to us, the Company has granted loans to companies, firms, Limited Liability Partnerships (LLPs) or any other parties, the details of which are as follows. The Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties.

Particulars	Loans (Rs. in lakhs)
Aggregate amount granted/provided during the year	
- Subsidiary	500.00
- Joint Ventures	-
- Associates	-
- Others	-
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiary	15,076.77
- Joint Ventures	-
- Associates	-
- Others	-

(b) In our opinion and according to the information and explanations given to us the investments made, and the terms and conditions of grant of all loans are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in our opinion the repayment of the principal amount and the receipts of interest are regular as per stipulations.

(d) There is no overdue amount in respect of loan granted to such companies, firms, LLPs or any other parties.

(e) According to the information and explanations given to us, there are no loans or advances in the nature of loans granted which has fallen due during the year. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 of the Act. In our opinion, the Company has complied with the provisions of Sections 186 of the Act in respect of loans and investments. Further, the Company has not provided any guarantees and securities.

(v) The Company has not accepted any deposits and in our opinion, the Company is not holding any amounts which are deemed to be deposits during the year. Further, the Company had no unclaimed deposits at the beginning of the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable to the Company, with the appropriate authorities during the year. There were no undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they become payable. We have been informed that the operations of the Company during the year did not give rise to any liability for service tax, sales tax, value added tax and duty of excise.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of statute	Nature of dues	Amount (INR lakhs)*	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Cenvat credit	26.07	April 2011- March 2015	Tribunal
	Sales tax	124.44	2012-13	Tribunal
Andhra Pradesh Value Added Tax Act, 2005	Entry tax	7.21	2015-17	Appellate Authorities
	Entry tax	58.73	2012-2017	Tribunal
	Entry tax	178.33	2009-2011	Hon'ble High Court, Andhra Pradesh
	Sales tax	2.37	2016-2017	Appellate Authorities
	Sales tax	7.92	2014-15	Tribunal
Central Excise Act, 1944	Cenvat credit	14.13	2007-08	Appellate Authorities
	Cenvat credit	608.62	2015-2017	Tribunal
	Cenvat credit	3,468.44	January 2005 to June 2018	Tribunal
	Excise duty	12.42	September 2016 to June 2017	Appellate Authorities
	Excise duty	569.23	2005-08 and January 2012 to March 2015	Tribunal
	Central sales tax	3,061.79	2002-2005	Tribunal

Name of statute	Nature of dues	Amount (INR lakhs)*	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central sales tax	1,275.07	1997-1999	Hon'ble High Court, Andhra Pradesh
	Central sales tax	150.10	1994-95	Hon'ble High Court, Telangana
Odisha Entry Tax, 1999	Entry tax	28.98	2005-06, 2011-2013	Tribunal
Odisha Sales Tax act, 1947	Sales tax	1.43	1991-92 and 2004-05	Tribunal
	Sales tax	16.73	1992-93	Hon'ble High Court, Odisha
Tamil Nadu General Sales Tax act, 1959	Sales tax	1.55	July 2012 to June 2013	Appellate Authorities
	Sales tax	26.44	2011-12	Tribunal
The Customs Act, 1962	Customs duty	1,631.30	January 2012 to December 2012	Hon'ble Supreme Court
	Customs duty	616.04	February 2012 to February 2013	Tribunal
The Finance Act, 1994	Service tax	981.59	2011 to 2016	Tribunal
The Income Tax Act, 1961	Income tax	2,479.63	2009-10 and 2013-14	Appellate Authorities
	Income tax	51.24	2017-18	Tribunal
		3,723.87	2015-16 and 2016-17	Assessing Officer
		5,093.28	2008-09, 2010-11 and 2012-13	Hon'ble High Court Andhra Pradesh

*Net off of amount paid under protest

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loan availed by the Company were applied during the year for the purposes for which they were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to INR 56,707.42 lakhs for long-term purposes.
- (e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Further, the Company does not have any associates or joint ventures.
- (f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiary. Further, the Company does not have any associates or joint ventures.
- (x) (a) The Company had not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards. Since, the Company is unlisted public company and is a wholly-owned subsidiary, therefore, the provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, hence provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
- (b) The Company has not conducted any non-banking financial or housing finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) The Group does not have any CIC as part of the Group.
- (xvii) The Company has incurred cash losses amounting to INR 2,782.81 lakhs in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, provisions of Section 135 of the Companies Act, 2013 are applicable to the Company. However, the average net profits of the Company as per Section 198 of the Act is negative. Hence, the Company was not required to spend any amount on Corporate Social Responsibility Activities during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena
Partner
Membership No.: 077974
UDIN: 25077974BMOBLV7289

Place: Gurugram
Date: 29 July 2025

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Zuari Cement Limited** on the standalone financial statements as of and for the year ended 31 March 2025)

Independent Auditor's report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Zuari Cement Limited** ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.:000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN: 25077974BMOBLV7289

Place: Gurugram

Date: 29 July 2025

Zuari Cement Limited
Standalone Balance sheet as at March 31, 2025
(Presented in INR Lakhs except share data and EPS)

Particulars	Note no.	As at	As at
		March 31, 2025	March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	150,529.98	165,168.36
Capital work-in-progress	3	8,350.08	4,893.60
Right-of-use-asset	44	4,442.35	4,949.28
Intangible assets	4	123.58	158.94
Investment in subsidiaries	5	11,399.93	10,541.93
Financial assets			
Investments	5	23.62	23.62
Loans	6	15,076.77	15,492.50
Other financial assets	7	12,972.77	12,289.40
Other non-current assets	8	10,403.18	13,753.55
		213,322.26	227,271.18
Current assets			
Inventories	9	25,383.18	30,252.23
Financial assets			
Trade receivables	10	12,682.47	11,833.27
Cash and cash equivalents	11	2,921.07	1,825.84
Other financial assets	7	588.67	664.28
Other current assets	8	5,652.57	12,538.42
		47,227.96	57,114.04
Total assets		260,550.22	284,385.22
Equity and liabilities			
Equity			
Equity share capital	12	27,496.14	27,496.14
Other equity	13	106,978.41	120,044.27
		134,474.55	147,540.41
Non-current liabilities			
Financial liabilities			
Borrowings	14	4,350.27	3,104.51
Lease liabilities	44	1,381.98	1,474.80
Other financial liabilities	15	226.38	100.09
Provisions	16	9,725.33	9,172.00
Deferred tax liabilities (net)	17	3,751.92	11,443.16
Other non-current liabilities	18	454.13	487.15
		19,890.01	25,781.71
Current liabilities			
Financial liabilities			
Borrowings	14	48,450.27	41,995.25
Lease liabilities	44	309.79	535.92
Trade payables	19		
-Total outstanding dues of micro enterprises and small enterprises		626.77	333.05
-Total outstanding dues of creditors other than micro enterprises and small enterprises		37,125.52	45,155.09
Other financial liabilities	20	14,724.15	15,806.19
Provisions	16	488.57	481.14
Other current liabilities	21	4,460.59	6,756.46
		106,185.66	111,063.10
Total liabilities		126,075.67	136,844.81
Total equity and liabilities		260,550.22	284,385.22

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Standalone Statement of profit and loss for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	22	197,103.37	239,100.04
Other income	23	2,668.18	2,134.49
Total Income (I)		199,771.55	241,234.53
Expenses			
Cost of material consumed	24	38,171.80	38,078.73
(Increase)/decrease in inventories of finished goods, work-in-progress	25	(1,198.82)	425.48
Employee benefits expense	26	9,785.94	9,777.18
Finance costs	27	4,673.27	4,159.58
Depreciation and amortisation expense	28	18,939.72	23,538.66
Other expenses	29	151,122.17	174,814.31
Total Expense (II)		221,494.08	250,793.94
Loss before tax (I) - (II)		(21,722.53)	(9,559.41)
Tax expense			
Current tax		-	-
Income tax expense/(income) relating to earlier years		(1,044.34)	(2,036.40)
Deferred tax charge/(credit)		(7,696.90)	(2,511.64)
Total tax expense	17	(8,741.24)	(4,548.04)
Loss for the year (III)		(12,981.29)	(5,011.37)
Other comprehensive income (OCI)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain/(losses) of net defined benefit plans		(129.99)	33.86
Income tax effect		45.42	(11.83)
Other comprehensive income/(losses) for the year, net of tax (IV)		(84.57)	22.03
Total comprehensive income/(losses) for the year, net of tax (III) + (IV)		(13,065.86)	(4,989.34)
Loss per share [nominal value of share INR 10 (March 31, 2024: INR 10)]	30		
Basic		(4.72)	(1.82)
Diluted		(4.72)	(1.82)
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Standalone Statement of changes in equity for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	Number	Amount
At April 1, 2023	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2024	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2025	274,961,400	27,496.14

b. Other equity:

For the year ended March 31, 2025

Particulars	Attributable to the equity holders			
	Securities premium account	Retained earnings	Items of OCI	Total
At April 1, 2024	37,201.93	82,840.39	1.95	120,044.27
Loss for the year	-	(12,981.29)	-	(12,981.29)
Other comprehensive income (refer note 13)	-	-	(84.57)	(84.57)
At March 31, 2025	37,201.93	69,859.10	(82.62)	106,978.41

For the year ended March 31, 2024

Particulars	Attributable to the equity holders			
	Securities premium account	Retained earnings	Items of OCI	Total
At April 1, 2023	37,201.93	87,851.76	(20.08)	125,033.61
Loss for the year	-	(5,011.37)	-	(5,011.37)
Other comprehensive income (refer note 13)	-	-	22.03	22.03
At March 31, 2024	37,201.93	82,840.39	1.95	120,044.27

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Standalone Statement of Cash flows for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities		
Loss before tax	(21,722.53)	(9,559.41)
Adjustment to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	18,939.72	23,538.66
Interest income	(2,092.04)	(1,532.47)
Interest expense	4,716.92	4,096.39
Loss/(profit) on sale of property, plant and equipment net	20.43	(146.70)
Provision for bad and doubtful debts, net	4.16	-
Sundry balances written off	32.21	-
Unrealised foreign exchange differences (gain)/loss	(49.83)	132.43
Provision no longer required written back	(450.19)	(235.80)
Operating profit/(loss) before working capital changes	(601.15)	16,293.10
Movements in working capital:		
Increase / (decrease) in trade payables	(7,109.54)	3,285.15
Increase / (decrease) in long-term provisions	423.34	774.41
Increase / (decrease) in short-term provisions	7.43	(48.99)
Increase / (decrease) in other long-term liabilities	(33.02)	(33.03)
Increase / (decrease) in other financial liabilities	(1,654.42)	(432.32)
Increase / (decrease) in other short term liabilities	(2,295.87)	(244.42)
Decrease / (increase) in trade receivables	(853.36)	(3,652.79)
Decrease / (increase) in inventories	4,869.05	(3,994.65)
Decrease / (increase) in long-term loans	980.84	(1,100.00)
Decrease / (increase) in other financial assets	(577.55)	(3,049.47)
Decrease / (increase) in other non-current assets	3,038.37	(406.15)
Decrease / (increase) in other current assets	6,853.64	(2,991.16)
Cash generated from operations	3,047.76	4,399.68
Income taxes paid (net of refunds)	3,027.27	1,994.52
Net cash flow from operating activities (A)	6,075.03	6,394.20
Cash flows from investing activities		
Purchase of Property, plant and equipment including capital work-in-progress and capital advances	(7,426.37)	(6,632.36)
Proceeds from sale of Property, plant and equipment	-	340.93
Purchase of Investment	(858.00)	-
Interest received	888.10	286.24
Net cash flow used in investing activities (B)	(7,396.27)	(6,005.19)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,000.00	-
Repayment of long-term borrowings	-	(16,286.67)
Proceeds from short-term borrowings (net)	4,204.74	18,035.59
Payment of principal portion of lease liabilities (refer note 44)	(729.71)	(982.23)
Interest paid	(4,058.56)	(3,339.39)
Net cash flow from/(used in) financing activities (C)	2,416.47	(2,572.70)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,095.23	(2,183.69)
Cash and cash equivalents at the beginning of the year	1,825.84	4,009.53
Cash and cash equivalents at the end of the year	2,921.07	1,825.84

Zuari Cement Limited
Standalone Statement of Cash flows for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Components of cash and cash equivalents		
Cheque on hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	1,279.69	217.02
Total cash and cash equivalents (refer note 11)	2,921.07	1,825.84

Explanatory notes to statement of cash flows

1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.

2. Changes in liabilities arising from financing activities:

	Liability arising from financing activities	
	Lease liabilities (refer note 44)	Non-current Borrowing (including current maturities)
As at 1 April 2024	2,010.72	45,099.76
Additions	266.89	7,204.74
Deletion for the year	-	-
Accretion of interest	143.87	496.04
Payments	(729.71)	-
At 31 March 2025	1,691.77	52,800.54
As at 1 April 2023	2,323.58	42,785.16
Additions	486.15	18,035.59
Deletion for the year	-	-
Accretion of interest	183.22	565.68
Payments	(982.23)	(16,286.67)
At 31 March 2024	2,010.72	45,099.76

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of

Zuari Cement Limited

CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena

Partner

Membership No. 077974

Joydeep Mukherjee

Managing Director

DIN: 06648469

Vimal Kumar Jain

Director

DIN: 09561918

Place: Gurugram

Date: July 29, 2025

Kishan Kumar Acharya

Chief Financial Officer

Reena Bagla

Company Secretary

Zuari Cement Limited

Notes to standalone financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

1. Corporate Information

Zuari Cement Limited (hereinafter referred to as “ZCL” or “the Company”) is domiciled in India. The Company is engaged in the manufacturing of cement and trading of other construction materials. The Company was a joint venture between Zuari Global Limited (‘ZGL’) and Ciments Français S.A. (‘CF’, part of the Italcementi Group) up to May 31, 2006. Pursuant to CF’s acquisition of 50% stake held by ZGL, the Company became a wholly owned subsidiary of CF (‘the Holding Company’), effective May 31, 2006. The Ultimate Holding Company upto June 30, 2016 was Heidelberg Materials Italia Cementi S.P.A (erstwhile Italcementi S.p.A).

Heidelberg Materials AG (Erstwhile HeidelbergCement AG) has completed the acquisition of Italcementi S.p.A from Italmobiliare and become the ultimate holding Company w.e.f. July 1, 2016.

Ciments Français S.A which was 100% subsidiary of HM Italia cementi S.P.A, merged with HM Italia cementi S.P.A w.e.f. 30th November 2022.

The financial statements were authorised for issue in accordance with a resolution of the directors on 29 July 2025.

2. Material accounting policies

The material accounting policies applied by the Company in preparation of its financial statements are listed below:

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments), and
- defined benefit plans - plan assets measured at fair value

2.2 Summary of material accounting policies

a. Business combination of entities under common control

Business combinations involving entities that are controlled by the company or ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory, are accounted for using the pooling of interests method as follows:

- I. The assets and liabilities of the combining entities are reflected at their carrying amounts.
- II. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- III. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.

Zuari Cement Limited**Notes to standalone financial statements for the year ended March 31, 2025**

(Presented in INR Lakhs except share data and EPS)

-
- | | |
|-----|--|
| IV. | The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve. |
| V. | The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to goodwill in accordance with Ind AS Transition Facilitation Group (ITFG) clarification Bulletin 9. |

As provided in the Scheme, the assets and liabilities including reserves of Transferor Companies as on the Appointed Date were recorded by the Company at their existing carrying values and the amalgamation was accounted for in accordance with Indian Accounting Standard (Ind AS) 103, 'Business Combinations of entities under Common Control - Appendix C' under Pooling of Interest method for the year 2019 as notified under section 133 of the Companies Act, 2013 and as per ITFG-9.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Zuari Cement Limited**Notes to standalone financial statements for the year ended March 31, 2025**

(Presented in INR Lakhs except share data and EPS)

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

d. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Zuari Cement Limited**Notes to standalone financial statements for the year ended March 31, 2025**

(Presented in INR Lakhs except share data and EPS)

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Revenue Recognition

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from the sale of the Company's core products Cement is recognized when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations.

The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, being at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Contract Balances**Trade receivables**

A trade receivable is recognized when the products are delivered to a customer as this is the point in time that the consideration becomes unconditional because only a passage of time is required before the payment is due.

Contract assets, which is a company's right to consideration that is conditional on something other than the passage of time. Currently there are no contract assets.

Contract liabilities

Contract liabilities, which is a company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relate mainly to advance payments from customers which are disclosed in note no.21. Contract liabilities are recognized as revenue when the Company performs under the contract.

Rendering of services Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

f. Taxes*Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or

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substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

g. Property, plant and equipment ('PPE')

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

Asset category	Useful lives estimated by the management (years)
Buildings	10-60
Plant and machinery	3-25
Railway sidings	15
Furniture and fittings	10
Motor vehicles	8
Office equipment	3 – 25
Computer hardware	5 – 6

Further, the management has estimated the useful lives of asset individually costing INR 5,000 or less to be less than one year, which is lower than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the asset are likely to be used.

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves. Freehold non mining land is not depreciated.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Cost of assets not ready for their intended use at the balance sheet date are disclosed under capital work-in-progress.

h. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over useful lives, as mentioned below:-

Asset category	Useful lives estimated by the management (years)
Computer Software	5

i. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Government grants and subsidies

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants in the nature of Sale tax incentive are recognized in the Statement of Profit and Loss in the year in which they become receivable.

k. Inventories

Raw materials, packing materials, coal and fuel, stores and spares are valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, coal and fuel, stores and spares is determined on a weighted average basis and includes cost incurred in bringing the material to its present location and condition. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

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Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

I. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Category	Useful lives estimated by the management (years)
Land & Building	0-24
Furniture and Fixtures	1 -4
Motor vehicles and other equipment	2

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the

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commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (refer note 44).

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of the past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for mine reclamation expenses

The Company provides for the estimated expenses to reclaim the quarries used for mining. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year.

Site restoration expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.

o. Retirement and other employee benefits

Superannuation Fund (being administered by Trusts) and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the statement of profit and loss for the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral

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part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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- The rights to receive cash flows from the asset have expired, or
 - The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

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- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognized in other comprehensive income as the 'accumulated impairment amount'

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade other payables loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities

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designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 14.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. Deposits with initial maturity greater than 3 months are considered as cash and cash equivalents if the deposits can be converted to cash without significant penalty on principle.

r. Segment reporting

The Company is primarily engaged in the manufacturing of cement and hence entire operation represents a single primary segment. The company operates within India only and hence geographical segment is not applicable to the company.

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s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

t. Dividend Distributions

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders. A corresponding amount is recognized directly in equity.

u. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

3. Property, plant and equipment

	Freehold non-mining land**	Freehold mining land#	Buildings	Plant and machinery	Railway siding##	Furniture and fittings	Motor vehicles	Office equipment	Computer hardware	Total	Capital work in progress***
Cost or valuation											
At April 1, 2023	6,840.17	6,773.25	59,143.79	162,679.33	23,891.32	664.29	672.34	628.40	439.61	261,732.50	9,378.75
Additions	-	-	1,523.29	8,681.24	-	77.68	-	-	227.11	10,509.32	6,024.17
Disposals	-	(175.47)	-	(32.64)	-	-	-	-	-	(208.11)	(10,509.32)
At March 31, 2024	6,840.17	6,597.78	60,667.08	171,327.93	23,891.32	741.97	672.34	628.40	666.72	272,033.71	4,893.60
Additions	-	-	13.16	3,594.71	-	-	60.30	9.83	-	3,678.00	7,134.48
Disposals	-	-	(6.06)	(58.20)	-	(0.25)	(9.36)	-	(12.54)	(86.41)	(3,678.00)
At March 31, 2025	6,840.17	6,597.78	60,674.18	174,864.44	23,891.32	741.72	723.28	638.23	654.18	275,625.30	8,350.08
Depreciation and Impairment											
At April 1, 2023	-	315.33	16,919.00	55,592.03	11,994.67	537.70	338.86	402.35	411.43	86,511.37	-
Charge for the year	-	20.98	2,217.35	8,459.72	1,727.41	21.94	33.53	83.57	0.02	12,564.52	-
Impairment during the year@	-	-	1,634.14	6,169.19	-	-	-	-	-	7,803.33	-
Disposals	-	-	-	(13.87)	-	-	-	-	-	(13.87)	-
At March 31, 2024	-	336.31	20,770.49	70,207.07	13,722.08	559.64	372.39	485.92	411.45	106,865.35	-
Charge for the year	-	20.98	2,130.95	8,322.71	1,727.41	20.64	29.92	103.94	0.02	12,356.57	-
Impairment during the year@	-	-	3,253.99	2,673.92	-	11.47	-	-	-	5,939.38	-
Disposals	-	-	(2.19)	(43.53)	-	(0.23)	(8.84)	-	(11.19)	(65.98)	-
At March 31, 2025	-	357.29	26,153.24	81,160.17	15,449.49	591.52	393.47	589.86	400.28	125,095.32	-
Net Block											
At March 31, 2024	6,840.17	6,261.47	39,896.59	101,120.86	10,169.24	182.33	299.95	142.48	255.27	165,168.36	4,893.60
At March 31, 2025	6,840.17	6,240.49	34,520.94	93,704.27	8,441.83	150.20	329.81	48.37	253.90	150,529.98	8,350.08

** Awarded land admeasuring Acres 1284.31 situated in Yerraguntla Mandal includes value of INR 516.21 lakhs (March 31, 2024: INR 516.21 lakhs) forming part of conveyance deed dated 23 March 1998 that was presented to the jurisdictional Registering Authority for registration. The registering authorities have kept the conveyance deed pending for want of payment of the additional stamp duty levied by them. Since then the matter was under litigation. The additional stamp duty was paid by the Company and the document was registered vide Registration No. 7927/2021 by District Registrar, Kadapa covering Acres 1278.75 and leaving aside Acres 5.56 vide refusal order No.1/2021, dated 20 Oct 2021.This order was appealed before District Registrar, Kadapa, being the Appellate Authority. The appeal is pending before the Appellate Authority.

Pursuant to the scheme of arrangement between Zuari Industries Limited and the Company (ZCL), sanctioned by the Honorable High Court of Bombay having bench at Panaji, Goa, on January 12, 2001, the cement undertaking of Zuari Industries Limited stood vested in the Company with effect from April 1, 2000.

Cost of mineral reserve embedded in the cost of freehold mining land has been depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of mineral reserve.

The Company has leased out railway sidings under non-cancellable lease. Refer note 33(b).

*** Capital work-in-progress includes amount paid for the purchase of land at Chennai of INR 671.43 lakhs (March 31, 2024: INR 671.43 lakhs). The application for land swapping was submitted on 29/11/2019 as per the Government order vide no. 5349/LD3(1)/2011-27 dated 04/01/2018 which states that the value of the land proposed to be swapped with leaseland should be of equivalent market value. Accordingly, the land was identified, registered in the name of Company and the land swapping proposal was submitted to the Government of Tamil Nādu (GoTN). Meanwhile, GoTN changed the regulations for land swapping and the land swapping application was sent to Tahsildar, Ponneri. While sending the recommendation to the land swapping, the revenue authorities have stipulated to (i) pay differential value of land (ii) payment of lease rent arrears and (iii) obtaining the NOC from the Athipattu village Panchayath. While, the Company has paid the lease rent arrears, represented that NOC is not required as per the new regulations. The matter is now in the office of District Collector, Thiruvallur for necessary action at his end.

@ During the year ended March 31, 2025, an impairment loss of INR 5,939.38 lakhs represented the write-down value of property, plant and equipment in Cochin port terminal ('CPT') was recognised in the statement of profit and loss as plant is not performing as expected and leading to lower than anticipated cash flows while during the previous year ended March 31, 2024, an impairment loss of INR 7,803.33 lakhs represented the write-down value of certain property, plant and equipment of Sitapuram Power Limited was recognised in the statement of profit and loss to the recoverable amount as a result of technological obsolescence and higher cost of generating electricity. The recoverable amount of INR 899.05 lakhs as at 31 March 2024 was based on fair value less cost of disposal.

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

4. Intangible assets

	Goodwill*	Computer software	Total	Capital work in progress
Cost or valuation				
At April 1, 2023	2,300.00	625.44	2,925.44	-
Additions	-	74.20	74.20	74.20
Disposals	-	-	-	(74.20)
At March 31, 2024	2,300.00	699.64	2,999.64	-
Additions	-	1.60	1.60	1.60
Disposals	-	(3.23)	(3.23)	(1.60)
At March 31, 2025	2,300.00	698.01	2,998.01	-
Amortisation/ Impairment				
At April 1, 2023	-	511.36	511.36	-
Charge for the year	-	29.34	29.34	-
Impairment*	2,300.00	-	2,300.00	-
Disposals	-	-	-	-
At March 31, 2024	2,300.00	540.70	2,840.70	-
Charge for the year	-	36.96	36.96	-
Disposals	-	(3.23)	(3.23)	-
At March 31, 2025	2,300.00	574.43	2,874.43	-
Net Block				
At March 31, 2024	-	158.94	158.94	-
At March 31, 2025	-	123.58	123.58	-

*Consequent to the merger of Sitapuram Power Limited (SPL) with the Company in the earlier year, the assets, liabilities and reserves pertaining to SPL, as appearing in the consolidated financial statements of the Company, immediately before the merger, are recognized at their carrying values. Accordingly, goodwill amounting INR 2,300.00 lakhs appearing in the consolidated financial statement of the Company is recognized at its carrying value. Based on the impairment testing carried out during the previous year ended March 31, 2024 as the recoverable amount of the SPL doesn't exceeds its carrying amount including goodwill, therefore an impairment loss of INR 2300.00 lakhs was recognized against goodwill in the statement of profit and loss during the year ended March 31, 2024.

Capital work in progress ('CWIP') Ageing Schedule

Projects in progress	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2025	5,911.14	1,404.02	92.39	942.53	8,350.08
As at 31 March 2024	2,932.55	992.88	695.11	273.06	4,893.60

Project execution plans are modulated as per requirement on annual basis and all the projects are executed as per rolling annual plan.

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

5. Non-current investments

	March 31, 2025	March 31, 2024
Investments in Equity Instruments (fully paid)		
Subsidiaries		
Unquoted equity instruments		
A. 25,628,073 (March 31, 2024: 22,496,691) equity shares of INR 10/- each fully paid up in Gulbarga Cement Limited ("GCL").[refer note (i)]	11,399.93	10,541.93
	11,399.93	10,541.93
Others		
Unquoted equity instruments		
A. 22,460 (March 31, 2024: 22,460) equity shares of INR. 10/- each fully paid up of Vena Energy Power Resources Private Limited [refer note (ii)]	2.32	2.32
B. 64,182 (March 31, 2024: 64,182) equity shares of INR. 10/- each fully paid up of Echanda Urja Private Limited. [refer note (iii)]	6.42	6.42
	8.74	8.74
Unquoted preference shares		
A. 14,419 (March 31, 2024: 14,419) Cumulative Compulsorily Convertible Non-Participative Preference shares of INR. 100/- each fully paid up in Vena Energy Power Resources Private Limited [refer note (ii)]	14.88	14.88
	14.88	14.88
	23.62	23.62

(i). Investments in Gulbarga Cement Limited

The Company has subscribed 25,628,073 (March 31, 2024: 22,496,691) equity shares in Gulbarga Cement Limited (GCL) representing 21.45% holding for a total consideration of INR 11,399.93 lakhs (March 31, 2024: INR 10,541.93 lakhs). This also include INR 2,067.61 lakhs being the difference between the loan given and fair value of the loan on the date of transition to Ind AS accounted as investment in GCL (also refer note 6(i)).

(ii). Investments in Vena Energy Power Resources Private Limited (formerly known as Energon Power Resources Private Limited)

The Company had executed a Share Subscription and Shareholders Agreement (SSHA) dated June 2, 2014 with Energon Power Resources Private Limited ("EPRPL") and Energon Renewables Private Limited. Pursuant to the terms of SSHA, the Company has invested a sum of INR 2.32 lakhs to acquire 2.89% equity stake and INR 14.88 lakhs to acquire 2.89% cumulative compulsorily convertible non-participative preference shares in ERPL in the year 2014. This provide an entitlement of 6 MW dedicated wind energy capacity in EPRPL for the Company.

(iii). Investment in Echanda Urja Private Limited

The Company had executed a Shareholders Agreement (SHA) dated April 26, 2016 with Echanda Urja Private Limited ("EUPL") and NuPower Renewables Private Limited for the procurement of wind energy upto 10 MKWh. The Company made a further investment of INR 1.10 lakhs during the year ended March 31, 2018 and INR 1.92 lakhs during the year ended March 31, 2022 in EUPL for the supply of wind energy upto 18.4 MKWh.

6. Loans

	Non-current	
	March 31, 2025	March 31, 2024
Loan to related parties		
Unsecured, considered good		
Inter-corporate loan to Gulbarga Cement Limited*	15,076.77	15,492.50
	15,076.77	15,492.50

* For disclosure required under section 186(4) of the Companies Act 2013, refer note (i) below and note 32.

(i) The Company during earlier years had given long term loan of INR 6,848.69 lakhs to Gulbarga Cement Limited ('GCL') which carries an interest at SBI base rate plus 1% per annum. The loan is repayable in 12 quarterly instalments along with interest accrued after expiry of 10 years from the date of loan. To comply with requirements of Ind AS 109, the Company has disclosed the loan given at amortised cost. On the date of transition to Ind AS, the difference between the loan given and fair value of the loan amounting to INR 2,067.61 lakhs is accounted as investment in GCL.

Owing to delay in execution and commissioning of GCL project, repayment of the loan together with accrued interest was further extended for a period of three years falling due for repayment from September 2024. GCL during the year ended 31 March 2024 again made a representation to the Company seeking extension of time for repayment of the loan together with accrued interest for a further period of 3 years on the same terms and conditions as stipulated in the existing said agreements. The Company has accorded its consent for further extension of 3 years for the repayment of loan. The interest rate on outstanding loan amount amended from 50 bps over and above the 3-year G-Sec yield to 75 bps over and above the 3-year G-Sec yield with effect from 1 April 2023 and rate of interest will be reset on 1st day of April each year.

During the current year, the Company has received INR 980.84 lakhs (net) towards repayment of principal loan and accrued interest thereon. As on 31 March 2025, the fair value of loan is INR 15,076.77 lakhs (31 March 2024: INR 15,492.50) while actual aggregate loan amount receivable from GCL is INR 15,975.19 lakhs (31 March 2024: INR 16,297.08 lakhs) Comprising principal amount and accrued interest thereon.

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

7. Other financial assets

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest accrued on other deposits	-	-	207.36	177.15
Security deposit (unsecured, considered good)	3,831.66	3,452.95	381.31	452.33
GST Incentive receivables	9,141.11	8,836.45	-	-
Derivative assets	-	-	-	34.80
	12,972.77	12,289.40	588.67	664.28

8. Other assets

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Capital advances				
Unsecured, considered good	1,232.08	387.85	-	-
	1,232.08	387.85	-	-
Other- unsecured, considered good				
Advance income tax, net of provision for tax	930.14	2,586.96	-	-
Balance with government authorities	39.49	39.50	2,056.47	3,201.22
Amount paid under protest	7,794.90	10,213.86	-	-
Employee advances	-	-	26.59	29.11
Advance to suppliers				
- Considered good	-	-	1,335.82	7,179.03
- Doubtful	-	-	118.85	118.85
Prepaid expenses	406.57	525.38	2,231.54	2,126.91
Other receivables	30.00	30.00	2.15	2.15
	9,201.10	13,395.70	5,771.42	12,657.27
Less: Allowances for doubtful advance and receivables	(30.00)	(30.00)	(118.85)	(118.85)
	10,403.18	13,753.55	5,652.57	12,538.42

9. Inventories (valued at lower of cost and net realizable value)

	March 31, 2025	March 31, 2024
Raw materials (includes in transit INR 31.23 lakhs) (March 31, 2024: INR 145.70 lakhs)	2,403.15	2,333.21
Work-in-progress	6,960.23	5,134.40
Finished goods	2,356.31	2,983.32
Consumable stores and spares (includes in transit INR 7.44 lakhs) (March 31, 2024: INR 54.83 lakhs)	13,663.49	19,801.30
	25,383.18	30,252.23

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Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

10. Trade receivables	March 31, 2025	March 31, 2024
Trade receivables	12,661.98	11,799.51
Receivables from other related parties*	20.49	33.76
	12,682.47	11,833.27
Break-up for trade receivable:		
Secured, considered good	5,219.73	3,385.71
Unsecured, considered good	7,462.74	8,447.56
Trade receivables - credit impaired	548.25	544.09
	13,230.72	12,377.36
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(548.25)	(544.09)
	12,682.47	11,833.27

Trade receivables ageing schedule

As at 31 March 2025

	Outstanding for following periods from due date of payment					
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables – considered good	10,494.60	1,930.51	257.36	-	-	-
Disputed Trade receivables – credit impaired	-	-	8.97	74.26	15.92	449.10
	10,494.60	1,930.51	266.33	74.26	15.92	449.10
						13,230.72

As at 31 March 2024

	Outstanding for following periods from due date of payment					
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables – considered good	8,801.80	2,864.89	47.00	119.58	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	105.88	438.21
	8,801.80	2,864.89	47.00	119.58	105.88	438.21
						12,377.36

*Include dues from companies where directors are interested (refer note 32).

11. Cash and cash equivalents

	Current	
	March 31, 2025	March 31, 2024
Cash and cash equivalents:		
Cheque in hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	1,279.69	217.02
	2,921.07	1,825.84

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits made for varying periods of upto 3 months, depending on the immediate cash requirement of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	Current	
	March 31, 2025	March 31, 2024
Cash and cash equivalents:		
Cheque in hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	1,279.69	217.02
	2,921.07	1,825.84

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Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

12. Share Capital	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Authorized share capital				
At April 1, 2023	348,000,000	34,800.00	140,000,000	14,000.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2024	348,000,000	34,800.00	140,000,000	14,000.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2025	348,000,000	34,800.00	140,000,000	14,000.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully	Number	Amount
At April 1, 2023	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2024	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2025	274,961,400	27,496.14

(a) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates is given below

Out of the equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

	March 31, 2025	March 31, 2024
Heidelberg Materials Italia Cementi S.P.A (formerly Italcementi S.P.A) ,the Holding Company	266,461,350	266,461,350
Compagine Pour l'Investment Financier En Inde	8,500,000	8,500,000
Investcim S.A.S	10	10
Sax S.A.S	10	10
Cafipar S.A.S	10	10
Tercim S.A.S	10	10
Menaf S.A.S	10	10

(b) Details of shareholders holding more than 5% shares in the Company

Equity shares of INR 10/- each fully paid

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number	Amount	Number	Amount
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	96.91%

In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

The Company has not reserved any shares for issue under options and contracts/commitments for sale of shares/disinvestment.

c. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	-	96.91%
Total	266,461,350	96.91%	266,461,350	96.91%	-

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

Promoter name	As at 31 March 2024		As at 31 March 2023		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	-	96.91%
Total	266,461,350	96.91%	266,461,350	-	96.91%

Zuari Cement Limited**Notes to standalone financial statements for the year ended March 31, 2025****(Presented in INR Lakhs except share data and EPS)****13. Other equity**

	March 31, 2025	March 31, 2024
A) Retained earnings		
At the commencement of the year	82,840.39	87,851.76
Less: Loss for the year	(12,981.29)	(5,011.37)
Closing balance (A)	69,859.10	82,840.39
B) Remeasurement gain/ (losses) of net defined benefit plans, net of tax		
At the commencement of the year	1.95	(20.08)
Additions during the year	(84.57)	22.03
Closing balance (B)	(82.62)	1.95
Securities premium account	37,201.93	37,201.93
Closing balance (C)	37,201.93	37,201.93
Total (A+B+C)	106,978.41	120,044.27

Nature and purpose of reserves:**a) Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013. There is no movement in the security premium account during the year.

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14. Borrowings

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
(a) Indian rupee term loan from bank (unsecured) (refer note (i))	3,000.00	-	-	-
(b) Indian rupee short term loan from bank (unsecured) (refer note (ii))	-	-	46,200.00	36,800.00
(c) Other loans and advances				
Loan repayable on demand (from bank)				
-Bank overdraft (unsecured) (refer note (iii))	-	-	-	3,237.87
Deferred payment liability				
- Sales tax deferral loan (secured) (refer note (iv))	1,350.27	3,104.51	2,250.27	1,957.38
	<u>1,350.27</u>	<u>3,104.51</u>	<u>2,250.27</u>	<u>5,195.25</u>
The above amount includes				
Secured borrowings	1,350.27	3,104.51	2,250.27	1,957.38
Unsecured borrowings	3,000.00	-	46,200.00	40,037.87
	<u>4,350.27</u>	<u>3,104.51</u>	<u>48,450.27</u>	<u>41,995.25</u>

Details of repayment terms, interest and maturity

(i) The Company has availed unsecured term loan from bank for Waste Heat Recovery (WHR) project at Sitapuram plant repayable after 5 years at fixed interest rate of 5 year G-sec rate plus margin on the date of avalement of each loan.

(ii) The Company has availed unsecured short term loan from banks to meet working capital requirement at the interest rate in the range of 7.90% to 8.10% p.a.

(iii) The Company has availed unsecured overdraft facilities from Bank, repayable on demand to meet short term working capital requirement.

(iv) To promote the industries in backward area (i.e. at Yerraguntla, Andhra Pradesh), Government of Andhra Pradesh, announced an interest free sales tax loan facility. To avail the facility, the Company has entered into an agreement with the Government of Andhra Pradesh for deferring payment of sales tax collected during the period February 15, 1999, to February 14, 2013 (fourteen (14) years). The deferred amount will be repaid by the year ended March 31, 2027. The amount repayable within a period of one year from the reporting date, i.e. INR 2,250.27 lakhs (March 31, 2024: INR 1,957.38 lakhs) is included in current maturities of long-term borrowings. It is secured by way of movable and immovable properties of the Company.

As per Ind AS 109, Sales Tax Deferment loan results into an interest-free loan from the government. Accordingly, the Company has retrospectively measured the sales tax deferral loan as on transition date by arriving at the present value, which is the discounted amount of the loan computed using the market rate of interest for a similar loan for the period for which the entity is not required to deposit the sales tax amount with the government.

15. Other financial liabilities

	Non-current	
	March 31, 2025	March 31, 2024
Trade Payables	226.38	100.09
	<u>226.38</u>	<u>100.09</u>

16. Provisions

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for employee benefits				
Gratuity (refer note 34)	835.95	559.78	-	-
Compensated absences	-	-	488.57	481.14
	<u>835.95</u>	<u>559.78</u>	<u>488.57</u>	<u>481.14</u>
Others				
Provision for litigation (refer note 33(d))	7,798.00	7,520.84	-	-
Provision for site restoration expense (refer note 33(e))	1,091.38	1,091.38	-	-
	<u>8,889.38</u>	<u>8,612.22</u>	<u>-</u>	<u>-</u>
	<u>9,725.33</u>	<u>9,172.00</u>	<u>488.57</u>	<u>481.14</u>

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

17. Income tax & deferred tax liability

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

	March 31, 2025	March 31, 2024
Statement of Profit or loss :		
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	(1,044.34)	(2,036.40)
Deferred tax:		
Relating to origination and reversal of temporary differences	(7,696.90)	(2,511.64)
Income tax expense reported in the statement of profit or loss	(8,741.24)	(4,548.04)
Other comprehensive income:		
Deferred tax related to items recognised in OCI during the year:		
Net (gains)/losses on remeasurements of defined benefit plans	45.42	(11.83)
Income tax charged to OCI	45.42	(11.83)

	March 31, 2025	March 31, 2024
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for March 31, 2025 and March 31, 2024:		
Accounting profit/(loss) before income tax	(21,722.53)	(9,559.41)
Total tax charge computed on the basis of the applicable rates	(7,590.72)	(3,340.44)
Income tax expense/(income) relating to earlier years (refer note iii below)	(1,044.34)	(2,036.40)
Deductible expenses for tax purposes	(212.93)	(57.82)
Non-deductible expenses for tax purposes	7.33	812.41
Corporate social responsibility expenditure	99.42	74.21
At the effective income tax rate of 40.24% (March 31, 2024: 47.58%)	(8,741.24)	(4,548.04)
Income tax expense reported in the statement of profit and loss	(8,741.24)	(4,548.04)

(i) The Company is entitled to avail exemption under section 80IA of the Income Tax Act, 1961 from income tax on profits of business.

(ii) The Government of India on 20 September, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed the net deferred tax liability aggregating INR 4,543.00 lakhs till 31 March 2023.

(iii) During the year, the Company has received additional refund of INR 1,126.10 lakhs pertaining to FY 2008-09 and FY 2011-12 on ground of additional claim of depreciation on goodwill allowed as per OGE order passed by Assessing officer. However, this tax income was offset by INR 81.76 lakhs for certain amount of group expenditure (international transaction) disallowed as per terms and conditions agreed in Advance Pricing agreement ('APA') with Income tax department for the FY 2020-21. Also, during the previous year ended March 31, 2024 the Company has received additional refund of INR 2,036.40 lakhs pertaining to FY 2006-07 and 2007-08 on ground of additional claim of depreciation on goodwill allowed as per OGE order passed by Assessing officer.

Deferred tax liabilities (net)		
	March 31, 2025	March 31, 2024
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	14,201.43	17,170.25
Impact of expenditure allowed for tax purposes on payment basis but not charged to statement of profit & loss		
Gross deferred tax liability	14,201.43	17,170.25
Deferred tax asset		
Unused tax credits (MAT credit entitlement) - (refer note (i) below)	548.67	599.77
Unutilised carried forward loss	7,913.08	3,530.43
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	1,320.64	1,032.85
Provision for doubtful debts and advances	181.59	180.14
Provision for employee related liabilities	485.53	383.90
Gross deferred tax asset	10,449.52	5,727.09
Net deferred tax liability	3,751.92	11,443.16

(i) MAT credits are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow all or part of MAT credit to be utilised during this specified period, i.e. the period for which MAT credit is allowed to be carried forward.

The Company reviews MAT credit entitlement at each reporting date and in the current year the Company based on future profit and tax projections believes that sufficient taxable profits will be generated to utilize the full MAT credit.

18. Other non-current liabilities

	March 31, 2025	March 31, 2024
Income received in advance	454.13	487.15
	454.13	487.15

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
19. Trade payables

	March 31, 2025	March 31, 2024
Dues of micro enterprises and small enterprises (refer note 41)	626.77	333.05
Dues of creditors other than micro enterprises and small enterprises	37,125.52	45,155.09
	37,752.29	45,488.14
Trade Payables		
- To related parties (refer note 32)	8,194.98	14,397.03
- To others	29,557.31	31,091.11
	37,752.29	45,488.14

Trade payables Ageing Schedule
As at 31 March 2025

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	626.77	-	-	-	626.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	34,061.20	1,311.76	575.52	1,177.04	37,125.52
	34,687.97	1,311.76	575.52	1,177.04	37,752.29

As at 31 March 2024

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	333.05	-	-	-	333.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	37,485.60	3,640.57	1,347.82	2,681.10	45,155.09
	37,818.65	3,640.57	1,347.82	2,681.10	45,488.14

20. Other financial liabilities

	March 31, 2025	March 31, 2024
Interest accrued but not due on borrowings	26.55	8.10
Trade and other deposits	11,038.88	12,858.16
Payable against purchase of property, plant and equipment	2,730.69	2,176.76
Employee related liabilities	803.30	763.17
Derivative liability	124.73	-
	14,724.15	15,806.19

21. Other liabilities

	March 31, 2025	March 31, 2024
Contract liabilities		
Advance from customers	1,281.48	2,213.18
Income received in advance	33.03	33.03
Statutory liabilities	3,146.08	4,510.25
	4,460.59	6,756.46

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

22. Revenue from operations

	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products		
Cement	173,815.00	217,517.13
Clinker	20,719.04	17,461.01
	194,534.04	234,978.14
Sales of Services	181.20	45.33
Other operating revenue		
Scrap sales	468.66	363.72
Sale of electricity	420.75	-
Revenue from disposal of hazardous waste	93.48	119.52
Government grant- SGST incentive (refer note 35)	1,405.24	3,593.33
	2,388.13	4,076.57
	197,103.37	239,100.04

22.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contract with customers:

	For the year ended March 31, 2025	For the year ended March 31, 2024
India	196,922.17	239,054.71
Outside India	181.20	45.33
Total Revenue from contract with customers	197,103.37	239,100.04

22.2 Contract Balances

Trade receivables (refer note 10)	12,682.47	11,833.27
Contract liabilities (refer note 21)	1,281.48	2,213.18

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

22.3 The performance obligation is satisfied upon supply of goods as and when delivered and accordingly, there is no outstanding performance obligation as on 31 March 2025 and 31 March 2024.

22.4 Sales of product is net of INR 13,289.45 Lakhs (March 31, 2024: INR 21,345.84 Lakhs) on account of cash discount, rebates and incentives given to customers.

23. Other income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income		
On bank deposits	4.14	59.81
On inter-corporate loan@	638.32	1,267.79
On income tax refund	1,179.07	-
Others	270.51	204.87
Provision no longer required written back	450.19	235.80
Rental income	46.40	45.92
Profit on sale of property, plant and equipment net	-	165.47
Miscellaneous income	79.55	154.83
	2,668.18	2,134.49

(@ Interest income on inter-corporate loan include interest expenses of INR 93.85 lakhs (March 31 2024: Interest income of INR 582.61 lakhs) as per Ind AS 109).

24. Cost of material consumed

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory of materials at the beginning of the year	2,333.21	2,426.81
Add: Purchases during the year	38,241.74	37,985.13
Less: Inventory of materials at the end of the year	2,403.15	2,333.21
	38,171.80	38,078.73

25. (Increase)/decrease in inventories of finished goods, work-in-progress

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening stock		
Finished goods	2,983.32	3,343.75
Work-in-progress	5,134.40	5,199.45
	8,117.72	8,543.20
Less: closing stock		
Finished goods	2,356.31	2,983.32
Work-in-progress	6,960.23	5,134.40
	9,316.54	8,117.72
	(1,198.82)	425.48

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

26. Employee benefits expense	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	8,887.18	8,954.34
Gratuity expense (refer note 34)	166.18	161.44
Contribution to provident fund and other funds	545.43	501.76
Staff welfare expenses	187.15	159.64
	9,785.94	9,777.18

27. Finance costs	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense		
On term loans and cash credit from banks	3,789.53	3,022.93
On lease liabilities	143.87	183.22
On others#	783.52	890.24
Bank charges	40.30	63.19
	4,757.22	4,159.58
Less: Capitalisation of interest cost*	(83.95)	-
	4,673.27	4,159.58

* The Company started Waste Heat Recovery (WHR) power plant in clinkerisation unit at Sitapuram plant, Telangana, adjacent to the Kilns to generate power from waste heat in July 2024. This project is expected to be completed in last quarter of fiscal year ended March 31, 2026. The carrying amount of the WHR plant (including Capital advance) at March 31, 2025 is INR 4,287.56 lakhs (March 31, 2024: Nil). The amount of borrowing costs capitalised during the year ended March 31, 2025 is INR 83.95 lakhs (31 March 2024: Nil) on general borrowings for qualifying assets, using the weighted average interest rate @ 8.20% p.a.

(# Interest on others for the year ended March 31, 2025 include INR 496.04 lakhs (March 31, 2024: INR 565.68 lakhs) represents interest expenses on sales tax deferral loan as per Ind AS 109)

28. Depreciation and amortisation	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 3)	18,295.94	20,367.85
Depreciation on Right-of-use-asset (refer note 44)	606.82	841.47
Amortisation of intangible assets (refer note 4)	36.96	2,329.34
	18,939.72	23,538.66

29. Other expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and fuel	73,816.02	92,227.38
Freight outward	41,056.62	45,362.57
Consumption of stores, loose tools and spare parts	8,737.45	7,865.32
Rent	860.43	534.96
Rates and taxes	5,541.29	6,698.41
Legal and professional	334.72	460.70
Payment to auditor [refer note (i) below]	60.20	56.88
Repairs and maintenance:		
- plant and machinery	6,740.33	5,582.53
- buildings	115.72	164.03
- others	101.55	115.27
License fee (refer note 32)	2,153.15	2,744.39
Provision for bad and doubtful debts, net	4.16	-
Sundry balances written off (gross)	32.21	-
Selling and distribution expenses	2,965.89	3,543.90
Sales commission	934.80	1,200.31
Advertisement and sales promotion	1,466.15	1,821.92
Corporate social responsibility (refer note 36)	168.18	212.36
Property, plant and equipment written off	20.43	18.77
Insurance	1,131.49	1,064.44
Traveling and conveyance	648.32	662.95
IT and business support charges	1,404.47	1,474.71
Communication	124.27	112.97
Foreign exchange loss, net	191.70	239.01
Miscellaneous expenses	2,512.62	2,650.53
	151,122.17	174,814.31

(i) Payment to auditor	For the year ended March 31, 2025	For the year ended March 31, 2024
As statutory auditor (excluding goods and services tax)	56.00	56.00
Reimbursement of expenses (excluding goods and services tax)	4.20	0.88
	60.20	56.88

30. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss after tax available to equity shareholders	(12,981.29)	(5,011.37)
Net loss for calculation of basic/Diluted EPS	(12,981.29)	(5,011.37)
Weighted average number of equity shares in calculating Basic/Diluted EPS (in lakhs)	2,749.61	2,749.61
Basic and diluted EPS (in INR)	(4.72)	(1.82)

31. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant & equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about gratuity obligations are given in note 34.

(iii) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 37 of the financials.

(iv) Mines reclamation expenses:

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(vi) Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) Provision for inventories

Management reviews the aged inventory on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management believes that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

(viii) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

32. Related party disclosures

a. Names of related parties and related party relationship

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate holding Company	Heidelberg Materials AG (erstwhile HeidelbergCement AG)
Holding Company	Heidelberg Materials Italia Cementi S.P.A (erstwhile Italcementi S.P.A)
Subsidiary Company	Gulbarga Cement Limited

Related parties with whom transactions have taken place during the year:

Entities under common control	HeidelbergCement India Limited ("HCIL") HC Trading Asia and Pacific Pte Ltd. Heidelberg Materials Asia Pte. Ltd. (erstwhile HC Asia Pte Ltd)
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Additional related parties as per the Companies Act, 2013:

Chief Financial Officer	Mr. Vimal Kumar Choudhary (till 28 May 2025) Mr. Kishan Kumar Acharya (w.e.f 01 June 2025)
Company Secretary	Mr. Arjun Dutta (till March 26, 2025) Ms. Reena Bagla (w.e.f 01 June 2025)
Key Management Personnel	Mr. Joydeep Mukherjee, Managing Director Mr. Roberto Callieri, Non-Executive Director (w.e.f 14 March 2024) Mr. Kevin Gluskie, Non-Executive Director (till March 13, 2024) Mr. Juan-Francisco Defalque, Non-Executive Director Ms. Soek Peng Sim, Non-Executive Director (till 28 May 2025) Mr. Vimal Kumar Jain, Non-Executive Director Ms. Poonam Sharma, Non-Executive Director (w.e.f. 28 May 2025)

b. Related party transactions

The following table provides the total amount of transactions that have been entered in to with related parties for the relevant years:

i. Transactions during the year:

Name of related party	Nature of transaction#	For the year ended March 31, 2025	For the year ended March 31, 2024
Gulbarga Cement Limited	Interest income on loan (including Ind AS adjustment) (refer note 23)	638.32	1,267.79
	Loan Given to GCL	500.00	1,100.00
	Loan and Interest repayment by GCL	1,480.84	-
	Investment in shares	858.00	-
HC Trading Asia and Pacific Pte Ltd.	Purchase of Consumables (Petcoke)	20,600.31	25,964.21
Heidelberg Materials AG	IT and other Business support charges	1,404.47	1,474.71
	Licence fee (refer note 29)	2,153.15	2,744.39
	Service income	204.96	45.33
HeidelbergCement India Limited	Sale of Clinker	484.99	1,789.56
	Sale of Scrap	20.51	-
	Purchase of materials	-	19.40
	Business support charges**	899.44	940.97
Heidelberg Materials Asia Pte. Ltd.	Business support charges	21.06	-
	Reimbursement of Expense	2.70	-

** Out of total amount of INR 940.97 lakhs for the year ended March 31 2024, an amount (excluding GST) of INR 13.82 Lakhs was capitalised in the books.

ii. Balance outstanding at the year end

Nature of transaction	Name of related party	March 31, 2025	March 31, 2024
Trade receivables	HeidelbergCement India Limited	20.49	33.76
Trade payables	HC Trading Asia and Pacific Pte Ltd.	5,118.36	10,385.05
	HeidelbergCement India Limited	216.74	235.60
	Heidelberg Materials AG	2,859.88	3,776.38
Investment (refer note 5)	Gulbarga Cement Limited	11,399.93	10,541.93
Inter-corporate loan (refer note 6)	Gulbarga Cement Limited	15,076.77	15,492.50

iii. Transactions with key management personnel*

	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	561.73	625.90
Post-employment benefits	24.17	22.14
Total compensation paid to key management personnel	585.90	648.04

All the transactions are inclusive of tax and duty, wherever applicable.

*As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

(Presented in INR Lakhs except share data and EPS)

33. Commitments and Contingencies

a) Capital Commitments

i. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) INR 8,753.49 lakhs (March 31, 2024: INR 2,355.98 lakhs).

b) Other commitments (Leases)

Operating lease: Company as lessor

The Company has leased out railway sidings under non-cancellable lease. Total rental income under such leases during the year amounted to INR 12.89 lakhs (March 31, 2024: INR 12.89 lakhs). Future minimum lease payments expected to receive under non-cancellable operating leases are as follows:

	March 31, 2025	March 31, 2024
Not later than one year	12.89	12.89
Later than one year but not later than five years	51.57	51.57
Later than five years	125.70	138.59

c) Contingent Liability

	March 31, 2025	March 31, 2024
Sales Tax/Trade Tax/Entry Tax	8,770.82	8,770.82
Excise Duty/Service Tax/CENVAT Credit	5,430.05	5,430.05
Customs duty	942.07	942.07
Income tax matters	15,307.38	15,307.38
Electricity charges	467.29	744.29
Claims against the company not acknowledged as debt	4,580.15	4,580.15
	35,497.76	35,774.76

d) Provision for litigations

	Balance as at Apr 1, 2024	Additions during the year charged to respective expenses head	Amounts reversed/utilised during the year	Balance as at Mar 31, 2025
Electricity duty and Charges	1,562.83 (899.86)	277.16 (662.97)	- -	1,839.99 (1,562.83)
Sales tax matters	1,942.77 (1,942.77)	- -	- -	1,942.77 (1,942.77)
Custom duty	1,377.89 (1,377.89)	- -	- -	1,377.89 (1,377.89)
Road Tax	94.86 (94.86)	- -	- -	94.86 (94.86)
Income tax matters	2,542.49 (2,542.49)	- -	- -	2,542.49 (2,542.49)
Total	7,520.84 (6,857.87)	277.16 (662.97)	- -	7,798.00 (7,520.84)

Note: Figures in brackets are for the previous year

Above provisions have been made against demands raised by various authorities. All these cases are under litigation and are pending with various authorities; expected timing of resulting outflow of economic benefits cannot be specified. Amount deposited under protest against these provisions are shown under other assets (refer note 8)

e) Movement of provision for site restoration expenses during the period as required by Ind AS 37

	March 31, 2025	March 31, 2024
Opening provision (refer note 16)	1,091.38	1,091.38
Add: Provision made during the year	-	-
Less: Provision utilised during the year	-	-
Closing provision	1,091.38	1,091.38

Site restoration expense is incurred on an ongoing basis and until the closure of mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenses.

34. Gratuity

The Company has two post-employment funded plans, namely Gratuity and Superannuation.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Act). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet for the Gratuity:

Statement of profit and loss

(i) Net employee benefit expense (recognized in employee cost)

	March 31, 2025	March 31, 2024
Current service cost	137.02	139.49
Interest cost on benefit obligation	126.31	132.76
Expected return on plan assets	(97.15)	(110.81)
Defined benefit cost included in Statement of Profit & Loss	166.18	161.44
Remeasurement recognised in other comprehensive income		
- changes in financial assumptions	51.68	8.35
- change in experience adjustments	70.59	(50.44)
- return on plan asset (excluding interest income)	7.72	8.23
Amount recognised in OCI	129.99	(33.86)

Balance Sheet

(ii) Reconciliation of the net defined benefit (asset)/ liability

The following table shows reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,909.15	2,000.20
Current service cost	137.02	139.49
Interest cost on benefit obligation	126.32	132.76
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	51.68	8.35
- experience adjustments	70.59	(50.44)
Benefit paid	(243.55)	(321.21)
Balance at the end of the year	2,051.20	1,909.15

Reconciliation of the present value of plan assets

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,349.37	1,518.00
Interest income	97.15	110.81
Contribution by employer	20.00	50.00
Return on plan assets recognised in other comprehensive income	(7.72)	(8.23)
Benefits paid	(243.55)	(321.21)
Balance at the end of the year	1,215.25	1,349.37

Details of provision for gratuity

	March 31, 2025	March 31, 2024
Present value of defined benefit obligation	2,051.20	1,909.15
Present value of plan assets	1,215.25	1,349.37
Net defined benefit liability/(assets)	835.95	559.78

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

(iii) Defined benefit obligation

- Actuarial assumptions

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate	6.60%	7.20%
Salary increase rate	7.50%	7.50%
Mortality table	Indian Assured Lives Mortality (IALM) (2006-2008) (modified) Ult.	Indian Assured Lives Mortality (IALM) (2006-2008) (modified) Ult.
Withdrawal	8.00%	8.00%
Retirement age	Up to DGM- 58 years GM and above 60 years	Up to DGM- 58 years GM and above 60 years

Note

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables.

- Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity Plan Assumptions	Sensitivity level		Impact on DBO	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount rate	-0.50%	-0.50%	45.28	42.87
	0.50%	0.50%	(43.27)	(41.01)
Salary increase rate	-0.50%	-0.50%	(38.49)	(36.73)
	0.50%	0.50%	39.89	38.02

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(iv) Plan assets

The principal plan assets consists of a scheme of insurance taken by the Trust, which is a qualifying insurance policy. As at March 31, 2025 and March 31, 2024, 100% of the plan assets were vested in investment with insurance company.

The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2025	March 31, 2024
Within the next 12 months (next annual reporting period)	375.24	309.47
Between 2 and 5 years	1,345.94	1,361.09
Beyond 5 years	1,172.19	1,166.94

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2024: 5 years).

B) Superannuation and Provident Fund

Retirement benefits in the form of Superannuation Fund (being administered by Trust) and Provident fund (contribution to government administered fund) are funded defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution made. The amount recognized as an expense for the Defined Contribution Plans are as under:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Superannuation Fund	94.81	92.91
Provident Fund	450.62	408.85
	545.43	501.76

35. Sales tax incentive

The Company is entitled to benefits under Package Scheme of Incentives - 2007 as notified by Government of Maharashtra for the Manufacturing set up for cement production facility at Solapur, Maharashtra w.e.f. September 1, 2015. Under the said policy, the Company is entitled for refund of Value Added Tax (which is now subsumed on GST), exemption from electricity duty and waiver of stamp duty for a period of seven (7) years which was further extended for two (2) years. Accordingly, for the period from 1 April 2024 to 31 August 2024 (i.e till the last date of entitlement), the Company has recognised INR 1,405.24 lakhs (March 31, 2024: INR 3,593.33 lakhs) as income and disclosed under "Other operating revenue".

36. Corporate social responsibility (CSR):

Details of CSR spent during the financial year:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	-		164.44
(b) Amount spent during the period ended March 31, 2025	In cash	Yet to be paid	Total
(i) Construction/ acquisition of any assets	-	-	-
(ii) On purposes other than (i) above	168.18	-	168.18
Total	168.18	-	168.18
(c) Amount spent during the period ended March 31, 2024	In cash	Yet to be paid	Total
(i) Construction/ acquisition of any assets	-	-	-
(ii) On purposes other than (i) above	212.36	-	212.36
Total	212.36	-	212.36

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
37. Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair Value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets				
Investment	23.62	23.62	23.62	23.62
Loans and advances	15,076.77	15,492.50	15,076.77	15,492.50
Trade receivables	12,682.47	11,833.27	12,682.47	11,833.27
Cash and cash equivalents	2,921.07	1,825.84	2,921.07	1,825.84
Other financial assets	13,561.44	12,953.68	13,561.44	12,953.68
Financial liabilities				
Borrowings	52,800.54	45,099.76	52,800.54	45,099.76
Trade payables	37,752.29	45,488.14	37,752.29	45,488.14
Other financial liability	14,950.53	15,906.28	14,950.53	15,906.28
Lease liabilities	1,691.77	2,010.72	1,691.77	2,010.72

The management assessed that cash and cash equivalents, trade receivable, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38. Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025 and March 31, 2024:

Assets measured at fair value:

	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
FVTPL financial investments					
Unquoted instruments	March 31, 2025	23.62	-	-	23.62
	March 31, 2024	23.62	-	-	23.62

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

39. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise of trade payables, other payables and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, receivables and cash and cash equivalents which are part of the Company's operations.

The Company is exposed to market risk, liquidity risk, and credit risk. The policies and procedures considered by Company's senior management to oversee the management of these risks has been summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to three types of market risk: foreign currency risk, interest rate risk and and other price risk, such as commodity risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). As on March 31, 2025 and March 31, 2024, the Company has following foreign currency exposures:

Derivative instruments and unhedged foreign currency exposure
a. Derivatives outstanding as at the reporting date

	Currency	March 31, 2025		March 31, 2024	
		in foreign currency (in lakhs)	Amount in INR (in lakhs)	in foreign currency (in lakhs)	Amount in INR (in lakhs)
Forward exchanged contracts (to hedge trade payables)	USD	60.35	5,118.36	124.68	10,385.05
		60.35	5,118.36	124.68	10,385.05

Zuari Cement Limited
Notes to standalone financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
b. Particulars of unhedged foreign currency exposure as at the reporting date

	Currency	March 31, 2025		March 31, 2024	
		in foreign currency (in lakhs)	Amount in INR (in lakhs)	in foreign currency (in lakhs)	Amount in INR (in lakhs)
Trade payables	EUR	0.04	3.57	0.04	3.48
	CHF	-	-	0.12	10.99
			3.57		14.47
Advance to supplier	EUR	0.85	78.24	0.03	2.89
			78.24		2.89
Due to related parties	EUR	31.03	2,857.79	35.16	3,159.57
	USD	-	-	0.01	0.75
			2,857.79		3,160.32

*USD – US Dollar, EUR – Euro, CHF - Swiss Franc

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

5% increase in foreign exchange rates will have the following impact on profit/(loss) before tax:

	March 31, 2025	March 31, 2024
EUR	(139.16)	(158.60)
USD	-	(0.12)
CHF	-	(0.65)

Note: If the rate is decreased by 500 bps, profit/(loss) will increase/(decrease) by an equal amount for March 31, 2025 and March 31, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to maintain most of its borrowings at fixed rate. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Commodity price risk

The Company is affected by the price volatility of certain commodities which is moderated by optimising the procurement under fuel supply agreement. Its operating activities require the on-going purchase or continuous supply of coal. Therefore the Company monitors its purchases closely to optimise the price.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations towards settlement of financial liabilities. Financial liabilities are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through use of bank overdrafts, bank loans and other similar credit facilities.

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting year based on contractual undiscounted payments.

As at March 31, 2025	<1 year	1-5 years	>5 years	Total
Financial Liabilities				
Borrowings*	48,450.27	1,867.20	3,000.00	53,317.47
Trade payables**	37,752.29	-	-	37,752.29
Other financial liabilities	14,724.15	226.38	-	14,950.53
Lease liabilities	309.79	479.01	902.98	1,691.77
As at March 31, 2024	<1 year	1-5 years	>5 years	Total
Financial Liabilities				
Borrowings*	41,995.25	4,117.48	-	46,112.73
Trade payables**	45,488.14	-	-	45,488.14
Other financial liabilities	15,806.19	100.09	-	15,906.28
Lease liabilities	535.92	553.89	920.91	2,010.72

* Borrowings are shown without Ind AS adjustment.

** Trade payables are repayable on demand

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company has no significant concentration of credit risk with any counterparty.

Zuari Cement Limited**Notes to standalone financial statements for the year ended March 31, 2025****(Presented in INR Lakhs except share data and EPS)****Trade receivables**

Customer credit risk is managed in line with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed through internal evaluation which takes into account the financial parameters, past experience with the counterparty and current economic/market trends. Individual credit limits are thus defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by advances, security deposits, bank guarantees etc. Trade receivables are consisting of a large number of customers. The Company does not have higher concentration of credit risks to a single customer.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made with approved counterparties. Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

40. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

		March 31, 2025	March 31, 2024
Borrowings		52,800.54	45,099.76
Less: Cash and cash equivalents		(2,921.07)	(1,825.84)
Net debt	(A)	49,879.47	43,273.92
Equity attributable to equity share holder	(B)	134,474.55	147,540.41
Capital and debt	(C)=(A)+(B)	184,354.02	190,814.33
Gearing ratio	(D)= (A)/(C)	27.06%	22.68%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

41. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

S.N	Particulars	March 31, 2025	March 31, 2024
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each year. -Principal amount due to micro and small enterprises (Not overdue) -Interest due on above	626.77 - -	333.05 - -
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

42. Segment reporting

The Company is predominantly engaged in the business of manufacturing and sale of cement, which constitutes a single business segment and is governed by similar set of risks and returns. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non-current assets of the Company are located in India.

43. Transfer pricing

The Company maintains the information and documents as required under the transfer pricing regulations under Section 92-92F of the Income Tax Act, 1961. The management is in the process of updating the transfer pricing documentation for the financial year 2024 - 2025 and is of the view that its transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

44. Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:-

Right-of-use-asset

Particulars	Land & Buildings	Furniture & Fixture	Vehicles	Total
At 1 April 2023	7,630.54	186.29	919.51	8,736.34
Additions for the year	486.15	-	-	486.15
Disposals	-	-	-	-
At 31 March 2024	8,116.69	186.29	919.51	9,222.49
Additions for the year	266.89	-	-	266.89
Disposals	-	-	-	-
At 31 March 2025	8,383.58	186.29	919.51	9,489.38
Depreciation/ Amortization				
At 1 April 2023	2,382.62	118.88	763.24	3,264.74
Depreciation Expenses	679.71	38.52	123.24	841.47
Prepaid rent amortisation	167.00	-	-	167.00
Disposals	-	-	-	-
At 31 March 2024	3,229.33	157.40	886.48	4,273.21
Depreciation Expenses	557.82	28.89	20.11	606.82
Prepaid rent amortisation	167.00	-	-	167.00
Disposals for the year	-	-	-	-
At 31 March 2025	3,954.15	186.29	906.59	5,047.03
Net book value				
At 31 March 2024	4,887.36	28.89	33.03	4,949.28
At 31 March 2025	4,429.43	0.00	12.92	4,442.35

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during

Lease liabilities

Particulars	March 31, 2025	March 31, 2024
At 1 April	2,010.72	2,323.58
Additions for the year	266.89	486.15
Deletion for the year	-	-
Accretion of interest	143.87	183.22
Payment of principal	(729.71)	(982.23)
At 31 March 2025	1,691.77	2,010.72
Current	309.79	535.92
Non-Current	1,381.98	1,474.80

The maturity analysis of lease liabilities are disclosed in note 39B.

The effective interest rate for lease liabilities is in the range of 5.20% to 9.15%, with maturity between 2025-2045.

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	606.82	841.47
Interest expense on lease liabilities	143.87	183.22
Expense relating to short-term leases (included in other expenses)	860.43	534.96
Total amount recognised in statement of profit or loss	1,611.12	1,559.65

45. Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

46. Additional Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) Ratio Analysis and its elements :-

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

S.n	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Change
1	Current ratio (in times)	Current Assets	Current Liabilities	0.44	0.51	-13.5%
2	Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.39	0.31	28.5%
3	Debt Service Coverage ratio (in times)	Earnings before Depreciation, Finance cost and Tax	Interest on long term debt + Principal repayment within next 12 months	0.04	0.40	-91.0%
4	Return on Equity ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-9.2%	-3.3%	-5.9%
5	Inventory Turnover ratio (in days)	Cost of goods sold	Average Inventory	6.39	6.70	-4.7%
6	Trade Receivable Turnover Ratio (in days)	Revenue from operation (incl. GST)	Average Trade Receivable	17.95	12.13	48.0%
7	Trade Payable Turnover Ratio (in days)	Total Operating Cost (incl. GST)	Average Trade Payables	61.09	55.65	9.8%
8	Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(3.30)	(4.36)	-24.2%
9	Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	-6.7%	-2.1%	-4.5%
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-8.8%	-2.6%	-6.2%
11	Return on Investment (%)	Interest (Finance Income)	Investment	8.3%	7.1%	1.1%

Notes:- The Company's Debt-equity ratio and Debt-Service Coverage ratio declined mainly due to increase in debts and decrease in EBIDTA. Further, Trade receivable turnover ratio increased due to increase in outstanding receivables not yet due at the year end and decrease in turnover during the year.

47. Previous year figures

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.N. Dhawan & CO LLP
Firm Registration No. 000050N/N500045
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

**Independent Auditor's Report
To the Members of Zuari Cement Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Zuari Cement Limited** ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act (Ind AS) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, of consolidated loss, consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the consolidated financial statements and our Auditor's Report thereon.

Our opinion on the consolidated financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order"/CARO"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit reports, we report that there are qualification or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, the details of which are given below:

S. No.	Name	CIN	Holding Company/ subsidiary	Clause number of the CARO report which is qualified or adverse
1.	Zuari Cement Limited	U26942AP2000PLC050415	Holding Company	Clause ix) (d)
2.	Zuari Cement Limited	U26942AP2000PLC050415	Holding Company	Clause xvii)
3.	Gulbarga Cement Limited	U26941KA2007PLC054428	Subsidiary	Clause xvii)

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company none of the directors of the Group

companies is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 32 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv. (a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
 - (v) The Holding Company and its subsidiary incorporated in India has not declared or paid any dividend during the year and has not proposed final dividend during the year.

(vi) Based on our examination which included test checks, the Group have used an accounting software for maintaining their respective books of account for the financial year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

Rajeev Kumar Saxena

Partner

Membership No.: 077974

UDIN: 25077974BMOBLW7695

Place: Gurugram

Date: 29 July 2025

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Zuari Cement Limited** on the consolidated financial statements as of and for the year ended 31 March 2025)

Independent Auditor's report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of **Zuari Cement Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which are companies incorporated in India, as of that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Group which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, Group which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.:000050N/N500045

Rajeev Kumar Saxena

Membership No.: 077974

UDIN: 25077974BMOBLW7695

Place: Gurugram

Date: 29 July 2025

Zuari Cement Limited
Consolidated Balance sheet as at March 31, 2025
(Presented in INR Lakhs except share data and EPS)

Particulars	Note no.	As at	As at
		March 31, 2025	March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	151,241.18	165,880.95
Capital work-in-progress	3	51,200.14	47,534.83
Right-of-use-asset	43	4,442.35	4,949.28
Goodwill	4	1,916.28	1,916.28
Intangible assets	4	236.23	320.29
Financial assets			
Investments	5	23.62	23.62
Other financial assets	6	13,768.85	13,084.90
Other non-current assets	7	12,019.40	15,301.08
		234,848.05	249,011.23
Current assets			
Inventories	8	25,642.43	30,459.17
Financial assets			
Trade receivables	9	12,682.47	11,833.27
Cash and cash equivalents	10	5,357.86	1,857.84
Other financial assets	6	620.83	664.28
Other current assets	7	5,652.72	12,544.59
		49,956.31	57,359.15
Total assets		284,804.36	306,370.38
Equity and liabilities			
Equity			
Equity share capital	11	27,496.14	27,496.14
Other equity			
Equity attributable to owners of the Company	12	106,235.15	119,519.44
Non-controlling interests	12	24,435.19	22,093.13
		158,166.48	169,108.71
Non-current liabilities			
Financial liabilities			
Borrowings	13	4,350.27	3,104.51
Lease liabilities	43	1,381.98	1,474.80
Other financial liabilities	14	226.38	100.09
Provisions	15	9,725.33	9,172.00
Deferred tax liabilities (net)	16	3,751.92	11,443.16
Other non-current liabilities	17	454.13	487.15
		19,890.01	25,781.71
Current liabilities			
Financial liabilities			
Borrowings	13	48,450.27	41,995.25
Lease liabilities	43	309.79	535.92
Trade payables	18		
-Total outstanding dues of micro enterprises and small enterprises		626.77	333.05
-Total outstanding dues of creditors other than micro enterprises and small enterprises		37,507.82	45,441.02
Other financial liabilities	19	14,881.44	15,925.85
Provisions	15	488.68	481.23
Other current liabilities	20	4,483.10	6,767.64
		106,747.87	111,479.96
Total liabilities		126,637.88	137,261.67
Total equity and liabilities		284,804.36	306,370.38

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Consolidated Statement of profit and loss for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

Particulars	Note no.	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	21	197,103.37	239,100.04
Other income	22	2,078.54	868.43
Total Income (I)		199,181.91	239,968.47
Expenses			
Cost of material consumed	23	38,171.80	38,078.73
(Increase)/decrease in inventories of finished goods, work-in-progress	24	(1,250.93)	382.11
Employee benefits expense	25	9,827.29	9,803.91
Finance costs	26	4,677.36	4,164.69
Depreciation and amortisation expense	27	18,989.81	23,590.94
Other expenses	28	151,507.47	175,020.71
Total Expense (II)		221,922.80	251,041.09
Loss before tax (I) - (II)		(22,740.89)	(11,072.62)
Tax expense			
Current tax		-	-
Income tax expense/(income) relating to earlier years		(1,044.34)	(2,036.40)
Deferred tax charge/(credit)		(7,696.90)	(2,511.64)
Total tax expense	16	(8,741.24)	(4,548.04)
Loss for the year		(13,999.65)	(6,524.58)
Loss attributable to non controlling interest (NCI)		(799.93)	(1,188.62)
Loss attributable to owners of the parent (III)		(13,199.72)	(5,335.96)
Other comprehensive income (OCI)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain/(losses) of net defined benefit plans		(129.99)	33.86
Income tax effect		45.42	(11.83)
Other comprehensive income/(losses) for the year, net of tax (IV)		(84.57)	22.03
Total comprehensive income/(losses) for the year, net of tax (III) + (IV)		(13,284.29)	(5,313.93)
Loss per share [nominal value of share INR 10 (March 31, 2024; INR 10)]	29		
Basic		(4.80)	(1.94)
Diluted		(4.80)	(1.94)

Summary of material accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Consolidated Statement of changes in equity for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	Number	Amount
At April 1, 2023	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2024	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2025	274,961,400	27,496.14

b. Other equity:

For the year ended March 31, 2025

Particulars	Attributable to the equity holders			Attributable to NCI	Total
	Securities premium account	Retained earnings	Items of OCI		
At April 1, 2024	37,201.93	82,315.56	1.95	22,093.13	141,612.57
Loss for the year	-	(13,199.72)	-	(799.93)	(13,999.65)
Equity and security premium contribution	-	-	-	3,141.99	3,141.99
Other comprehensive income (refer note 12)	-	-	(84.57)	-	(84.57)
At March 31, 2025	37,201.93	69,115.84	(82.62)	24,435.19	130,670.34

For the year ended March 31, 2024

Particulars	Attributable to the equity holders			Attributable to NCI	Total
	Securities premium account	Retained earnings	Items of OCI		
At April 1, 2023	37,201.93	87,651.52	(20.08)	23,281.75	148,115.12
Loss for the year	-	(5,335.96)	-	(1,188.62)	(6,524.58)
Other comprehensive income (refer note 12)	-	-	22.03	-	22.03
At March 31, 2024	37,201.93	82,315.56	1.95	22,093.13	141,612.57

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

Zuari Cement Limited
Consolidated Statement of Cash flows for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities		
Loss before tax	(22,740.89)	(11,072.62)
Adjustment to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	18,989.81	23,590.94
Interest income	(1,502.40)	(266.41)
Interest expense	4,716.92	4,096.39
Loss/(profit) on sale of property, plant and equipment net	20.43	(146.70)
Provision for bad and doubtful debts, net	4.16	28.34
Sundry balances written off	32.21	-
Unrealised foreign exchange differences (gain)/loss	(49.83)	132.43
Provision no longer required written back	(450.19)	(235.80)
Operating profit/(loss) before working capital changes	(979.78)	16,126.57
Movements in working capital:		
Increase / (decrease) in trade payables	(7,013.17)	3,229.80
Increase / (decrease) in long-term provisions	423.34	769.70
Increase / (decrease) in short-term provisions	7.45	(49.67)
Increase / (decrease) in other long-term liabilities	(33.02)	(33.03)
Increase / (decrease) in other financial liabilities	(1,654.42)	(432.32)
Increase / (decrease) in other short term liabilities	(2,284.54)	(238.63)
Decrease / (increase) in trade receivables	(853.36)	(3,681.13)
Decrease / (increase) in inventories	4,816.74	(4,038.02)
Decrease / (increase) in other financial assets	(578.13)	(3,560.17)
Decrease / (increase) in other non-current assets	2,973.21	(132.54)
Decrease / (increase) in other current assets	6,859.66	(2,995.39)
Cash generated from operations	1,683.98	4,965.17
Income taxes paid (net of refunds)	3,022.08	1,994.03
Net cash flow from operating activities (A)	4,706.06	6,959.20
Cash flows from investing activities		
Purchase of Property, plant and equipment including capital work-in-progress and capital advances	(7,595.90)	(6,798.24)
Proceeds from sale of Property, plant and equipment	-	340.93
Interest received	831.40	(114.14)
Net cash flow used in investing activities (B)	(6,764.50)	(6,571.45)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,000.00	-
Contribution from minority shareholder	3,141.99	-
Repayment of long-term borrowings	-	(16,286.67)
Proceeds from short-term borrowings (net)	4,204.74	18,035.59
Payment of principal portion of lease liabilities (refer note 43)	(729.71)	(982.23)
Interest paid	(4,058.56)	(3,339.39)
Net cash flow from/(used in) financing activities (C)	5,558.46	(2,572.70)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	3,500.02	(2,184.95)
Cash and cash equivalents at the beginning of the year	1,857.84	4,042.79
Cash and cash equivalents at the end of the year	5,357.86	1,857.84

Zuari Cement Limited**Consolidated Statement of Cash flows for the year ended March 31, 2025****(Presented in INR Lakhs except share data and EPS)**

	For the year ended March 31, 2025	For the year ended March 31, 2024
Components of cash and cash equivalents		
Cheque on hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	3,716.48	249.02
Total cash and cash equivalents (refer note 10)	5,357.86	1,857.84

Explanatory notes to statement of cash flows

1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.

2. Changes in liabilities arising from financing activities:

	Liability arising from financing activities	
	Lease liabilities (refer note 43)	Non-current Borrowing (including current maturities)
As at 1 April 2024	2,010.72	45,099.76
Additions	266.89	7,204.74
Deletion for the year	-	-
Accretion of interest	143.87	496.04
Payments	(729.71)	-
At 31 March 2025	1,691.77	52,800.54
As at 1 April 2023	2,323.58	42,785.16
Additions	486.15	18,035.59
Deletion for the year	-	-
Accretion of interest	183.22	565.68
Payments	(982.23)	(16,286.67)
At 31 March 2024	2,010.72	45,099.76

Summary of material accounting policies**2**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of

Zuari Cement Limited

CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena

Partner

Membership No. 077974

Joydeep Mukherjee

Managing Director

DIN: 06648469

Vimal Kumar Jain

Director

DIN: 09561918

Place: Gurugram

Date: July 29, 2025

Kishan Kumar Acharya

Chief Financial Officer

Reena Bagla

Company Secretary

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

1. Corporate Information

Zuari Cement Limited (hereinafter referred to as “ZCL” or “the Company”) and its subsidiaries (hereinafter collectively referred to as “the Group”) are engaged in the manufacturing of Portland cement. The Company was a joint venture between Zuari Global Limited (‘ZGL’) and Ciments Français S.A. (‘CF’, part of the Italcementi Group) up to May 31, 2006. Pursuant to CF’s acquisition of 50% stake held by ZGL, the Company became a wholly owned subsidiary of CF (‘the Holding Company’), effective May 31, 2006. The Ultimate Holding Company upto June 30, 2016 was Heidelberg Materials Italia Cementi S.P.A (erstwhile Italcementi S.p.A).

Heidelberg Materials AG (Erstwhile HeidelbergCement AG) has completed the acquisition of Italcementi S.p.A from Italmobiliare and become the ultimate holding Company w.e.f. July 1, 2016.

Ciments Français S.A which was 100% subsidiary of HM Italia cementi S.P.A, merged with HM Italia cementi S.P.A w.e.f 30th November 2022.

The Consolidated financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on July 29, 2025.

1.1. Investment in subsidiary

Following table indicates the list of subsidiary, country of incorporation and proportion of shareholding:

Name of the entity	Country of incorporation	Percentage of ownership interest	
<i>Subsidiary</i>		March 31, 2025	March 31, 2024
Gulbarga Cement Limited (GCL)*	India	21.45%	21.45%

*The Company controls the composition of the Board of Directors of this subsidiary. The Company vide letter dated March 23, 2015 received from Ciments Français S.A. and as per the Article of Association has right to appoint all Directors on the Board of the Company. Hence on account of control over composition of the Board, the Company is the holding company of Gulbarga Cement Limited under Section 2(87) of the Companies Act 2013 and Indian Accounting Standard (Ind AS) 110 - "Consolidated financial statements".

2. Material accounting policies

The material accounting policies applied by the Group in preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements unless otherwise indicated.

2.1 Basis of preparation

These Consolidated financial statements have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

The Consolidated financial statements have been prepared on historical cost basis except certain items which need to be stated at fair value as per Ind AS. The Consolidated financial statements are presented in Rupees Lakhs, except when otherwise indicated.

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (a) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- (b) Derecognises the carrying amount of any non-controlling interests
- (c) Derecognises the cumulative translation differences recorded in equity
- (d) Recognises the fair value of the consideration received
- (e) Recognises the fair value of any investment retained
- (f) Recognises any surplus or deficit in profit or loss
- (g) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of material accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- (a) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- (b) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- (c) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- (d) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or

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Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combination of entities under common control

Business combinations involving entities that are controlled by the Company or ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory, are accounted for using the pooling of interests method as follows:

The assets and liabilities of the combining entities are reflected at their carrying amounts.

No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.

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Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to goodwill in accordance with Ind AS Transition Facilitation Group (ITFG) clarification Bulletin 9.

As provided in the Scheme, the assets and liabilities including reserves of Transferor Companies as on the Appointed Date were recorded by the Company at their existing carrying values and the amalgamation was accounted for in accordance with Indian Accounting Standard (Ind AS) 103, 'Business Combinations of entities under Common Control - Appendix C' under Pooling of Interest method for the year 2019 as notified under section 133 of the Companies Act, 2013 and as per ITFG-9.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d. Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

e. Revenue Recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from the sale of the Company's core products Cement is recognized when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations.

The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, being at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

Contract Balances

Trade receivables

A trade receivable is recognized when the products are delivered to a customer as this is the point in time that the consideration becomes unconditional because only a passage of time is required before the payment is due.

Contract assets, which is a company's right to consideration that is conditional on something other than the passage of time. Currently there are no contract assets.

Contract liabilities

Contract liabilities, which is a company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relate mainly to advance payments from customers which are disclosed in Note no.20. Contract liabilities are recognized as revenue when the company performs under the contract.

Rendering of services Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Zuari Cement Limited**Notes to consolidated financial statements for the year ended March 31, 2025***(Presented in INR Lakhs except share data and EPS)*

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

g. Property, plant and equipment ('PPE')

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Zuari Cement Limited**Notes to consolidated financial statements for the year ended March 31, 2025***(Presented in INR Lakhs except share data and EPS)*

Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

Asset category	Useful lives estimated by the management (years)
Buildings	10-60
Plant and machinery	3-25
Railway sidings	15
Furniture and fittings	5-20
Motor vehicles	8
Office equipment	3 – 25
Computer hardware	3 – 6

Further, the management has estimated the useful lives of asset individually costing INR 5,000 or less to be less than one year, which is lower than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the asset are likely to be used.

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves. Freehold non mining land is not depreciated.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Cost of assets not ready for their intended use at the balance sheet date are disclosed under capital work-in-progress.

h. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over useful lives, as mentioned below:

Asset category	Useful lives estimated by the management (years)
Computer Software	5

Zuari Cement Limited**Notes to consolidated financial statements for the year ended March 31, 2025***(Presented in INR Lakhs except share data and EPS)*

Mining license is amortized over the period of lease.

i. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants in the nature of sale tax incentive are recognised in the Statement of Profit and Loss in the year in which they become receivable.

k. Inventories

Raw materials, packing materials, coal and fuel, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, coal and fuel, stores and spares is determined on a weighted average basis and includes cost incurred in bringing the material to its present location and condition. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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I. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Category	Useful lives estimated by the management (years)
Land & Building	0-24
Furniture and Fixtures	1 -4
Motor vehicles and other equipment	2

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (refer note 43).

Zuari Cement Limited**Notes to consolidated financial statements for the year ended March 31, 2025***(Presented in INR Lakhs except share data and EPS)*

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

n. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of the past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for mine reclamation expenses

The Group provides for the estimated expenses to reclaim the quarries used for mining. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year.

Site restoration expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.

o. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Superannuation Fund (being administered by Trusts) and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the statement of profit and loss for the period when the contributions to the respective funds are due.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 13.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Zuari Cement Limited**Notes to consolidated financial statements for the year ended March 31, 2025***(Presented in INR Lakhs except share data and EPS)*

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Deposits with initial maturity greater than 3 months are considered as cash and cash equivalents if the deposits can be converted to cash without significant penalty on principle.

r. Segment reporting

The Group is primarily engaged in the manufacturing of cement and hence entire operation represents a single primary segment. The Group operates within India only and hence geographical segment is not applicable to the Group.

s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

t. Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

u. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

3. Property, plant and equipment

	Freehold non-mining land**	Freehold mining land#	Buildings	Plant and machinery	Railway siding##	Furniture and fittings	Motor vehicles	Office equipment	Computer hardware	Total	Capital work in progress***
Cost or valuation											
At April 1, 2023	7,548.86	6,773.25	59,143.79	162,679.79	23,891.32	697.73	672.34	628.62	440.18	262,475.88	52,019.97
Additions	-	-	1,523.29	8,681.24	-	77.68	-	-	227.11	10,509.32	6,024.17
Disposals	-	(175.47)	-	(32.64)	-	-	-	-	-	(208.11)	(10,509.31)
At March 31, 2024	7,548.86	6,597.78	60,667.08	171,328.39	23,891.32	775.41	672.34	628.62	667.29	272,777.09	47,534.83
Additions	-	-	13.16	3,594.70	-	-	60.30	9.83	-	3,677.99	7,343.30
Disposals	-	-	(6.06)	(58.19)	-	(0.25)	(9.36)	-	(12.54)	(86.40)	(3,677.99)
At March 31, 2025	7,548.86	6,597.78	60,674.18	174,864.90	23,891.32	775.16	723.28	638.45	654.75	276,368.68	51,200.14
Depreciation and Impairment											
At April 1, 2023	-	315.33	16,919.00	55,592.20	11,994.67	564.03	338.86	402.52	411.96	86,538.57	-
Charge for the year	-	20.98	2,217.35	8,459.74	1,727.41	25.51	33.53	83.57	0.02	12,568.11	-
Impairment during the year@	-	-	1,634.14	6,169.19	-	-	-	-	-	7,803.33	-
Disposals	-	-	-	(13.87)	-	-	-	-	-	(13.87)	-
At March 31, 2024	-	336.31	20,770.49	70,207.26	13,722.08	589.54	372.39	486.09	411.98	106,896.14	-
Charge for the year	-	20.98	2,130.95	8,322.72	1,727.41	22.00	29.92	103.95	0.02	12,357.95	-
Impairment during the year@	-	-	3,253.99	2,673.92	-	11.47	-	-	-	5,939.38	-
Disposals	-	-	(2.19)	(43.52)	-	(0.23)	(8.84)	-	(11.19)	(65.97)	-
At March 31, 2025	-	357.29	26,153.24	81,160.38	15,449.49	622.78	393.47	590.04	400.81	125,127.50	-
Net Block											
At March 31, 2024	7,548.86	6,261.47	39,896.59	101,121.13	10,169.24	185.87	299.95	142.53	255.31	165,880.95	47,534.83
At March 31, 2025	7,548.86	6,240.49	34,520.94	93,704.52	8,441.83	152.38	329.81	48.41	253.94	151,241.18	51,200.14

** Awarded land admeasuring Acres 1284.31 situated in Yerraguntla Mandal includes value of INR 516.21 lakhs (March 31, 2024: INR 516.21 lakhs) forming part of conveyance deed dated 23 March 1998 that was presented to the jurisdictional Registering Authority for registration. The registering authorities have kept the conveyance deed pending for want of payment of the additional stamp duty levied by them. Since then the matter was under litigation. The additional stamp duty was paid by the Company and the document was registered vide Registration No. 7927/2021 by District Registrar, Kadapa covering Acres 1278.75 and leaving aside Acres 5.56 vide refusal order No.1/2021, dated 20 Oct 2021. This order was appealed before District Registrar, Kadapa, being the Appellate Authority. The appeal is pending before the Appellate Authority.

Pursuant to the scheme of arrangement between Zuari Industries Limited and the Company (ZCL), sanctioned by the Honorable High Court of Bombay having bench at Panaji, Goa, on January 12, 2001, the cement undertaking of Zuari Industries Limited stood vested in the Company with effect from April 1, 2000.

Cost of mineral reserve embedded in the cost of freehold mining land has been depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of mineral reserve.

The Company has leased out railway sidings under non-cancellable lease. Refer note 32(b).

*** Capital work-in-progress includes amount paid for the purchase of land at Chennai of INR 671.43 Lakhs (March 31, 2024: INR 671.43 Lakhs). The application for land swapping was submitted on 29/11/2019 as per the Government order vide no. 5349/LD3(1)/2011-27 dated 04/01/2018 which states that the value of the land proposed to be swapped with leaseland should be of equivalent market value. Accordingly, the land was identified, registered in the name of Company and the land swapping proposal was submitted to the Government of Tamil Nādu (GoTN). Meanwhile, GoTN changed the regulations for land swapping and the land swapping application was sent to Tahsildar, Ponneri. While sending the recommendation to the land swapping, the revenue authorities have stipulated to (i) pay differential value of land (ii) payment of lease rent arrears and (iii) obtaining the NOC from the Athipattu village Panchayath. While, the Company has paid the lease rent arrears, represented that NOC is not required as per the new regulations. The matter is now in the office of District Collector, Thiruvallur for necessary action at his end.

@ During the year ended March 31, 2025, an impairment loss of INR 5,939.38 lakhs represented the write-down value of property, plant and equipment in Cochin port terminal ('CPT') was recognised in the statement of profit and loss as plant is not performing as expected and leading to lower than anticipated cash flows while during the previous year ended March 31, 2024, an impairment loss of INR 7,803.33 lakhs represented the write-down value of certain property, plant and equipment of Sitapuram Power Limited was recognised in the statement of profit and loss to the recoverable amount as a result of technological obsolescence and higher cost of generating electricity. The recoverable amount of INR 899.05 lakhs as at 31 March 2024 was based on fair value less cost of disposal.

4. Intangible assets

	Goodwill*	Computer software	Mining license**	Total	Capital work in progress
Cost or valuation					
At April 1, 2023	4,216.28	625.44	608.68	5,450.40	-
Additions	-	74.20	-	74.20	74.20
Disposals	-	-	-	-	(74.20)
At March 31, 2024	4,216.28	699.64	608.68	5,524.60	-
Additions	-	1.60	-	1.60	1.60
Disposals	-	(3.23)	-	(3.23)	(1.60)
At March 31, 2025	4,216.28	698.01	608.68	5,522.97	-
Amortisation/ Impairment					
At April 1, 2023	-	511.37	398.63	910.00	-
Charge for the year	-	29.34	48.69	78.03	-
Impairment*	2,300.00	-	-	2,300.00	-
Disposals	-	-	-	-	-
At March 31, 2024	2,300.00	540.71	447.32	3,288.03	-
Charge for the year	-	36.97	48.69	85.66	-
Disposals	-	(3.23)	-	(3.23)	-
At March 31, 2025	2,300.00	574.45	496.01	3,370.46	-
Net Block					
At March 31, 2024	1,916.28	158.93	161.36	2,236.57	-
At March 31, 2025	1,916.28	123.56	112.67	2,152.51	-

*Consequent to the merger of Sitapuram Power Limited (SPL) with the Company in the earlier year, the assets, liabilities and reserves pertaining to SPL, as appearing in the consolidated financial statements of the Company, immediately before the merger, are recognized at their carrying values. Accordingly, goodwill amounting INR 2,300.00 lakhs appearing in the consolidated financial statement of the Company is recognized at its carrying value. Based on the impairment testing carried out during the previous year ended March 31, 2024 as the recoverable amount of the SPL doesn't exceeds its carrying amount including goodwill, therefore an impairment loss of INR 2300.00 lakhs was recognized against goodwill in the statement of profit and loss during the year ended March 31, 2024.

**The Company had purchased mining license from Chambal Fertilisers and Chemicals Limited and the same is valid till 4 October 2027. Hence, the Company is depreciating the same over the period of license.

Capital work in progress ('CWIP') Ageing Schedule

Projects in progress	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2025	6,119.98	1,567.44	782.19	42,730.53	51,200.14
As at 31 March 2024	3,095.98	1,682.68	695.11	42,061.06	47,534.83

Project execution plans are modulated as per requirement on annual basis and all the projects are executed as per rolling annual plan.

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5. Non-current investments

	March 31, 2025	March 31, 2024
Investments in Equity Instruments (fully paid)		
Others		
Unquoted equity instruments		
A. 22,460 (March 31, 2024: 22,460) equity shares of INR. 10/- each fully paid up of Vena Energy Power Resources Private Limited [refer note (i)]	2.32	2.32
B. 64,182 (March 31, 2024: 64,182) equity shares of INR. 10/- each fully paid up of Echanda Urja Private Limited. [refer note (ii)]	6.42	6.42
	8.74	8.74
Unquoted preference shares		
A. 14,419 (March 31, 2024: 14,419) Cumulative Compulsorily Convertible Non-Participative Preference shares of INR. 100/- each fully paid up in Vena Energy Power Resources Private Limited [refer note (i)]	14.88	14.88
	14.88	14.88
	23.62	23.62

(i). Investments in Vena Energy Power Resources Private Limited (formerly known as Energon Power Resources Private Limited)

The Company had executed a Share Subscription and Shareholders Agreement (SSHA) dated June 2, 2014 with Energon Power Resources Private Limited ("EPRPL") and Energon Renewables Private Limited. Pursuant to the terms of SSHA, the Company has invested a sum of INR 2.32 lakhs to acquire 2.89% equity stake and INR 14.88 lakhs to acquire 2.89% cumulative compulsorily convertible non-participative preference shares in EPRPL in the year 2014. This provide an entitlement of 6 MW dedicated wind energy capacity in EPRPL for the Company.

(ii). Investment in Echanda Urja Private Limited

The Company had executed a Shareholders Agreement (SHA) dated April 26, 2016 with Echanda Urja Private Limited ("EUPL") and NuPower Renewables Private Limited for the procurement of wind energy upto 10 MKWh. The Company made a further investment of INR 1.10 lakhs during the year ended March 31, 2018 and INR 1.92 lakhs during the year ended March 31, 2022 in EUPL for the supply of wind energy upto 18.4 MKWh.

6. Other financial assets

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest accrued on other deposits	-	-	239.52	177.15
Security deposit (unsecured, considered good)	4,627.74	4,248.45	381.31	452.33
GST Incentive receivables	9,141.11	8,836.45	-	-
Derivative assets	-	-	-	34.80
	13,768.85	13,084.90	620.83	664.28

7. Other assets

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Capital advances				
Unsecured, considered good	1,342.88	500.31	-	-
	1,342.88	500.31	-	-
Other- unsecured, considered good				
Advance income tax, net of provision for tax	901.85	2,553.48	-	-
Balance with government authorities	1,150.18	1,085.04	2,056.47	3,201.22
Amount paid under protest	7,891.54	10,310.50	-	-
Employee advances	-	-	26.74	34.16
Advance to suppliers				
- Considered good	-	-	1,335.82	7,179.03
- Doubtful	-	-	118.85	118.85
Prepaid expenses	408.02	526.83	2,231.54	2,128.03
Other receivables	354.93	654.25	2.15	2.15
	10,706.52	15,130.10	5,771.57	12,663.44
Less: Allowances for doubtful advance and receivable	(30.00)	(329.33)	(118.85)	(118.85)
	12,019.40	15,301.08	5,652.72	12,544.59

8. Inventories (valued at lower of cost and net realizable value)

	March 31, 2025	March 31, 2024
Raw materials (includes in transit INR 31.23 lakhs) (March 31, 2024: INR 145.70 lakhs)	2,403.15	2,333.21
Work-in-progress	7,219.28	5,341.34
Finished goods	2,356.31	2,983.32
Consumable stores and spares (includes in transit INR 7.44 lakhs) (March 31, 2024: INR 54.83 lakhs)	13,663.69	19,801.30
	25,642.43	30,459.17

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

9. Trade receivables	March 31, 2025	March 31, 2024
Trade receivables	12,661.98	11,799.51
Receivables from other related parties*	20.49	33.76
	12,682.47	11,833.27
Break-up for trade receivable:		
Secured, considered good	5,219.73	3,385.71
Unsecured, considered good	7,462.74	8,447.56
Trade receivables - credit impaired	548.25	544.09
	13,230.72	12,377.36
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(548.25)	(544.09)
	12,682.47	11,833.27
Trade receivables ageing schedule		

As at 31 March 2025

	Outstanding for following periods from due date of payment					
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables – considered good	10,494.60	1,930.51	257.36	-	-	-
Disputed Trade receivables – credit impaired	-	-	8.97	74.26	15.92	449.10
	10,494.60	1,930.51	266.33	74.26	15.92	449.10
						13,230.72

As at 31 March 2024

	Outstanding for following periods from due date of payment					
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade Receivables – considered good	8,801.80	2,864.89	47.00	119.58	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	105.88	438.21
	8,801.80	2,864.89	47.00	119.58	105.88	438.21
						12,377.36

*Include dues from companies where directors are interested (refer note 31).

10. Cash and cash equivalents

	Current	
	March 31, 2025	March 31, 2024
Cash and cash equivalents:		
Cheque in hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	3,716.48	249.02
	5,357.86	1,857.84

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits made for varying periods of upto 3 months, depending on the immediate cash requirement of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	Current	
	March 31, 2025	March 31, 2024
Cash and cash equivalents:		
Cheque in hand	1,641.38	1,608.82
Balance with banks:		
- On current accounts	3,716.48	249.02
	5,357.86	1,857.84

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Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

11. Share Capital	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Authorized share capital				
At April 1, 2023	348,000,000	34,800.00	140,000,000	14,000.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2024	348,000,000	34,800.00	140,000,000	14,000.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2025	348,000,000	34,800.00	140,000,000	14,000.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully		
At April 1, 2023	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2024	274,961,400	27,496.14
Increase/(decrease) during the year	-	-
At March 31, 2025	274,961,400	27,496.14

(a) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates is given below

Out of the equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

	March 31, 2025	March 31, 2024
Heidelberg Materials Italia Cementi S.P.A (formerly Italcementi S.P.A) ,the Holding Company	266,461,350	266,461,350
Compagine Pour l'Investment Financier En Inde	8,500,000	8,500,000
Investcim S.A.S	10	10
Sax S.A.S	10	10
Cafipar S.A.S	10	10
Tercim S.A.S	10	10
Menaf S.A.S	10	10

(b) Details of shareholders holding more than 5% shares in the Company

Equity shares of INR 10/- each fully paid

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number	Amount	Number	Amount
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	96.91%

In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

The Company has not reserved any shares for issue under options and contracts/commitments for sale of shares/disinvestment.

c. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	-	96.91%
Total	266,461,350	96.91%	266,461,350	96.91%	-

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

Promoter name	As at 31 March 2024		As at 31 March 2023		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Heidelberg Materials Italia Cementi S.P.A	266,461,350	96.91%	266,461,350	-	96.91%
Total	266,461,350	96.91%	266,461,350	-	96.91%

Zuari Cement Limited

Notes to consolidated financial statements for the year ended March 31, 2025

(Presented in INR Lakhs except share data and EPS)

12. Other equity

	March 31, 2025	March 31, 2024
A) Retained earnings		
At the commencement of the year	82,315.56	87,651.52
Less: Loss for the year	(13,199.72)	(5,335.96)
Closing balance (A)	69,115.84	82,315.56
B) Remeasurement gain/ (losses) of net defined benefit plans, net of tax		
At the commencement of the year	1.95	(20.08)
Additions during the year	(84.57)	22.03
Closing balance (B)	(82.62)	1.95
Securities premium account	37,201.93	37,201.93
Closing balance (C)	37,201.93	37,201.93
Equity attributable to owners of the Company (A+B+C)	106,235.15	119,519.44
Non Controlling Interest (D)	24,435.19	22,093.13
Total (A+B+C+D)	130,670.34	141,612.57

Nature and purpose of reserves:

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013. There is no movement in the security premium account during the year.

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Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

13. Borrowings

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
(a) Indian rupee term loan from bank (unsecured) (refer note (i))	3,000.00	-	-	-
(b) Indian rupee short term loan from bank (unsecured) (refer note (ii))	-	-	46,200.00	36,800.00
(c) Other loans and advances				
Loan repayable on demand (from bank)				
-Bank overdraft (unsecured) (refer note (iii))	-	-	-	3,237.87
Deferred payment liability				
- Sales tax deferral loan (secured) (refer note (iv))	1,350.27	3,104.51	2,250.27	1,957.38
	<u>1,350.27</u>	<u>3,104.51</u>	<u>2,250.27</u>	<u>5,195.25</u>
The above amount includes				
Secured borrowings	1,350.27	3,104.51	2,250.27	1,957.38
Unsecured borrowings	3,000.00	-	46,200.00	40,037.87
	<u>4,350.27</u>	<u>3,104.51</u>	<u>48,450.27</u>	<u>41,995.25</u>

Details of repayment terms, interest and maturity

(i) The Company has availed unsecured term loan from bank for Waste Heat Recovery (WHR) project at Sitapuram plant repayable after 5 years at fixed interest rate of 5 year G-sec rate plus margin on the date of avalement of each loan.

(ii) The Company has availed unsecured short term loan from banks to meet working capital requirement at the interest rate in the range of 7.90% to 8.10% p.a.

(iii) The Company has availed unsecured overdraft facilities from Bank, repayable on demand to meet short term working capital requirement.

(iv) To promote the industries in backward area (i.e. at Yerraguntla, Andhra Pradesh), Government of Andhra Pradesh, announced an interest free sales tax loan facility. To avail the facility, the Company has entered into an agreement with the Government of Andhra Pradesh for deferring payment of sales tax collected during the period February 15, 1999, to February 14, 2013 (fourteen (14) years). The deferred amount will be repaid by the year ended March 31, 2027. The amount repayable within a period of one year from the reporting date, i.e. INR 2,250.27 lakhs (March 31, 2024: INR 1,957.38 lakhs) is included in current maturities of long-term borrowings. It is secured by way of movable and immovable properties of the Company.

As per Ind AS 109, Sales Tax Deferment loan results into an interest-free loan from the government. Accordingly, the Company has retrospectively measured the sales tax deferral loan as on transition date by arriving at the present value, which is the discounted amount of the loan computed using the market rate of interest for a similar loan for the period for which the entity is not required to deposit the sales tax amount with the government.

14. Other financial liabilities

	Non-current	
	March 31, 2025	March 31, 2024
Trade Payables	226.38	100.09
	<u>226.38</u>	<u>100.09</u>

15. Provisions

	Non-current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for employee benefits				
Gratuity (refer note 33)	835.95	559.78	-	-
Compensated absences	-	-	488.68	481.23
	<u>835.95</u>	<u>559.78</u>	<u>488.68</u>	<u>481.23</u>
Others				
Provision for litigation (refer note 32(d))	7,798.00	7,520.84	-	-
Provision for site restoration expense (refer note 32(e))	1,091.38	1,091.38	-	-
	<u>8,889.38</u>	<u>8,612.22</u>	<u>-</u>	<u>-</u>
	<u>9,725.33</u>	<u>9,172.00</u>	<u>488.68</u>	<u>481.23</u>

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

16. Income tax & deferred tax liability

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

	March 31, 2025	March 31, 2024
Statement of Profit or loss :		
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	(1,044.34)	(2,036.40)
Deferred tax:		
Relating to origination and reversal of temporary differences	(7,696.90)	(2,511.64)
Income tax expense reported in the statement of profit or loss	(8,741.24)	(4,548.04)
Other comprehensive income:		
Deferred tax related to items recognised in OCI during the year:		
Net (gains)/losses on remeasurements of defined benefit plans	45.42	(11.83)
Income tax charged to OCI	45.42	(11.83)

	March 31, 2025	March 31, 2024
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for March 31, 2025 and March 31, 2024:		
Accounting profit/(loss) before income tax	(22,740.89)	(11,072.62)
Total tax charge computed on the basis of the applicable rates	(7,590.72)	(3,340.44)
Income tax expense/(income) relating to earlier years (refer note iii below)	(1,044.34)	(2,036.40)
Deductible expenses for tax purposes	(212.93)	(57.82)
Non-deductible expenses for tax purposes	7.33	812.41
Corporate social responsibility expenditure	99.42	74.21
At the effective income tax rate of 38.44% (March 31, 2024: 41.07%)	(8,741.24)	(4,548.04)
Income tax expense reported in the statement of profit and loss	(8,741.24)	(4,548.04)

(i) The Company is entitled to avail exemption under section 80IA of the Income Tax Act, 1961 from income tax on profits of business.

(ii) The Government of India on 20 September, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed the net deferred tax liability aggregating INR 4,543.00 lakhs till 31 March 2023.

(iii) During the year, the Company has received additional refund of INR 1,126.10 lakhs pertaining to FY 2008-09 and FY 2011-12 on ground of additional claim of depreciation on goodwill allowed as per OGE order passed by Assessing officer. However, this tax income was offset by INR 81.76 lakhs for certain amount of group expenditure (international transaction) disallowed as per terms and conditions agreed in Advance Pricing agreement ('APA') with Income tax department for the FY 2020-21. Also, during the previous year ended March 31, 2024 the Company has received additional refund of INR 2,036.40 lakhs pertaining to FY 2006-07 and 2007-08 on ground of additional claim of depreciation on goodwill allowed as per OGE order passed by Assessing officer.

Deferred tax liabilities (net)

	March 31, 2025	March 31, 2024
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	19,801.62	17,170.25
Impact of expenditure allowed for tax purposes on payment basis but not charged to statement of profit & loss		
Gross deferred tax liability	19,801.62	17,170.25

Deferred tax asset

Unused tax credits (MAT credit entitlement) - (refer note (i) below)	548.67	599.77
Unutilised carried forward loss	8,244.80	3,530.43
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	6,589.07	1,032.85
Provision for doubtful debts and advances	181.59	180.14
Provision for employee related liabilities	485.57	383.90
Gross deferred tax asset	16,049.70	5,727.09
Net deferred tax liability	3,751.92	11,443.16

(i) MAT credits are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow all or part of MAT credit to be utilised during this specified period, i.e. the period for which MAT credit is allowed to be carried forward.

The Company reviews MAT credit entitlement at each reporting date and in the current year the Company based on future profit and tax projections believes that sufficient taxable profits will be generated to utilize the full MAT credit.

17. Other non-current liabilities

	March 31, 2025	March 31, 2024
Income received in advance	454.13	487.15
	454.13	487.15

21. Revenue from operations

	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products		
Cement	173,815.00	217,517.13
Clinker	20,719.04	17,461.01
	194,534.04	234,978.14
Sales of Services	181.20	45.33
Other operating revenue		
Scrap sales	468.66	363.72
Sale of electricity	420.75	-
Revenue from disposal of hazardous waste	93.48	119.52
Government grant- SGST incentive (refer note 34)	1,405.24	3,593.33
	2,388.13	4,076.57
	197,103.37	239,100.04

21.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contract with customers:

	For the year ended March 31, 2025	For the year ended March 31, 2024
India	196,922.17	239,054.71
Outside India	181.20	45.33
Total Revenue from contract with customers	197,103.37	239,100.04

21.2 Contract Balances

Trade receivables (refer note 9)	12,682.47	11,833.27
Contract liabilities (refer note 20)	1,281.48	2,213.18

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

21.3 The performance obligation is satisfied upon supply of goods as and when delivered and accordingly, there is no outstanding performance obligation as on 31 March 2025 and 31 March 2024.

21.4 Sales of product is net of INR 13,289.45 lakhs (31 March 2024: INR 21,345.84 lakhs) on account of cash discount, rebates and incentives given to customers.

22. Other income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income		
On bank deposits	52.82	61.54
On income tax refund	1,179.07	-
Others	270.51	204.87
Provision no longer required written back	450.19	235.80
Rental income	46.40	45.92
Profit on sale of property, plant and equipment net	-	165.47
Miscellaneous income	79.55	154.83
	2,078.54	868.43

(@ Interest income on inter-corporate loan include interest expenses of INR 93.85 lakhs (March 31, 2024: Interest income of INR 582.61 lakhs) as per Ind AS 109).

23. Cost of material consumed

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory of materials at the beginning of the year	2,333.21	2,426.81
Add: Purchases during the year	38,241.74	37,985.13
Less: Inventory of materials at the end of the year	2,403.15	2,333.21
	38,171.80	38,078.73

24. (Increase)/decrease in inventories of finished goods, work-in-progress

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening stock		
Finished goods	2,983.32	3,343.75
Work-in-progress	5,341.34	5,363.02
	8,324.66	8,706.77
Less: closing stock		
Finished goods	2,356.31	2,983.32
Work-in-progress	7,219.28	5,341.34
	9,575.59	8,324.66
	(1,250.93)	382.11

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

18. Trade payables	March 31, 2025	March 31, 2024
Dues of micro enterprises and small enterprises (refer note 40)	626.77	333.05
Dues of creditors other than micro enterprises and small enterprises	37,507.82	45,441.02
	38,134.59	45,774.07
Trade Payables		
- To related parties (refer note 31)	8,194.98	14,397.03
- To others	29,939.61	31,377.04
	38,134.59	45,774.07

Trade payables Ageing Schedule
As at 31 March 2025

	Rs in Lakhs				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	626.77	-	-	-	626.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	34,184.46	1,334.66	602.15	1,386.55	37,507.82
	34,811.23	1,334.66	602.15	1,386.55	38,134.59

As at 31 March 2024

	Rs in Lakhs				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	333.05	-	-	-	333.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	37,540.73	3,664.80	1,366.33	2,869.16	45,441.02
	37,873.78	3,664.80	1,366.33	2,869.16	45,774.07

19. Other financial liabilities

	March 31, 2025	March 31, 2024
Interest accrued but not due on borrowings	26.55	8.10
Trade and other deposits	11,038.88	12,858.16
Payable against purchase of property, plant and equipment	2,887.98	2,296.42
Employee related liabilities	803.30	763.17
Derivative liability	124.73	-
	14,881.44	15,925.85

20. Other liabilities

	March 31, 2025	March 31, 2024
Contract liabilities		
Advance from customers	1,281.48	2,213.18
Income received in advance	33.03	33.03
Statutory liabilities	3,168.59	4,521.43
	4,483.10	6,767.64

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)

25. Employee benefits expense	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	8,925.15	8,979.90
Gratuity expense (refer note 33)	166.18	161.62
Contribution to provident fund and other funds	547.06	502.75
Staff welfare expenses	188.90	159.64
	9,827.29	9,803.91

26. Finance costs	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense		
On term loans and cash credit from banks	3,789.53	3,022.93
On lease liabilities	143.87	183.22
On others#	783.52	890.24
Bank charges	44.39	68.30
	4,761.31	4,164.69
Less: Capitalisation of interest cost*	(83.95)	-
	4,677.36	4,164.69

* The Company started Waste Heat Recovery (WHR) power plant in clinkerisation unit at Sitapuram plant, Telangana, adjacent to the Kilns to generate power from waste heat in July 2024. This project is expected to be completed in last quarter of fiscal year ended March 31, 2026. The carrying amount of the WHR plant (including Capital advance) at March 31, 2025 is INR 4,287.56 lakhs (March 31, 2024: Nil). The amount of borrowing costs capitalised during the year ended March 31, 2025 is INR 83.95 lakhs (31 March 2024: Nil) on general borrowings for qualifying assets, using the weighted average interest rate @ 8.20% p.a.

(# Interest on others for the year ended March 31, 2025 include INR 496.04 lakhs (March 31 2024: INR 565.68 lakhs) represents interest expenses on sales tax deferral loan as per Ind AS 109)

27. Depreciation and amortisation	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 3)	18,297.33	20,371.44
Depreciation on Right-of-use-asset (refer note 43)	606.82	841.47
Amortisation of intangible assets (refer note 4)	85.66	2,378.03
	18,989.81	23,590.94

28. Other expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and fuel	73,816.02	92,227.38
Freight outward	41,056.62	45,362.57
Consumption of stores, loose tools and spare parts	8,737.45	7,865.32
Rent	864.65	538.15
Rates and taxes	5,630.27	6,745.78
Legal and professional	405.84	481.92
Payment to auditor [refer note (i) below]	60.20	58.88
Repairs and maintenance:		
- plant and machinery	6,740.33	5,582.53
- buildings	115.72	164.03
- others	123.07	117.53
License fee (refer note 31)	2,153.15	2,744.39
Provision for bad and doubtful debts, net	4.16	28.34
Sundry balances written off (gross)	32.21	-
Selling and distribution expenses	2,965.89	3,543.90
Sales commission	934.80	1,200.31
Advertisement and sales promotion	1,466.15	1,821.92
Corporate social responsibility (refer note 35)	187.05	212.36
Property, plant and equipment written off	20.43	18.77
Insurance	1,131.49	1,064.44
Traveling and conveyance	657.80	669.60
IT and business support charges	1,404.47	1,474.71
Communication	124.39	113.05
Foreign exchange loss, net	191.70	239.01
Miscellaneous expenses	2,683.61	2,745.82
	151,507.47	175,020.71

(i) Payment to auditor	For the year ended March 31, 2025	For the year ended March 31, 2024
As statutory auditor (excluding goods and services tax)	56.00	58.00
Reimbursement of expenses (excluding goods and services tax)	4.20	0.88
	60.20	58.88

29. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss after tax available to equity shareholders	(13,199.72)	(5,335.96)
Net loss for calculation of basic/Diluted EPS	(13,199.72)	(5,335.96)
Weighted average number of equity shares in calculating Basic/Diluted EPS (in lakhs)	2,749.61	2,749.61
Basic and diluted EPS (in INR)	(4.80)	(1.94)

30. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant & equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about gratuity obligations are given in note 33.

(iii) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 36 of the financials.

(iv) Mines reclamation expenses:

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(vi) Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) Provision for inventories

Management reviews the aged inventory on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management believes that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

(viii) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

31. Related party disclosures

a. Names of related parties and related party relationship

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate holding Company	Heidelberg Materials AG (erstwhile HeidelbergCement AG)
Holding Company	Heidelberg Materials Italia Cementi S.P.A (erstwhile Italcementi S.P.A)

Related parties with whom transactions have taken place during the year:

Entities under common control	HeidelbergCement India Limited ("HCIL") HC Trading Asia and Pacific Pte Ltd. Heidelberg Materials Asia Pte. Ltd. (erstwhile HC Asia Pte Ltd)
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Additional related parties as per the Companies Act, 2013:

Chief Financial Officer	Mr. Vimal Kumar Choudhary (till 28 May 2025) Mr. Kishan Kumar Acharya (w.e.f 01 June 2025)
Company Secretary	Mr. Arjun Dutta (till March 26, 2025) Ms. Reena Bagla (w.e.f 01 June 2025)
Key Management Personnel	Mr. Joydeep Mukherjee, Managing Director Mr. Roberto Callieri, Non-Executive Director (w.e.f 14 March 2024) Mr. Kevin Gluskie, Non-Executive Director (till March 13, 2024) Mr. Juan-Francisco Defalque, Non-Executive Director Ms. Soek Peng Sim, Non-Executive Director (till 28 May 2025) Mr. Vimal Kumar Jain, Non-Executive Director Ms. Poonam Sharma, Non-Executive Director (w.e.f. 28 May 2025)

b. Related party transactions

The following table provides the total amount of transactions that have been entered in to with related parties for the relevant years:

i. Transactions during the year:

Name of related party	Nature of transaction#	For the year ended March 31, 2025	For the year ended March 31, 2024
HC Trading Asia and Pacific Pte Ltd.	Purchase of Consumables (Petcoke)	20,600.31	25,964.21
Heidelberg Materials AG	IT and other Business support charges* Licence fee (refer note 28) Service income	1,404.47 2,153.15 204.96	1,474.71 2,744.39 45.33
HeidelbergCement India Limited	Sale of Clinker Sale of Scrap Purchase of materials Business support charges**	484.99 20.51 - 899.44	1,789.56 - 19.40 940.97
Heidelberg Materials Asia Pte. Ltd.	Business support charges Reimbursement of Expense	21.06 2.70	- -

** Out of total amount of INR 940.97 lakhs for the year ended March 31 2024, an amount (excluding GST) of INR 13.82 Lakhs was capitalised in the books.

ii. Balance outstanding at the year end

Nature of transaction	Name of related party	March 31, 2025	March 31, 2024
Trade receivables	HeidelbergCement India Limited	20.49	33.76
Trade payables	HC Trading Asia and Pacific Pte Ltd. HeidelbergCement India Limited Heidelberg Materials AG	5,118.36 216.74 2,859.88	10,385.05 235.60 3,776.38

iii. Transactions with key management personnel*

	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	561.73	625.90
Post-employment benefits	24.17	22.14
Total compensation paid to key management personnel	585.90	648.04

All the transactions are inclusive of tax and duty, wherever applicable.

*As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
32. Commitments and Contingencies
a) Capital Commitments

i. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) INR 10,620.62 lakhs (March 31, 2024: INR 4,273.78 lakhs).

b) Other commitments (Leases)
Operating lease: Company as lessor

The Company has leased out railway sidings under non-cancellable lease. Total rental income under such leases during the year amounted to INR 12.89 lakhs (March 31, 2024: INR 12.89 lakhs). Future minimum lease payments expected to receive under non-cancellable operating leases are as follows:

	March 31, 2025	March 31, 2024
Not later than one year	12.89	12.89
Later than one year but not later than five years	51.57	51.57
Later than five years	125.70	138.59

c) Contingent Liability

	March 31, 2025	March 31, 2024
Sales Tax/Trade Tax/Entry Tax	8,770.82	8,770.82
Excise Duty/Service Tax/CENVAT Credit	5,430.05	5,430.05
Customs duty	942.07	942.07
Income tax matters	15,478.55	15,478.55
Electricity charges	467.29	744.29
Claims against the company not acknowledged as debt	4,580.15	4,580.15
	35,668.93	35,945.93

d) Provision for litigations

	Balance as at Apr 1, 2024	Additions during the year charged to respective expenses head	Amounts reversed/utilised during the year	Balance as at Mar 31, 2025
Electricity duty and Charges	1,562.83	277.16	-	1,839.99
	(899.86)	(662.97)	-	(1,562.83)
Sales tax matters	1,942.77	-	-	1,942.77
	(1,942.77)	-	-	(1,942.77)
Custom duty	1,377.89	-	-	1,377.89
	(1,377.89)	-	-	(1,377.89)
Road Tax	94.86	-	-	94.86
	(94.86)	-	-	(94.86)
Income tax matters	2,542.49	-	-	2,542.49
	(2,542.49)	-	-	(2,542.49)
Total	7,520.84	277.16	-	7,798.00
	(6,857.87)	(662.97)	-	(7,520.84)

Note: Figures in brackets are for the previous year

Above provisions have been made against demands raised by various authorities. All these cases are under litigation and are pending with various authorities; expected timing of resulting outflow of economic benefits cannot be specified. Amount deposited under protest against these provisions are shown under other assets (refer note 7)

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
e) Movement of provision for site restoration expenses during the period as required by Ind AS 37

	March 31, 2025	March 31, 2024
Opening provision (refer note 15)	1,091.38	1,091.38
Add: Provision made during the year	-	-
Less: Provision utilised during the year	-	-
Closing provision	1,091.38	1,091.38

Site restoration expense is incurred on an ongoing basis and until the closure of mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenses.

33. Gratuity

The Company has two post-employment funded plans, namely Gratuity and Superannuation.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Act). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet for the Gratuity:

Statement of profit and loss

(i) Net employee benefit expense (recognized in employee cost)

	March 31, 2025	March 31, 2024
Current service cost	137.02	139.67
Interest cost on benefit obligation	126.31	132.76
Expected return on plan assets	(97.15)	(110.81)
Defined benefit cost included in Statement of Profit & Loss	166.18	161.62
Remeasurement recognised in other comprehensive income		
- changes in financial assumptions	51.68	8.35
- change in experience adjustments	70.59	(50.44)
- return on plan asset (excluding interest income)	7.72	8.23
Amount recognised in OCI	129.99	(33.86)

Balance Sheet

(ii) Reconciliation of the net defined benefit (asset)/ liability

The following table shows reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation	March 31, 2025	March 31, 2024
Particulars		
Balance at the beginning of the year	1,916.39	2,007.26
Current service cost	137.02	139.67
Interest cost on benefit obligation	126.32	132.76
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	51.68	8.35
- experience adjustments	70.59	(50.44)
Benefit paid	(243.55)	(321.21)
Balance at the end of the year	2,058.44	1,916.39

Reconciliation of the present value of plan assets

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,356.61	1,520.35
Interest income	97.15	110.81
Contribution by employer	20.00	54.90
Return on plan assets recognised in other comprehensive income	(7.72)	(8.24)
Benefits paid	(243.55)	(321.21)
Balance at the end of the year	1,222.50	1,356.61

Details of provision for gratuity

	March 31, 2025	March 31, 2024
Present value of defined benefit obligation	2,058.44	1,916.39
Present value of plan assets	1,222.50	1,356.61
Net defined benefit liability/(assets)	835.95	559.78

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
(iii) Defined benefit obligation
- Actuarial assumptions
The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate	6.60%	7.20%
Salary increase rate	7.50%	7.50%
Mortality table	Indian Assured Lives Mortality (IALM) (2006-2008) (modified) Ult.	Indian Assured Lives Mortality (IALM) (2006-2008) (modified) Ult.
Withdrawal	8.00%	8.00%
Retirement age	Up to DGM- 58 years GM and above 60 years	Up to DGM- 58 years GM and above 60 years

Note

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables.

- Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity Plan Assumptions	Sensitivity level		Impact on DBO	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount rate	-0.50%	-0.50%	38.04	35.63
	0.50%	0.50%	(50.51)	(48.25)
Salary increase rate	-0.50%	-0.50%	(45.73)	(43.97)
	0.50%	0.50%	32.64	30.78

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(iv) Plan assets

The principal plan assets consists of a scheme of insurance taken by the Trust, which is a qualifying insurance policy. As at March 31, 2025 and March 31, 2024, 100% of the plan assets were vested in investment with insurance company.

The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2025	March 31, 2024
Within the next 12 months (next annual reporting period)	375.24	309.47
Between 2 and 5 years	1,345.94	1,361.09
Beyond 5 years	1,172.19	1,166.94

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2024: 5 years).

B) Superannuation and Provident Fund

Retirement benefits in the form of Superannuation Fund (being administered by Trust) and Provident fund (contribution to government administered fund) are funded defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution made. The amount recognized as an expense for the Defined Contribution Plans are as under:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Superannuation Fund	94.81	92.91
Provident Fund	452.25	409.84
	547.06	502.75

34. Sales tax incentive

The Company is entitled to benefits under Package Scheme of Incentives - 2007 as notified by Government of Maharashtra for the Manufacturing set up for cement production facility at Solapur, Maharashtra w.e.f. September 1, 2015. Under the said policy, the Company is entitled for refund of Value Added Tax (which is now subsumed on GST), exemption from electricity duty and waiver of stamp duty for a period of seven (7) years which was further extended for two (2) years. Accordingly, for the period from 1 April 2024 to 31 August 2024 (i.e till the last date of entitlement), the Company has recognised INR 1,405.24 lakhs (March 31, 2024: INR 3,593.33 lakhs) as income and disclosed under "Other operating revenue".

35. Corporate social responsibility (CSR):
Details of CSR spent during the financial year:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year		-	164.44
(b) Amount spent during the period ended March 31, 2025	In cash	Yet to be paid	Total
(i) Construction/ acquisition of any assets	-	-	-
(ii) On purposes other than (i) above	187.05	-	187.05
Total	187.05	-	187.05
(c) Amount spent during the period ended March 31, 2024	In cash	Yet to be paid	Total
(i) Construction/ acquisition of any assets	-	-	-
(ii) On purposes other than (i) above	212.36	-	212.36
Total	212.36	-	212.36

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
36. Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair Value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets				
Investment	23.62	23.62	23.62	23.62
Trade receivables	12,682.47	11,833.27	12,682.47	11,833.27
Cash and cash equivalents	5,357.86	1,857.84	5,357.86	1,857.84
Other financial assets	14,389.68	13,749.18	14,389.68	13,749.18
Financial liabilities				
Borrowings	52,800.54	45,099.76	52,800.54	45,099.76
Trade payables	38,134.59	45,774.07	38,134.59	45,774.07
Other financial liability	15,107.82	16,025.94	15,107.82	16,025.94
Lease liabilities	1,691.77	2,010.72	1,691.77	2,010.72

The management assessed that cash and cash equivalents, trade receivable, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37. Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025 and March 31, 2024:

Assets measured at fair value:	Fair value measurement using				
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
FVTPL financial investments					
Unquoted instruments	March 31, 2025	23.62	-	-	23.62
	March 31, 2024	23.62	-	-	23.62

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

38. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise of trade payables, other payables and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, receivables and cash and cash equivalents which are part of the Company's operations.

The Company is exposed to market risk, liquidity risk, and credit risk. The policies and procedures considered by Company's senior management to oversee the management of these risks has been summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to three types of market risk: foreign currency risk, interest rate risk and other price risk, such as commodity risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). As on March 31, 2025 and March 31, 2024, the Company has following foreign currency exposures:

Derivative instruments and unhedged foreign currency exposure
a. Derivatives outstanding as at the reporting date

	Currency	March 31, 2025		March 31, 2024	
		in foreign currency (in lakhs)	Amount in INR (in lakhs)	in foreign currency (in lakhs)	Amount in INR (in lakhs)
Forward exchanged contracts (to hedge trade payables)	USD	60.35	5,118.36	124.68	10,385.05
		60.35	5,118.36	124.68	10,385.05

Zuari Cement Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(Presented in INR Lakhs except share data and EPS)
b. Particulars of unhedged foreign currency exposure as at the reporting date

	Currency	March 31, 2025		March 31, 2024	
		in foreign currency (in lakhs)	Amount in INR (in lakhs)	in foreign currency (in lakhs)	Amount in INR (in lakhs)
Trade payables	EUR	0.04	3.57	0.04	3.48
	CHF	-	-	0.12	10.99
			3.57		14.47
Advance to supplier	EUR	0.85	78.24	0.03	2.89
			78.24		2.89
Due to related parties	EUR	31.03	2,857.79	35.16	3,159.57
	USD	-	-	0.01	0.75
			2,857.79		3,160.32

*USD – US Dollar, EUR – Euro, CHF - Swiss Franc

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

5% increase in foreign exchange rates will have the following impact on profit/(loss) before tax:

	March 31, 2025	March 31, 2024
EUR	(139.16)	(158.60)
USD	-	(0.12)
CHF	-	(0.65)

Note: If the rate is decreased by 500 bps, profit/(loss) will increase/(decrease) by an equal amount for March 31, 2025 and March 31, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to maintain most of its borrowings at fixed rate. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Commodity price risk

The Company is affected by the price volatility of certain commodities which is moderated by optimising the procurement under fuel supply agreement. Its operating activities require the on-going purchase or continuous supply of coal. Therefore the Company monitors its purchases closely to optimise the price.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations towards settlement of financial liabilities. Financial liabilities are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through use of bank overdrafts, bank loans and other similar credit facilities.

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting year based on contractual undiscounted payments.

As at March 31, 2025	<1 year	1-5 years	>5 years	Total
Financial Liabilities				
Borrowings*	48,450.27	1,867.20	3,000.00	53,317.47
Trade payables**	38,134.59	-	-	38,134.59
Other financial liabilities	14,881.44	226.38	-	15,107.82
Lease liabilities	309.79	479.00	902.98	1,691.77
As at March 31, 2024	<1 year	1-5 years	>5 years	Total
Financial Liabilities				
Borrowings*	41,995.25	4,117.48	-	46,112.73
Trade payables**	45,774.07	-	-	45,774.07
Other financial liabilities	15,925.85	100.09	-	16,025.94
Lease liabilities	535.92	553.89	920.91	2,010.72

* Borrowings are shown without Ind AS adjustment.

** Trade payables are repayable on demand

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables

Customer credit risk is managed in line with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed through internal evaluation which takes into account the financial parameters, past experience with the counterparty and current economic/market trends. Individual credit limits are thus defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by advances, security deposits, bank guarantees etc. Trade receivables are consisting of a large number of customers. The Company does not have higher concentration of credit risks to a single customer.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made with approved counterparties. Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

		March 31, 2025	March 31, 2024
Borrowings		52,800.54	45,099.76
Less: Cash and cash equivalents		(5,357.86)	(1,857.84)
Net debt	(A)	47,442.68	43,241.92
Equity attributable to equity share holder	(B)	158,166.48	169,108.71
Capital and debt	(C)=(A)+(B)	205,609.16	212,350.63
Gearing ratio	(D)= (A)/(C)	23.07%	20.36%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

40. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

S.N	Particulars	March 31, 2025	March 31, 2024
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the		
	-Principal amount due to micro and small enterprises (Not overdue)	626.77	333.05
	-Interest due on above	-	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and	-	-

41. Segment reporting

The Company is predominantly engaged in the business of manufacturing and sale of cement, which constitutes a single business segment and is governed by similar set of risks and returns. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non-current assets of the Company are located in India.

42. Transfer pricing

The Company maintains the information and documents as required under the transfer pricing regulations under Section 92-92F of the Income Tax Act, 1961. The management is in the process of updating the transfer pricing documentation for the financial year 2024 - 2025 and is of the view that its transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

43. Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:-

Right-of-use-asset

Particulars	Land & Buildings	Furniture & Fixture	Vehicles	Total
At 1 April 2023	7,630.54	186.29	919.51	8,736.34
Additions for the year	486.15	-	-	486.15
Disposals	-	-	-	-
At 31 March 2024	8,116.69	186.29	919.51	9,222.49
Additions for the year	266.89	-	-	266.89
Disposals	-	-	-	-
At 31 March 2025	8,383.58	186.29	919.51	9,489.38
Depreciation/ Amortization				
At 1 April 2023	2,382.62	118.88	763.24	3,264.74
Depreciation Expenses	679.71	38.52	123.24	841.47
Prepaid rent amortisation	167.00	-	-	167.00
Disposals	-	-	-	-
At 31 March 2024	3,229.33	157.40	886.48	4,273.21
Depreciation Expenses	557.82	28.89	20.11	606.82
Prepaid rent amortisation	167.00	-	-	167.00
Disposals for the year	-	-	-	-
At 31 March 2025	3,954.15	186.29	906.59	5,047.03
Net book value				
At 31 March 2024	4,887.36	28.89	33.03	4,949.28
At 31 March 2025	4,429.43	0.00	12.92	4,442.35

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

Lease liabilities

Particulars	March 31, 2025	March 31, 2024
At 1 April	2,010.72	2,323.58
Additions for the year	266.89	486.15
Deletion for the year	-	-
Accretion of interest	143.87	183.22
Payment of principal	(729.71)	(982.23)
At 31 March 2025	1,691.77	2,010.72
Current	309.79	535.92
Non-Current	1,381.98	1,474.80

The maturity analysis of lease liabilities are disclosed in note 38B.

The effective interest rate for lease liabilities is in the range of 5.20% to 9.15%, with maturity between 2025-2045.

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	606.82	841.47
Interest expense on lease liabilities	143.87	183.22
Expense relating to short-term leases (included in other expenses)	864.65	538.15
Total amount recognised in statement of profit or loss	1,615.34	1,562.84

44. Additional information, as required under Schedule III of the Companies Act, 2013, of enterprises consolidated as Subsidiaries

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in lakhs	As % of consolidated profit or loss	Amount in lakhs	As % of consolidated OCI	Amount in lakhs	As % of total comprehensive income	Amount in lakhs
Consolidated Parent	100.00%	158,166.48	100.00%	(13,199.72)	100.00%	(84.57)	100.00%	(13,284.29)
Zuari Cement Limited	85.02%	134,474.55	98.35%	(12,981.29)	100.00%	(84.57)	98.36%	(13,065.86)
Adjustment due to consolidation (elimination)	-6.00%	(9,483.68)	-6.06%	799.92	-	-	-6.02%	799.92
Subsidiaries Indian								
Gulbarga Cement Limited	20.98%	33,175.61	7.71%	(1,018.36)	-	-	7.67%	(1,018.36)

45. Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

46. Additional Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) Ratio Analysis and its elements :-

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

S.n	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Change
1	Current ratio (in times)	Current Assets	Current Liabilities	0.47	0.51	-9.0%
2	Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.33	0.27	25.2%
3	Debt Service Coverage ratio (in times)	Earnings before Depreciation, Finance cost and Tax	Interest on long term debt + Principal repayment within next 12 months	0.02	0.37	-95.2%
4	Return on Equity ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-8.6%	-3.8%	-4.8%
5	Inventory Turnover ratio (in days)	Cost of goods sold	Average Inventory	6.39	6.72	-5.0%
6	Trade Receivable Turnover Ratio (in days)	Revenue from operation (incl. GST)	Average Trade Receivable	17.95	12.13	48.0%
7	Trade Payable Turnover Ratio (in days)	Total Operating Cost (incl. GST)	Average Trade Payables	61.48	55.79	10.2%
8	Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(3.43)	(4.34)	-21.0%
9	Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	-7.2%	-2.8%	-4.4%
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-8.3%	-3.0%	-5.3%
11	Return on Investment (%)	Interest (Finance Income)	Investment	7.4%	6.3%	1.0%

Notes:- The Company's Debt-equity ratio and Debt-Service Coverage ratio declined mainly due to increase in debts and decrease in EBIDTA. Further, Trade receivable turnover ratio increased due to increase in outstanding receivables not yet due at the year end and decrease in turnover during the year.

47. Previous year figures

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.N. Dhawan & CO LLP
Firm Registration No. 000050N/N500045
Chartered Accountants
Firm Registration No. 000050N/N500045

For and on behalf of the Board of Directors of
Zuari Cement Limited
CIN: U26942AP2000PLC050415

Rajeev Kumar Saxena
Partner
Membership No. 077974

Joydeep Mukherjee
Managing Director
DIN: 06648469

Vimal Kumar Jain
Director
DIN: 09561918

Place: Gurugram
Date: July 29, 2025

Kishan Kumar Acharya
Chief Financial Officer

Reena Bagla
Company Secretary

ZUARI CEMENT LIMITED AND ITS SUBSIDIARIES

FORM AOC-1

STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

S.No.	Particulars	INR Lakhs	
		Company	Company
1	Name of the Subsidiary Company	Gulbarga Cement Limited	Gulbarga Cement Limited
2	Reporting period for the subsidiary concerned	31st March, 2025	31st March, 2024
3	Reporting currency	INR	INR
4	Share Capital	11,947.91	10,488.05
5	Reserves & surplus	21,227.70	19,705.91
6	Total Assets	48,852.18	46,140.92
7	Total Liabilities	15,676.57	15,946.96
8	Investments	-	-
9	Turnover*	-	-
10	Profit/(Loss) before taxation	(1,018.36)	(1,513.21)
11	Provision for taxation	-	-
12	Profit after taxation	(1,018.36)	(1,513.21)
13	Other Comprehensive Income	-	-
14	Total Comprehensive Income	(1,018.36)	(1,513.21)
15	Proposed Dividend	-	-
16	% of shareholding	21.45%	21.45%

*Gulbarga Cement Limited is yet to commence operations.

For and on behalf of Board of Directors of

Zuari Cement Limited

CIN: U26942AP2000PLC050415

Joydeep Mukherjee

Managing Director

DIN: 06648469

Vimal Kumar Jain

Director

DIN: 09561918

Kishan Kumar Acharya

Chief Financial Officer

Reena Bagla

Company Secretary

Place: Gurugram

Date: July 29, 2025