

Toshali Cements Private Limited
Balance Sheet as at 31 March, 2025

(All amounts in INR in Crores, unless otherwise stated)

Particulars	Note No	As at 31 March, 2025	As at 31 March, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	73.96	69.88
Capital work-in-progress	3	4.76	1.45
Intangible assets	4	0.11	0.07
Right of use assets	5	1.69	1.71
Non-current financial assets			
- Investments	6	0.34	0.21
- Other financial assets	7	0.01	2.93
Deferred tax asset	17	1.27	1.27
Total non-current assets		82.14	77.52
Current assets			
Inventories	9	20.72	7.45
Financial assets			
- Trade receivables	10	12.66	5.66
- Cash and cash equivalents	11	3.28	4.52
- Bank balances other than cash and cash equivalents	12	11.95	0.10
- Investments	6	-	0.32
- Other financial assets	7	5.15	1.37
Other current assets	8	6.39	3.96
Total current assets		60.15	23.38
Total assets		142.29	100.90
Equity and liabilities			
Equity			
Equity share capital	13	93.75	93.75
Other equity	14	(75.11)	(81.40)
Total equity		18.64	12.35
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	15	87.33	64.78
- Lease liabilities		0.40	0.36
Provisions	16	0.24	0.35
Deferred tax liability (net)	17	-	-
Total non-current liabilities		87.97	65.49
Current liabilities			
Financial liabilities			
- Borrowings	15	2.34	1.90
- Lease liabilities		0.00	0.04
- Trade payables - Total outstanding dues of:	18		
: micro and small enterprises		0.54	1.00
: other than micro and small enterprises		19.24	1.89
- Other financial liabilities	19	11.58	15.91
Provisions	16	0.06	0.22
Other current liabilities	20	1.92	2.10
Total current liabilities		35.68	23.06
Total liabilities		123.65	88.55
Total equity and liabilities		142.29	100.90
Corporate Information	1		
Summary of Material Accounting Policies	2		

The accompanying notes form an integral part of the Financial Statements
This is the Balance Sheet referred to our report of even date

For Gupta Vaish & Co.,
Chartered Accountants
Firm Registration No. 005087C

Rajendra Gupta
Rajendra Gupta
Partner
Membership No.: 073250



For and on behalf of the Board of Directors
of Toshali Cements Private Limited

Ajay Kumar Saraogi
Ajay Kumar Saraogi
Director
DIN: 00130805

Madhavkrishna Singhanla
Madhavkrishna Singhanla
Director
DIN: 07022433



Place:
Date: 08.05.2025

Toshali Cements Private Limited
Statement of Profit and loss for the Year ended 31st March, 2025

(All amounts in INR in Crores, unless otherwise stated)

Particulars	Note No	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Revenue			
Revenue from operations	21	94.36	66.05
Other income	22	1.37	0.21
Total Revenue		95.73	66.26
Expenses			
Cost of materials consumed		27.37	13.13
Changes in inventories of finished goods and work-in-progress	23	(4.32)	1.08
Employee benefit expense	24	13.33	10.45
Finance costs	25	7.12	5.65
Depreciation and amortization	26	6.93	5.72
Other expenses	27	67.49	45.00
Total expenses		117.92	81.03
Loss before exceptional items		(22.19)	(14.77)
Less : Exceptional items	28	-	31.09
Profit/ (loss) before tax		(22.19)	16.32
Tax expense:			
Current tax		-	-
Deferred tax	17	-	(1.50)
Tax Adjustment of earlier years		1.05	
Profit/(loss) for the year		(23.24)	17.82
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		-	(0.09)
Items that will Be reclassified to profit or loss			
Fair Value of equity instruments through other comprehensive income		0.02	0.02
Tax on above			0.02
Total Other comprehensive income/(loss) for the year , net of tax		0.02	(0.05)
Total comprehensive income/ (loss) for the year (including profit/ (loss) for the year and total other comprehensive income/(loss) for the year), net of tax		(23.22)	17.77
Earnings per share (in INR)	29		
Basic		(24.77)	20.33
Diluted		(24.77)	18.61
General Information	1		
Summary of Material Accounting Policies	2		

The accompanying notes form an integral part of the Financial Statements
This is the Statement of Profit and Loss referred to our report of even date

For Gupta Vaish & Co.,
Chartered Accountants
Firm Registration No. 005087C

Rajendra Gupta

Rajendra Gupta
Partner
Membership No.: 073250

Place:
Date: 08.05.2025

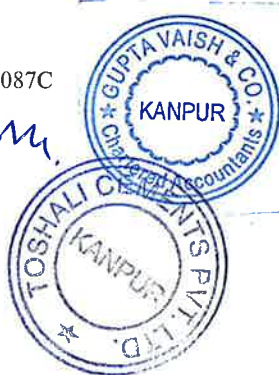
For and on behalf of the Board of Directors
of Toshali Cements Private Limited

Ajay Kumar

Ajay Kumar Saraogi
Director
DIN: 00130805

Madhavkrishna Singhania

Madhavkrishna Singhania
Director
DIN: 07022433



Toshali Cements Private Limited
Cash Flow Statement for the year ended 31 March, 2025

(All amounts in INR in Crores, unless otherwise stated)

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
A. Cash Flow from Operating Activities:		
Profit/(Loss) before tax	(22.19)	16.32
Exceptional items	-	(31.09)
	(22.19)	(14.77)
Adjustments for:		
Depreciation and Amortisation	6.93	5.72
Interest	7.12	5.65
Baddebts and Debit balance Written off	0.40	0.25
Provision for expected credit loss	-	0.05
Provision for inventory recoverability	-	-
Capital Works in Progress Written Off	-	-
Interest Earned	(0.98)	(0.19)
Gain on redemption of Mutual Funds	-	(0.00)
Excess Provisions/Credit Balances Written Back	(0.39)	-
Loss on sale of investment	0.19	-
Profit on sale of asset	(0.00)	(0.02)
Operating loss before working capital changes	(8.92)	(3.31)
Adjustments for:		
(Increase) / Decrease in Inventory	(13.21)	1.22
(Increase) / Decrease in Trade receivables	(7.40)	(0.86)
(Increase) / Decrease in Other financial assets	(0.85)	0.29
(Increase) / Decrease in Other assets	(3.28)	(0.43)
(Decrease) / Increase in Trade payables	17.21	(1.29)
(Decrease) / Increase in Other financial liabilities	(4.33)	(5.68)
(Decrease) / Increase in Other liabilities	(0.18)	(10.73)
(Decrease) / Increase in provisions	(0.43)	(0.18)
Cash Generated from Operations	(21.39)	(20.97)
Taxes (Paid)/Refund Received (net)	(0.04)	0.16
Net Cash used in Operations	(21.43)	(20.81)
B. Cash Flow from Investing Activities:		
Purchase of Property, plant and equipment including Capital Work in progress, Capital Advances and Capital Creditors	(14.33)	(0.14)
Proceeds from sale of Property, plant and equipment	-	0.04
Proceeds from sale of investment	0.02	-
Fixed deposits with Banks	(11.85)	(0.01)
Investment in Mutual Funds	-	-
Proceeds from redemption of Mutual Funds	-	0.01
Interest Received	0.96	0.19
Net Cash Flow from Investing Activities (B)	(25.20)	0.09
C. Cash Flow from Financing Activities:		
Proceeds from issue of Equity Shares-Conversion of preference shares	-	25.43
Conversion of Preference shares into Equity shares	-	(25.43)
Proceeds from issue of Debentures	66.58	72.63
Repayment of Debentures	-	(6.00)
Proceeds from issue of Preference shares	(29.00)	29.00
Term Loan Paid	(1.88)	(2.82)
Fasttrack loan repaid	-	(0.19)
Increase / (decrease) in Working Capital Loans	2.32	(13.94)
Repayment of Vehicle Loans	(0.15)	(3.11)
Unsecured loans received	15.00	18.94
Repayment of Unsecured loans	(0.38)	(60.41)
Payment of Lease liability	-	(0.04)
Interest Paid	(7.10)	(9.15)
Net Cash Flow from/ (used in) Financing Activities (C)	45.39	24.91
Net Increase in cash and cash equivalents (A+B+C)	(1.24)	4.19
Cash and Cash equivalents at beging of the year	4.52	0.33
Cash and Cash equivalents at end of the year	3.28	4.52

The accompanying notes form an integral part of the Financial Statements
This is the Cash Flow Statement referred to our report of even date

For Gupta Vaish & Co.,
Chartered Accountants
Firm Registration No. 005087C

Rajendra Gupta
Partner
Membership No.: 073250

Place:
Date: 08.05.2025



For and on behalf of the Board of Directors
of Toshali Cements Private Limited

May
Ajay Kumar Saraogi
Director
DIN: 00130805

Madhavkrishna
Madhavkrishna Singhania
Director
DIN: 07022433

(All amounts in INR in Crores, unless otherwise stated)

a) Equity Share Capital (Refer note no.13)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Issued, Subscribed and paid up of Equity Shares of INR 100/- each				
Shares outstanding at the beginning of the year	93,74,770	93.75	68,32,000	68.32
Add: Shares issued during the year	-	-	-	-
Add: Conversion of preference shares into equity shares	-	-	25,42,770	25.43
Shares outstanding at the end of the year	93,74,770	93.75	93,74,770	93.75

b) Other equity (Refer note no.14)

Particulars	Reserves and surplus		Other comprehensive income	Equity component of		Total
	Retained earnings	Capital Reserve	Equity instruments through OCI	Compulsorily Convertible Non-Cumulative Preference Shares	Convertible Debentures	
Balance as at 31 March 2023	(148.23)	13.45	0.01	7.14	-	(127.63)
Add: Profit for the year	17.82	-	-	-	-	17.82
Add: Fair value of equity instruments through other comprehensive income	-	-	0.02	-	-	0.02
Add: Re-measurement gains/(losses) on defined benefit plans	(0.07)	-	-	-	-	(0.07)
Less: Conversion of preference shares into equity shares	-	-	-	(7.14)	-	(7.14)
Add: Fair value of 0.01% Compulsorily Convertible Debentures	-	-	-	-	35.60	35.60
Balance as at 01 April 2024	(130.49)	13.45	0.03	-	35.60	(81.40)
Add: Profit for the year	(23.24)	-	-	-	-	
Add: Fair value of equity instruments through other comprehensive income	-	-	0.02	-	-	
Add: prior period adjustment	0.01	-	-	-	-	
Add: Fair value of 0.01% Compulsorily Convertible Debentures	-	-	-	-	29.51	
Balance as at 31 April 2025	(153.72)	13.45	0.05	-	65.11	(75.11)

Corporate Information
Summary of Material Accounting Policies

Note 1
Note 2

The accompanying notes form an integral part of the financial statements
This is the Statement of Changes in Equity referred to in our report of even date

For Gupta Vaish & Co.,
Chartered Accountants
Firm Registration No. 005087C

Rajendra Gupta

Partner
Membership No.: 073250



Place:
Date: 08.05.2025

For and on behalf of the Board of Directors
of Toshali Cements Private Limited

Ajay Kumar Saraogi
Director
DIN: 00130805

Madhavkrishna Singhania
Director
DIN: 07022433



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

Note No. 3

Particulars	Land	Buildings	Plant and Equipment	Laboratory Equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, Plant & Equipment	Capital Work-In progress
Cost / Deemed Cost											
As at 01 April 2023	0.20	17.15	80.26	0.67	9.01	0.87	0.90	0.33	17.82	127.21	1.45
Additions during the year	-	-	0.10	-	-	-	0.04	-	-	0.14	0.16
Disposals during the year	-	-	-	-	-	-	-	-	0.36	0.36	0.16
As at 31 March 2024	0.20	17.15	80.36	0.67	9.01	0.87	0.94	0.33	17.46	126.99	1.45
Additions during the year	-	1.81	8.36	0.05	0.02	0.19	0.31	0.24	-	10.98	15.21
Disposals during the year	-	-	0.03	-	-	-	-	-	-	0.03	11.90
As at 31 March 2025	0.20	18.96	88.69	0.72	9.03	1.06	1.25	0.57	17.46	137.94	4.76
Accumulated depreciation											
Up to 01 April 2023	-	4.06	29.11	0.40	6.95	0.77	0.83	0.30	9.39	51.81	-
Charge for the year	-	0.52	2.92	0.04	0.57	0.02	0.02	0.01	1.54	5.64	-
On Disposals	-	-	-	-	-	-	-	-	0.34	0.34	-
Up to 31 March 2024	-	4.58	32.03	0.44	7.52	0.79	0.85	0.31	10.59	57.11	-
Charge for the year	-	0.52	2.92	0.04	0.27	0.02	0.03	0.04	3.07	6.91	-
On Disposals	-	-	0.03	-	-	-	-	-	-	0.03	-
Up to 31 March 2025	-	5.10	34.92	0.48	7.79	0.81	0.88	0.35	13.66	63.99	-
Net Block											
As at 31 March 2024	0.20	12.58	48.33	0.23	1.49	0.08	0.09	0.02	6.87	69.88	1.45
As at 31 March 2025	0.20	13.87	53.77	0.24	1.24	0.25	0.37	0.22	3.79	73.96	4.76



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in Crores, unless otherwise stated)****Capital work in progress ageing**

As at 31 March 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.23	-	-	-	3.23
Projects temporarily suspended	0.08	-		1.45	1.53
Gross	3.31	-	-	1.45	4.76

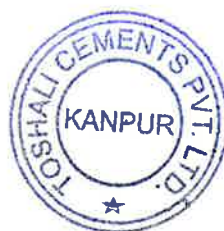
As at 31 March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	0.09	1.36	1.45
Gross	-	-	0.09	1.36	1.45

Note: The project 33KV Line is temporarily suspended due to NHAI road expansion and the company is in discussion with Electricity board and also the IPICOL (Industrial promotion council of Odisha) to commence the work.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in Crores, unless otherwise stated)****Note No. 4****Intangible Assets**

Particulars	Computer Software
Cost / Deemed Cost	
As at 31 March 2023	1.46
Additions during the year	-
Disposals during the year	-
As at 31 March 2024	1.46
Additions during the year	0.03
Disposals during the year	-
As at 31 March 2025	1.49
Accumulated Amortisation	
Up to 31 March 2023	1.33
Charge for the year	0.06
On Disposals	-
Up to 31 March 2024	1.39
Charge for the year	0.01
On Disposals	-
Up to 31 March 2025	1.38
Net Block	
As at 31 March 2024	0.07
As at 31 March 2025	0.11



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****Note No. 5****Right of Use Assets**

Particulars	Land (refer note below)
Cost / Deemed Cost	
As at 31 March 2023	2.04
Additions during the year	-
Disposals during the year	-
As at 31 March 2024	2.04
Additions during the year	-
Disposals during the year	-
As at 31 March 2025	2.04
Accumulated depreciation	
Up to 31 March 2023	0.31
Charge for the year	0.02
On Disposals	
Up to 31 March 2024	0.33
Charge for the year	0.02
On Disposals	
Up to 31 March 2025	0.35
Net Block	
As at 31 March 2024	1.71
As at 31 March 2025	1.69

Note: Cost of land includes

- INR 1.30 premium paid to the Orissa Industrial Infrastructure Development Corporation and stamp duty against land admeasuring 33.50 acres taken on lease for 90 years for establishment of Cement Grinding Unit at choudwar.
- INR 0.06 paid to Governor for the State of Odisha for transfer of Lease Hold Rights of land measuring 68.16 acres taken on lease for 90 years for plant at ampavalli.



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)
Non-Current Financial Assets
Note No. 6
Investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-current		
Valued at Amortised Cost		
Trade - Unquoted		
Domestic		
Subsidiary Company:		
(2024: 19,999) Equity shares of INR 100 each in Toshali Logistics Private Limited	-	0.20
Investments in Government securities:		
National Savings Certificates (Refer note (i) below)	-	0.01
Investments in Mutual Funds (At cost)		
995 units (2024: 995) of SBI Magnum Low Duration Fund Regular Growth (Refer note (ii) below)	0.34	
Total	0.34	0.21
Current		
Valued at Fair Value through Other Comprehensive Income		
Investments in Mutual Funds (At cost)		
995 units (2024: 995) of SBI Magnum Low Duration Fund Regular Growth (Refer note (ii) below)	-	0.32
Total	-	0.32
Aggregate value of quoted investments: cost	0.32	0.28
: market value	0.34	0.32
Aggregate amount of unquoted investments	-	0.21

(ii) Margin money deposits along with Investment in Mutual Funds-SBI Magnum Low Duration Fund Regular Growth are against guarantee given by banks.

Note No. 7
Other Financial Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-Current		
Balances with Banks in (maturing beyond 12 months)		
: Fixed Deposits	0.01	0.05
: Margin money deposits	-	0.01
Deposits Recoverable	-	2.87
Total	0.01	2.93
Current		
Interest Accrued	0.17	0.15
Fixed deposits with original maturity of more than 12 months and remaining maturity of less than 12 months from the reporting date	0.16	-
Deposits Recoverable	4.81	0.67
Advance to : Employees	0.01	0.03
: Others		0.15
Other Receivables		-
Total	5.15	1.37



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)
Note No. 8

Particulars	Other Assets	
	As at 31 March, 2025	As at 31 March, 2024
Current		
Advances to Suppliers	4.81	1.05
Other Recoverables (Gratuity Fund)	0.15	
Balances with Government Departments		
: paid under protest (refer note no 30)	0.57	0.56
: other balances	0.05	0.83
Income Tax Refund Receivable	0.30	1.31
Prepaid expenses	0.51	0.21
Total	6.39	3.96

Note No. 9

Particulars	Inventories	
	As at 31 March, 2025	As at 31 March, 2024
(Valued at lower of Cost and Net realisable value)		
Raw materials (at cost)	0.74	0.77
Packing Material (at cost)	1.69	0.62
Stores and spares (at cost)	9.63	2.98
Fuel including fuel in transit INR Nil (2023: Nil)	1.44	0.46
Work-in-progress (at lower of cost / net realisable value)	5.99	1.67
Finished goods (at lower of cost / net realisable value)	0.95	0.95
Goods in transit	0.28	
Total	20.72	7.45

Note No. 10

Particulars	Trade Receivables	
	As at 31 March, 2025	As at 31 March, 2024
Secured, Considered Good	3.40	1.16
Unsecured, Considered Good	9.26	4.50
Unsecured, Considered Doubtful	0.96	0.96
Less: Provision for Expected Credit Loss	(0.96)	(0.96)
Total	12.66	5.66

Reconciliation of Provision for Expected Credit Loss

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening provision for impairment allowance	(0.96)	(0.91)
Changes in impairment allowance	-	(0.05)
Closing provision for impairment allowance	(0.96)	(0.96)



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

(All amounts in INR in Crores, unless otherwise stated)

Trade Receivable Ageing as on 31 March 2025

As at 31st March 2025	Receivables outstanding from the date they became due for payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) Undisputed Trade Receivables							
(i) Considered good	2.72	9.21	0.54	0.01	0.17	-	12.66
(ii) Considered doubtful	-	0.01	0.20	0.09	0.02	0.22	0.55
(b) Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	0.00	0.00
(ii) Considered doubtful	-	-	-	-	-	0.41	0.41
Gross Receivables	2.72	9.23	0.74	0.11	0.19	0.63	13.62
Less: Provision for Doubtful Debts							0.96
Net Receivables							12.66

Trade Receivable Ageing as on 31 March 2024

As at 31st March 2024	Receivables outstanding from the date they became due for payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) Undisputed Trade Receivables							
(i) Considered good	2.43	2.53	0.48	0.23	-	-	5.67
(ii) Considered doubtful	0.11	0.04	0.12	0.06	0.16	0.06	0.55
(b) Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Considered doubtful	-	-	-	-	-	0.41	0.41
Gross Receivables	2.54	2.57	0.60	0.29	0.16	0.47	6.63
Less: Provision for Doubtful Debts							0.96
Net Receivables							5.66

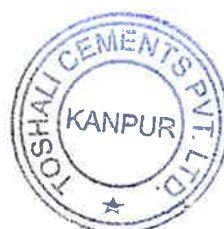
Note No. 11
Cash and Cash Equivalents

Particulars	As at 31 March,	As at 31 March,
Cash in hand	0.00	0.09
Cash Equivalents		
Balances with banks in current	0.25	4.43
Fixed Deposits with original maturity of upto 3 months from the	3.03	-
Total	3.28	4.52

Note No. 12
Cash and cash equivalents

Particulars	As at 31 March,	As at 31 March,
Balances with Banks in (maturing between 3 to 12 months)		
: Fixed deposits	11.95	0.02
: Margin money deposits (Refer	-	0.08
Total	11.95	0.10

(i) Margin money deposits are against guarantees given by banks



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

vii. Reconciliation of 10% Cumulative Redeemable Preference Shares of INR 100/- each Outstanding:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of	Amount
Shares outstanding at the beginning of the year	-	-	18,29,010	18.29
Less: Conversion of preference shares into equity shares (Refer note (xv)(a) below)	-	-	(18,29,010)	(18.29)
Shares outstanding at the end of the year	-	-	-	-

x. Reconciliation of 10% Compulsorily Convertible Non-Cumulative Preference Shares of INR 100/- each Outstanding:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of	Amount
Shares outstanding at the beginning of the year	-	-	7,13,760	7.14
Less: Conversion of preference shares into equity shares	-	-	(7,13,760)	(7.14)
Shares outstanding at the end of the year	-	-	-	-



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

Note No. 13

A) Equity Shares

Share Capital

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of	Amount
Authorised:				
Equity Shares of INR 100/- each	1,45,00,000	145.00	95,00,000	95.00
Total	1,45,00,000	145.00	95,00,000	95.00
Issued, Subscribed and paid up:				
Equity Shares of INR 100/-each	93,74,770	93.75	93,74,770	93.75
Total	93,74,770	93.75	93,74,770	93.75

JK Cement Limited- the parent company is the promotor of the Company

ii. Details of equity share holders holding more than 5% of total number of equity shares

Name of the Share Holder	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	%	Number of Shares	%
J. K. Cement Limited	93,74,764.00	100.00	93,74,764	100.00

iii. Reconciliation of Number of Equity Shares Outstanding:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	93,74,770	93.75	68,32,000	68.32
Add: Shares issued during the year	-	-	-	-
Add: Conversion of preference shares into equity shares (Refer note (xv)(a) below)	-	-	25,42,770	25.43
Shares outstanding at the end of the year	93,74,770	93.75	93,74,770	93.75

iv. Rights, preferences and restrictions attached to equity shares including declaration of dividend:

The company has one class of equity shares having par value of INR 100 per share. Equity shares have one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all creditors and preference shareholders, in proportion to their shareholding.



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

xii. Details of share holders holding more than 5% of total number of 9% Optionally Convertible Non cumulative Redeemable Preference shares

Name of the Share Holder	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	%	Number of Shares	%
J. K. Cement Limited	-	0%	29,00,000	100%

xiii. Reconciliation of 9% Optionally Convertible Non cumulative Redeemable Preference shares of INR 100/- each Outstanding:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	29,00,000	29.00	-	-
Add: Issued during the year	-	-	29,00,000	29.00
Less: Redeemed during the year	(29,00,000)	(29.00)	-	-
Shares outstanding at the end of the year	-	-	29,00,000	29.00

Note No. 14

Other Equity

Particulars	Capital Reserve	Surplus in Statement of Profit and Loss	Other comprehensive income	Equity component of compulsorily convertible non - cumulative Preference Shares	Equity Component of Convertible Debentures	Total
Balance as at 31 March 2023	13.45	(148.23)	0.01	7.14	-	(127.63)
Add: Profit for the year	-	17.82	-	-	-	17.82
Less: Conversion of preference shares into equity shares	-	-	-	(7.14)	-	(7.14)
Add: Fair value equity instruments through other comprehensive income	-	-	0.02	-	-	0.02
Less: Re-measurement gains/(losses) on defined benefit plans	-	(0.07)	-	-	-	(0.07)
Add: Fair value of 0.01% Compulsorily Convertible Debentures	-	-	-	-	-	-
Less: Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	35.60	35.60
Balance as at 31 March 2024	13.45	(130.49)	0.03	-	35.60	(81.40)
Add: Profit for the year	-	(23.24)	-	-	-	-
Add: Fair value equity instruments through other comprehensive income	-	-	0.02	-	-	-
Add: Prior period Adjustment	-	0.01	-	-	-	-
Add: Fair value of 0.01% Compulsorily Convertible Debentures	-	-	-	-	-	-
Balance as at 31 March 2025	13.45	(153.72)	0.05	-	29.51	(75.11)

1. General Reserve: General reserve is created from time to time by way of transfer of profits from retained earnings.

2. Capital Reserve: Capital reserve represents profit on sale of land at bayyavaram

3. Equity Component of Convertible Debentures is fair value of 0.01% Compulsorily Convertible Debentures



Note No. 15

Borrowings

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-Current		
Secured		
Loans on hypothecation of vehicles from Financial Institutions and others		0.15
Unsecured		
Loan from related parties	15.00	
Loans from others		0.38
9% Optionally Convertible Non-Cumulative Redeemable Preference Shares of INR 100/- each		29.00
0.01 % Compulsorily convertible Debentures (Refer note (ii) below)	72.33	35.25
Total	87.33	64.78
Current		
A. Loans repayable on demand		
a. Secured		
Cash Credit Facility from State Bank of India*	2.34	0.02
B. Current maturities of long term borrowings		
: Loans on hypothecation of vehicles from Financial Institutions and others		1.79
: Fasttrack Loan from Others		0.09
: Term loan from State Bank of India		-
Total	2.34	1.90

* Secured against pledge of FDR

(ii) 0.01% Compulsorily Convertible Debentures:

During the year, the company has issued 60,00,000 Compulsorily Convertible Debentures (CCDs) with the coupon rate of 0.01 % per annum, payable annually and with a tenure of eighth anniversary from closing date.

Note No. 16

Provisions

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for employee retirement benefits (Refer Note No. 32)		
Non-Current		
: Leave Encashment	0.24	0.35
Total	0.24	0.35
Current		
: Leave Encashment	0.06	0.22
Total	0.06	0.22



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in, unless otherwise stated)****Note No. 17****Deferred tax liabilities (Net)**

Deferred tax assets have not been recognised for the carry forward un used tax losses as it is not probable that future taxable future profit from operations will be available against which the un used tax losses can be utilised.

Major components of Deferred tax assets and liabilities arising on account of timing differences as on 31 March, 2025 are as under:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deferred tax liability on account of:		
Depreciation	10.53	10.53
	10.53	10.53
Deferred tax asset on account of:		
Unabsorbed depreciation	11.37	11.37
: Leave Encashment	0.15	0.15
Provision for doubtful debts	0.25	0.25
Provision for bonus	0.03	0.03
	11.80	11.80
Net deferred tax Liability/(Asset) (Net)	(1.27)	(1.27)
Deferred tax asset accruing for the year	-	(1.52)



(All amounts in INR in Crores, unless otherwise stated)

Particulars	Trade Payables	
	As at 31 March, 2025	As at 31 March, 2024
Dues to: Small and Micro Enterprises	0.54	1.00
: Other than Small and Micro Enterprises	5.72	1.89
: Unbilled Trade Payables	13.52	-
Total	19.78	2.89

As at 31 March 2025	Outstanding for following periods from due date of payment					Total
	No Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Dues						
(i) Micro and small enterprises	0.54	-	-	-	-	0.54
(ii) Other than micro and small enterprises	6.30	10.11	0.15	1.95	0.59	19.11
(b) Disputed Dues	-	-	-	-	-	-
(i) Micro and small enterprises	-	-	-	-	-	-
(ii) other than micro and small enterprises	-	-	-	-	0.13	0.13
Total	6.84	10.11	0.15	1.95	0.73	19.78

As at 31 March 2024	Outstanding for following periods from due date of payment					Total
	No Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Dues						
(i) Micro and small enterprises	-	0.76	-	0.22	0.02	1.00
(ii) Other than micro and small enterprises	-	1.21	0.48	-	0.20	1.89
(b) Disputed Dues	-	-	-	-	-	-
(i) Micro and small enterprises	-	-	-	-	-	-
(ii) other than micro and small enterprises	-	-	-	-	-	-
Total	-	1.97	0.48	0.22	0.22	2.89

Particulars	Other Financial liabilities	
	As at 31 March, 2025	As at 31 March, 2024
Current		
Interest accrued but not due on borrowings	0.27	0.01
Security Deposits from Dealers (including interest accrued) (Refer Note (i) below)	9.95	6.14
Capital Creditors	-	0.18
Due to Staff	0.04	0.40
Liabilities for: expenses	1.05	9.06
: other finance	0.27	0.12
Total	11.58	15.91

Note: (i) Customer balances, Advances from customers and Security deposits from dealers (including interest accrued) are subject to Confirmations and there by reconciliation. Management is confident that no adjustments are required to the carrying value of customer balances.

Particulars	Other current liabilities	
	As at 31 March, 2025	As at 31 March, 2024
Advances from customers (Refer Note (i) below)	0.05	2.10
Other Payables (Refer Note (ii) below)	1.87	-
Total	1.92	2.10

Note: (i) Customer balances, Advances from customers and Security deposits from dealers (including interest accrued) are subject to Confirmations and there by reconciliation. Management is confident that no adjustments are required to the carrying value of customer balances.

Note: (ii) Other Payable includes Employee Liabilities, Statutory Liabilities etc.



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

Note No. 21

Revenue from operations

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Revenue from contracts with customers		
Sale of cement	94.36	63.13
Other operating income		
Mine Operating Income	-	2.14
Scrap sale	0.00	0.78
Total	94.36	66.05

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contract for Sale of products manufactured	99.14	68.53
Less: Discounts/Price Adjustments	(4.78)	(5.40)
	94.36	63.13

Timing of revenue recognition

At a point in time	94.36	63.91
Over time	-	2.14
	94.36	66.05

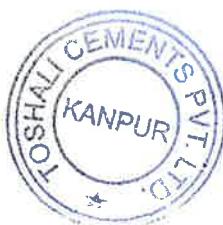
Assets and liabilities related to contracts with customers

	As at 31 March, 2025	As at 31 March, 2024
Trade receivables	12.66	5.66
Contract liabilities	0.05	2.10

Note No. 22

Other Income

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Interest earned on deposits with banks and others	0.98	0.19
Excess Provisions and Credit Balances Written Back	0.39	-
Profit on Sale of Assets	0.00	0.02
Gain on Mutual Funds	-	0.00
Total	1.37	0.21



Toshali Cements Private Limited

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

Note No. 23

Changes in inventories of finished goods and work-in-progress

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Opening Stock of: Work-in-Progress	1.67	2.50
: Finished Goods	0.95	1.20
	2.62	3.70
Provision for Inventory Recoverability		-
Closing Stock of: Work-in-Progress	5.99	1.67
: Finished Goods	0.95	0.95
	6.94	2.62
Changes in inventories	(4.32)	1.08

Note No. 24

Employee Benefits

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Salaries and Wages	6.39	6.35
leave encashment	-	
Contribution to provident and other funds	0.55	0.29
Gratuity	0.07	
Ex-Gratia	0.00	
Staff welfare expenses	0.34	0.16
Bonus	0.33	
Payment to Contractors / Outsourced Labour	5.65	3.65
Total	13.33	10.45



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

Note No. 25

Finance Costs

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Interest on : Working capital facilities	0.58	1.35
: Term Loan	-	0.19
: Debentures	6.21	0.92
: Loan from others	-	1.79
: Security Deposit from Customers	0.15	0.13
: Lease Liability	0.04	0.04
Interest others	0.03	0.85
Hire Purchase Finance Charges	0.11	0.38
Total	7.12	5.65

Note No. 26

Depreciation and Amortisation

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Depreciation on :		
Property, plant and equipment (Refer note no.3)	6.91	5.64
Right of Use Assets (Refer note no.5)	0.02	0.02
Amortisation on Intangible Assets (Refer note no.4)	0.00	0.06
Total	6.93	5.72



Toshali Cements Private Limited

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

Note No. 27**Other Expenses**

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Consumption of Packing Material and Stores	5.33	3.87
Expenses for mining operations		3.26
Power and fuel	28.95	17.76
Rent and Hire Charges	0.34	0.28
Repairs to: buildings	0.16	0.03
: machinery	0.27	0.15
: others	1.37	0.49
Insurance	0.49	0.63
Rates and taxes	0.40	0.60
Trucks Maintenance	3.21	6.47
Provision for inventory recoverability	-	-
Freight and Forwarding Charges	12.82	8.33
Payment to Auditors: Statutory audit	0.03	0.02
: Tax audit		0.01
Statutory Filing Fees	0.43	
Legal and Professional Charges	0.57	0.34
Commission on sales	9.00	0.78
Advertisement and Business Promotion	1.32	0.06
Travelling and Conveyance	0.42	0.33
Communication Costs	0.31	0.16
Security Services Costs	0.95	0.72
Donations	0.03	0.01
Provision for Expected Credit Loss	-	0.05
Bad Debts and Debit Balances off	0.40	0.07
Deposits Written Off	-	0.18
Recruitment Expenses	0.10	
Loss on sale of investment	0.19	
Conveyance Expenses	0.05	
General expenses	0.35	0.40
Total	67.49	45.00



Note No. 28**Earnings per share**

Basic Earnings per share (EPS) are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Profit/ (loss) attributable to equity holders	(23.22)	17.77
Weighted average number of Equity shares	93,74,770	87,42,551
Earnings per share – Basic (per share) (in INR)	(24.77)	20.33
Adjusted Profit/ (loss) attributable to equity holders including potential ordinary shares	(23.22)	18.15
Weighted average number of Equity shares including potential ordinary shares	93,74,770	97,53,675
Earnings per share – Diluted (per share) (in INR)	(24.77)	18.61

Note No. 29**Exceptional Items**

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Written back of dividend payable on preference shares	-	31.09
Exceptional Items	-	31.09

Note No. 30**Commitments and Contingent liabilities****a. Contingent liabilities to the extent not provided for**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Guarantees given by banks	1.07	1.07
Odisha Value Added Tax [INR 0.37 (2024: INR 0.37) Paid under protest]	1.82	1.82
Odisha Entry Tax [INR 0.11 (2024: INR 0.11) Paid under protest]	0.37	0.37
Andhra Pradesh Value Added Tax [INR 0.07 (2024: INR 0.07) Paid under protest]	0.84	0.84
Central Excise	0.20	0.20
Service Tax	0.03	0.03
Income Tax	0.69	0.69
Goods and Service Tax [INR 3.86 (2024: INR 0.01 Paid under protest)]	0.39	0.06

ix) Assistant Commissioner (CT) Intelligence & LTU, Vishakhapatnam raised a demand for interest of INR: Nil (2024: INR 1.27) due to delay in payment of deferment of sales for the period 1999-2002. The Company has preferred appeal before Sales Tax Appellate Tribunal, which is pending for disposal. However, the company paid the same under protest and charged to revenue.

x) The Company's dues as on 31 March 2020 towards Goods and Services Tax, Duty of Excise and Service Tax are subject to penalty at the discretion of the concerned authorities. Pending receipt of demands of such penalty the Company has not provided for the same.



Toshali Cements Private Limited

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

1 Company Information

Toshali Cements Private Limited ("the company") was incorporated on 13 August, 2002 in accordance with the provisions of the Companies Act, 1956. The Company is engaged in the business of Manufacture and Sale of Cement with the brand name "Gajapati".

2 Basis of preparation and Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('The Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant rules as amended thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ("Rs./INR") and all the values are rounded off to the nearest crores, except where otherwise indicated.

Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current or non-current classification.

An asset is classified 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 classified as 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the sale of goods and services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Use of estimates and Judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. The Company 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 changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. 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. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3 to Financial Statements.



2.3 Critical accounting judgements, estimates and assumptions

a) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

b) Impairment of non-financial asset

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

c) Impairment of financial asset

The impairment provision 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 the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities disclosed in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments. The Company has considered Weighted Average Cost of Capital (WACC) rate of respective periods in which transaction had occurred for measuring deposit, being financial liabilities, at amortised cost.

During the year, the company issued Compulsorily Convertible Debentures (CCDs) with the coupon rate of 0.01 % per annum, payable annually and with a tenure of eighth anniversary from closing date. The CCDs shall be convertible into equity shares of the company on the occurrence of following events:

- i. If J.K.Cements Limited as its sole and absolute option issues a conversion notice at any time during the tenure of the CCDs
- ii. Up on the occurrence of a Liquidity Event; and/or
- iii. On the Conversion due date.

The CCDs shall be convertible into the number of equity shares as set out in the conversion note subject to valuation undertaken prior to conversion in accordance with applicable law.

The company classified these CCDs as financial liability. The fair value of liability is calculated by discounting with the WACC and balance amount is recognised in other equity.



Toshali Cements Private Limited

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

e) Allowance for doubtful receivables and Expected credit loss

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not collectible.

f) Provisions and Contingencies

Provisions: A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability: 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.

Contingent asset: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into the account contractually defined terms of payment for product and excluding taxes or duties collected on behalf of the government.



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

Revenue from contract with customer

Income from sale of goods

Income from sale of goods is recognized when control of the sales of goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those sale of goods. The Company has generally concluded that it is the principle in its revenue arrangements, because it typically controls the sale of goods before transferring them to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of contract.

Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Company provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most expected value method for contracts. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in Sales Commission expense under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised

Other operating income

Income from sale of services, primarily relates to revenue from mining operations, is recognised as and when the underlying services are performed. There was no changes in the point of recognition of revenue upon adoption of Ind AS 115.

Significant financing component

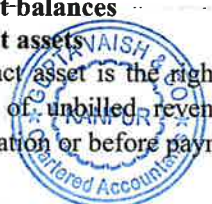
In certain cases, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115 "Revenue from contracts with customers", the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised sale of goods to the customer and when the customer pays for the sales will be one year or less.

The Company also receives deposits from customers for rendering sales and repayable on demand. These deposits are not discounted as these deposits are not repayable on fixed term.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for sale of services transferred to the customer (which consists of unbilled revenue). If the Company performs services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration.



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before the payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer sale of goods/services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers sales to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

Finance and other income

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of financial assets.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure directly relating to construction / erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction/erection cost to the extent such expenditure is related to construction/erection or is incidental thereto. Subsequent expenditure incurred on existing Property, plant and equipment is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not ready for use as intended by the management before such date are disclosed under 'Capital work-in-progress'.

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 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 the Statement of profit and loss as incurred.

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. A gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management.

Asset Category	Useful life
Buildings	3 to 60 years
Plant and Equipment	25 years
Laboratory Equipment	10 years
Electrical Installations	10 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years
Vehicles	4 to 10 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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.

2.6 Intangible assets

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software is considered as 3 years.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

2.7 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.



Toshali Cements Private Limited

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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 Company 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 periods/ 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.

2.9 Borrowing cost

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.

2.10 Financial Instruments

a) Financial assets

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

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

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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.



Toshali Cements Private Limited

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

Debt instrument through 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 Solely payment of Principal and interest

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 Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument through 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 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 Statement of Profit and Loss.

Equity investments through FVTOCI

All equity investments in scope of Ind AS 109 "Financial Instruments" 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 AS103 "Business combinations" 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 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 Other comprehensive Income to Profit or loss, 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 Profit and Loss.



Toshali Cements Private Limited

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

Impairment of financial assets

In accordance with Ind AS 109, "Financial Instruments" 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
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 revenue from contracts with customers
- c) Loan commitments which are not measured as at FVTPL

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 Company 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. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: 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.

b) 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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****Subsequent measurement**

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

Financial liabilities at fair value through profit or loss and Other Comprehensive Income

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and 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 "Financial Instruments" are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the statement of profit and loss. However, the Company 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 and loss. The Company has not designated any financial liability as fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and 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.

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 and loss.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****c) Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Fair Value Through Other Comprehensive Income	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in Other Comprehensive Income is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
Fair Value Through Profit and Loss	Fair Value Through Other Comprehensive Income	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
Fair Value Through Other Comprehensive Income	Fair Value Through Profit and Loss	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified to Statement of Profit and Loss at the reclassification date.

e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.13 Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

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.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025**

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 recognised 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.

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.

2.14 Dividend to equity-holders

The company recognises a liability to make dividend distributions to equity holders on its date of approval by the shareholders.

2.15 Inventories**a) Raw material, stores and consumables**

Inventories of raw material, stores and consumables are valued at the lower of cost and net realisable value. Cost includes expenses incurred in bringing such material to its present location and condition and is determined on a weighted average basis.

b) Work-in-Progress and Finished goods

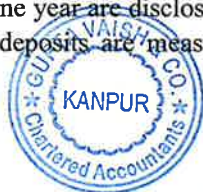
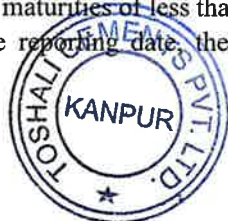
Work-in-Progress are valued at cost, based on weighted average and Finished goods are valued at lower of cost, based on weighted average or realisable value. Cost of finished goods and work-in-progress includes cost of materials, direct labour and an appropriate portion of overheads to bring the inventory to the present location and condition. The net realizable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

2.16 Trade and other receivables

Trade receivables are recognized initially at transaction price. They are subsequently measured at amortized cost using the effective interest method, net of provision for impairment, if the effect of discounting is considered material. The carrying amounts, net of provision for impairment, reported in the statement of financial position approximate the fair value due to their short realization period. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The provision is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the receivables' original effective interest rate. The amount of the provision is recognized in the statement of profit and loss.

2.17 Investment in bank deposits

Investments in bank deposits represent term deposits placed with banks earning a fixed rate of interest. Investments in bank deposits with maturities of less than one year are disclosed as current assets and more than one years as non-current assets. At the reporting date, these deposits are measured at amortized cost using the effective interest method.



Toshali Cements Private Limited

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

2.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank, and short-term deposits with an original maturity period of three months or less.

2.19 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.

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.

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 utilized.

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 period/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.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the ICAI, MAT asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement.

2.20 Employee benefits

a) Defined contribution plan

Provident Fund and Employees State Insurance

Retirement and other employee benefits in the form of provident fund and Employees State Insurance Contribution are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due.



Toshali Cements Private Limited

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

b) Defined benefit obligation

Gratuity plan

Gratuity is a post-employment defined benefit obligation. Defined benefit obligation are calculated by an independent actuary, using the projected unit credit method annually. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

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 Company recognises related restructuring costs

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

Compensated absence

The company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.21 Provisions, Contingent liabilities and Contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. In case warranty costs cannot be reliably estimated/identifiable Company is not making any provision for warranty costs.

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.

Contingent liabilities

Contingent liabilities are disclosed when there is a probable obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, and such liability that may arise is termed as a contingent liability.

Liquidated damages are accounted for as and when claimed.

Contingent assets

Contingent asset: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.



Toshali Cements Private Limited

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

2.22 Leases

The Company has applied Ind AS 116 using the modified retrospective approach.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

As a lessee

Under Ind AS 116:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease. 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. Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease

2.24 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.25 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.26 Investment in subsidiaries and joint ventures

A entity is termed as a subsidiary if the company controls the entity. Control is achieved when the Company 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.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company has accounted for its investment in subsidiaries, associates and joint ventures at cost.



Note No. 31**Segment Reporting**

In accordance with Indian Accounting Standard (Ind AS) 108 on "Operating Segments", segment information has one segment of cement, therefore no separate disclosure on segment information is given in these financial statements.

Note No. 32**Employee Benefits****(1) Defined Contribution Plans**

- a. Provident Fund
b. Employees' State Insurance

The Company has recognised following amounts as expense in the Statement of Profit and Loss and Expenditure incurred during the construction period:

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Included in Contribution to Provident and Other Funds			
Employer's Contribution to Provident Fund	0.50	0.22	0.25
Contribution to Employees' State Insurance	0.05	0.02	0.02

(2) Defined Benefit Plans**a. Compensated Absences : (Included as part of Salaries, Wages and Bonus)**

Compensated benefits are payable to all eligible employees of the Company.

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Charged to Statement of Profit and Loss	-	0.26	0.04

Benefit Obligation at the end of the year (refer note no.16)

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2023
Non-Current Liability	0.24	0.35	0.30
Current liability	(0.10)	0.22	0.23
Total	0.15	0.57	0.53

b. Gratuity :

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service eligible for payment of gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 as amended. The Company makes annual contributions under a group gratuity plan to Life Insurance Corporation of India ("LIC") of an amount advised by LIC.

The plan exposes the Company to actuarial risks such as interest rate risk, investment risk, longevity risk and inflation risk.



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025

(All amounts in INR in Crores, unless otherwise stated)

The following table sets out the funded status of the gratuity and the amounts recognized in the Company's financial statements as at 31 March 2024 and as at 31 March 2023:

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Change in benefit obligation			
Benefit Obligation at the beginning of the year	0.67	0.72	0.63
Interest Cost	0.05	0.04	0.04
Current Service Cost	0.07	0.06	0.07
Benefits Paid	(0.06)	(0.24)	(0.04)
Actuarial (gain) / loss	0.05	0.09	0.02
Benefit Obligation at the end of the year	0.78	0.67	0.72
Change in plan assets			
Fair Value of plan assets at the beginning of the year	0.83	0.59	0.52
Actual return on plan assets	0.06	0.05	0.04
Return on plan assets greater/(lesser) than discount rate	-	-	-
Contributions	0.21	0.43	0.07
Benefits paid	(0.06)	(0.24)	(0.04)
Plan Value of the assets at the end of the year	1.04	0.83	0.59
Funded status (surplus) / deficit with LIC fund	(0.26)	(0.16)	0.13

Expenses recognised in the statement of profit and loss for the year

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Current service cost	0.07	0.06	0.07
Interest cost on benefit obligation (Net)	(0.02)	(0.01)	0.01
Total expenses included in employee benefits expense	0.05	0.05	0.08

Recognised in other comprehensive income for the year

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Changes in financial assumptions	0.02	0.01	0.01
Experience variance (i.e. Actual experience Vs assumptions)	0.03	0.08	0.01
Return on plan assets, excluding amount recognised in net interest expense	-	-	-
Recognised in other comprehensive income	0.05	0.09	0.02

Major categories of Planned Assets (as percentage of Total Plan Assets)

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	for the year ended 31 March, 2023
Fund managed by the Insurer	100%	100%	100%

Sensitivity Analysis

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2023
Defined Benefit Obligation (Base)	0.78	0.67	0.72

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2023
Discount Rate (-/+ 0.5%)			
Decrease	0.05	0.04	0.74
Increase	(0.04)	(0.03)	0.71
(% change compared to base due to sensitivity)			
Decrease	6.40	5.60%	2.35%
Increase	-5.70	(5.00%)	(2.23%)
Salary Growth Rate (-/+1%)			
Decrease	-0.04	-0.03	-0.03
Increase	0.05	0.04	0.04
(% change compared to base due to sensitivity)			
Decrease	-5.80	(5.10%)	(4.47%)
Increase	6.40	5.70%	4.91%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Maturity profile of defined benefit obligation

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2023
Within the next 12 months (next annual reporting period)	0.09	0.14	0.29
Between 2 and 5 years	0.36	0.30	0.22
Beyond 5 years	0.32	0.27	0.62

The weighted- average assumptions used to determine net periodic benefit cost

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2023
Discount rate	6.50%	7.36%	6.63%
Increase in compensation levels	5.00%	5.00%	4.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2012-14)
Withdrawal rate:	5.00%	5.00%	5.00%

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as on March 31, 2024. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) As per para 83 of Indian Accounting Standard (Ind AS) 19 "Employee Benefits" requires that the rate used to discount post-employment benefit obligations (both funded and unfunded) determined by reference to market yields at the end of the reporting period on government bonds. The currency and terms of the government bonds are consistent with the currency and estimated term of the post-employment benefit obligations.

(iii) The salary escalation rate is arrived at after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

b. Leave Benefit Scheme :

The following table sets out the funded status of the leave encashment and the amounts recognized in the Company's financial statements as at 31 March 2025 and as at 31 March 2024:

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	
Change in benefit obligation			
Benefit Obligation at the beginning of the year	0.56	0.53	
Interest Cost	0.03	0.03	
Current Service Cost	0.06	0.05	
Past Service Cost	(0.09)	-	
Benefits Paid	(0.22)	(0.22)	
Actuarial (gain) / loss	(0.04)	0.17	
Benefit Obligation at the end of the year	0.30	0.56	



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)

Change in plan assets			
Fair Value of plan assets at the beginning of the year	-	-	
Actual return on plan assets	-	-	
Return on plan assets greater/(lesser) than discount rate	-	-	
Contributions	-	-	
Benefits paid	-	-	
Actuarial Gain / (Loss) on the plan Assets	-	-	
Plan Value of the assets at the end of the year	-	-	
Funded status (surplus) / deficit	0.30	0.56	-

Expenses recognised in the statement of profit and loss for the year

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	-
Current service cost	0.06	0.05	-
Past Service cost	(0.09)	-	-
Interest cost on benefit obligation (Net)	0.03	0.03	-
Immediate Recognition of (gains)/Losses_Other Long Term Employee Benefit	(0.04)	0.17	-
Total expenses included in employee benefits expense	(0.04)	0.25	-

Recognised in other comprehensive income for the year

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	-
Changes in financial assumptions	0.02	0.01	-
Experience variance (i.e.Actual experience Vs assumptions)	0.03	0.16	-
Actuarial (gain)/loss arising during period	0.17	(0.04)	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	-
Recognised in other comprehensive income	0.22	0.13	-

Major categories of Planned Assets (as percentage of Total Plan Assets)

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024	-
Fund managed by the Insurer	100%	100%	

Demographic Assumptions

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	
Mortality Rate		100% IALM 2012-14*	
Withdrawal rates, based on age: (per annum)			
Up to 30 years		20% to 22%	
31 - 44 years		8% to 15%	
Above 44 years		10%	

Sensitivity Analysis

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31 March, 2025	As at 31 March, 2024	
Defined Benefit Obligation (Base)	0.30	0.56	

Particulars	As at 31 March, 2025	As at 31 March, 2024	
Discount Rate (-/+ 1%)			
Decrease	0.02		
Increase	(0.02)		
(% change compared to base due to sensitivity)			

Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)

Decrease	6.90		-
Increase	-6.00		-
Salary Growth Rate (-/+1%)			
Decrease	-0.02		-
Increase	0.02		-
(% change compared to base due to sensitivity)			
Decrease	-6.10		-
Increase	6.90		-

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Maturity profile of defined benefit obligation

Particulars	As at 31 March, 2025	As at 31 March, 2024	0-Jan-00
Within the next 12 months (next annual reporting period)	0.06	-	-
Between 2 and 5 years	0.11	-	-
Beyond 5 years	0.11	-	-

The weighted- average assumptions used to determine net periodic benefit cost

Particulars	As at 31 March, 2025	As at 31 March, 2024	
Discount rate	6.50%	7.00%	
Increase in compensation levels	5.00%	5.00%	
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	
Withdrawal rate:	5.00%	5.00%	

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as on March 31, 2025. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) As per para 83 of Indian Accounting Standard (Ind AS) 19 "Employee Benefits" requires that the rate used to discount post-employment benefit obligations (both funded and unfunded) determined by reference to market yields at the end of the reporting period on government bonds. The currency and terms of the government bonds are consistent with the currency and estimated term of the post-employment benefit obligations.

(iii) The salary escalation rate is arrived at after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in Crores, unless otherwise stated)****Note No. 33****Related party disclosures**

Related party transactions have been disclosed in accordance with Indian Accounting Standards (Ind AS) 24 "Related Party Disclosures"

All the related party transaction are carried in ordinary course of business at arm's length price.

(a) Names of the related parties and description of the relationship

Name of related parties	Nature of Relationship
Ajay Kumar Saraogi (from 21 Feb 2024) Raghavpat Singhania (from 21 Feb 2024) Madhavkrishna Singhania (from 21 Feb 2024) Vidhi Nidhipati Singhania (from 30 April 2024) Amit Kothari (from 03 June 2024)	Director
J.K. Cements Private Limited	Whole - time Director
Toshali Logistics Private Limited	Holding Company
	Subsidiary company

b) Transactions during the year	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Remuneration		
Sri. VSC Bose	-	0.09
Sri. Dhananjay Tekmalkar	-	0.16
Rent and Maintenance		
Pridhvi Edifices Private Limited	-	0.12
Unsecured loan repaid		
Sri Mukesh Manubhai Patel	-	20.74
Sri. M. S. R. V. Prasad	-	17.71
Sri Saradhi Studios Private Limited	-	1.00
Mezz Equity Software Solutions Limited	-	17.45
Touchstone Fincap	-	1.50
Unsecured loan taken		
Sri Mukesh Manubhai Patel	-	8.09
Mezz Equity Software Solutions Limited	-	9.35
J.K. Cements Ltd.	15.00	-
Interest on unsecured loans		
Mezz Equity Software Solutions Limited	-	1.45
Sri Saradhi Studios Private Limited	-	0.11
Touchstone Fincap	-	0.03



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in Crores, unless otherwise stated)**

Sale of Scrap		
Marto Peral Alloys Private Limited	-	0.62
Logistic Services		
Toshali Logistics Private Limited	-	0.64
Reimbursement of expenses		
Toshali Logistics Private Limited	-	0.41
Debentures Issued		
Touchstone Trust	-	1.40
J.K. Cements Limited	60.00	70.85
Debentures Redeemed		
Touchstone Trust	-	6.00
Preference Shares Issued		
J.K. Cements Limited	-	29.00
Preference Shares Redeemed		
J.K. Cements Limited	29.00	-
Preference Shares Converted into Equity		
M Rajyalakshmi	-	12.71
M J Patel Family Private Trust	-	12.71
Advance from Customers		
Suraj Laboratories Private Limited	-	2.60
Interest on Debentures		
J.K. Cements Limited	6.21	-
Touchstone Trust	-	0.54
Exp. Paid		
J.K. Cements Limited	0.43	-
Purchase of Material		
J.K. Cements Limited	0.34	-
Advance received		
J.K. Cements Limited	8.54	-
Advance refunded		
J.K. Cements Limited	9.13	-

C) Balances	As at 31 March, 2025	As at 31 March, 2024
Advance to Supplier		
Toshali Logistics Private Limited	-	0.37
Receivable		
Toshali Logistics Private Limited	-	0.02
Payable		
Pridhvi Edifices Private Limited	-	0.01
Debentures		
Touchstone Trust	-	-
J.K. Cements Limited (undiscounted)	130.85	70.85
Preference shares		
J.K. Cements Limited	-	29.00
Unsecured loan Payable		
J.K. Cements Limited	15.00	-
Interest accrued on Debentures		
J.K. Cements Limited	-	0.00
Touchstone Trust	-	-



Note No. 34**Details of total outstanding dues to Micro and Small Enterprises as per MSMED Act, 2006:**

As per the information available with the Company there are no dues to suppliers under "Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)". Hence the disclosures, if any, relating to amounts unpaid as at the yearend together with interest payable as required under the said Act could not be furnished.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Principal amount	0.54	1.00
Interest due thereon		
Total at the end of the accounting year	0.54	1.00
Interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of payments made to the supplier beyond the appointed day during the year		
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 MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year		
Further interest remaining due and payable in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of deductible expenditure under Sec 23 of the MSMED Act, 2006	-	-



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
(All amounts in INR in Crores, unless otherwise stated)
Note No. 35
Fair Values

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;

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Amortised cost	Fair value	Amortised cost	Fair value	Amortised cost	Fair value	Amortised	Fair value
Assets								
Non-Current								
Investments	-	-	0.21	0.21	0.21	0.21	0.21	0.21
Other Financial Assets	-	-	2.93	2.93	3.10	3.10	3.17	3.17
Current								
Trade receivables	12.66	12.66	5.66	5.66	-	-	-	-
Cash and bank balances	15.24	15.24	4.62	4.62	0.43	0.43	0.45	0.45
Investments	0.32	0.34	0.28	0.32	0.29	0.31	0.01	0.01
Other financial assets	5.15	5.15	1.37	1.37	1.73	1.73	1.18	1.18
Total	33.37	33.39	15.07	15.11	5.76	5.78	5.02	5.02
Liabilities								
Non-Current								
Borrowings	145.85	87.33	100.38	64.78	45.71	45.71	40.37	40.37
Current								
Borrowings	2.34	2.34	1.90	1.90	40.75	40.75	43.39	43.39
Trade payables	19.78	19.78	2.89	2.89	4.19	4.19	5.72	5.72
Other financial liabilities	11.58	11.58	15.91	15.91	56.21	56.21	54.72	54.72
Total	179.55	121.04	121.08	85.48	146.86	146.86	144.20	144.20

i) The management assessed that fair value of trade receivables, trade payables and other liabilities approximate their carrying amounts mainly due to the short-term maturities of these instruments. Long-term fixed-rate and variable-rate receivables/advances are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics. Based on this evaluation, allowances will be taken into account for the expected credit losses of such receivables.

The company has arrived fair value of 0.01% Debentures by discounting with the WACC and balance amount is recognised in other equity.

ii) The fair value of the financial assets and liabilities is stated 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.

iii) The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. The company's non-performance risk as at 31 March 2024 was assessed to be insignificant.

Note No. 36
Fair value hierarchy

Level 1 – Quoted prices(unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair values of all the financial assets and liabilities are measured at Level 3 except Cash and Bank balances and Investments in quoted mutual funds which are measured at Level 1.



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

Note No. 37

Financial risk management

The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The financial instruments of the Company, other than derivatives, comprise loans from banks and financial institutions, demand deposits, short-term bank deposits, trade and other receivables, other payables.

(i) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: (a) Business risk (b) Foreign exchange risk and (c) Interest rate risk.

a) Business risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly

b) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of Company's revenue and cost is generated or incurred in local currencies (primarily in Indian Rupees). Hence, the company is exposed to less foreign currency risk.

c) 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 change in market interest rates. The Company is exposed to risk of change in market interest rates as it borrows funds at floating interest rates.

The company have few borrowings with floating rate and any change in such interest rate will not have an material impact on the financial statements.

(ii) Credit risk

Credit risk is the risk that a counter-party will not meet its obligation to the Company, leading to a financial loss. The Company's credit risk arises from Trade receivable on sales to customers, balances with the bankers and other receivables, primarily and includes advances paid to suppliers. The Company assesses the credit quality of the customer based on such parties financial position and other information.

(a) Trade receivables

Average credit period on sales of products is 45 to 60 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified.

(b) Balance with banks

The Company maintains banking relationships with only creditworthy scheduled banks. Consequently, the credit risk on the bank deposits is considered not significant.



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025****(All amounts in INR in Crores, unless otherwise stated)****(iii) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities.

Liquidity risk is that the Company might be unable to meet its obligations. The Company's approach to managing liability is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring losses or risking damage to the Company's reputation.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments but excludes non-financial liabilities such as tax liabilities and advance from customers and other liabilities.

Liquidity risk

As at 31 March, 2025	On demand and Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings	2.34	15.00	-	130.85	148.19
Trade payables	19.78	-	-	-	19.78
Other financial liabilities	11.58	-	-	-	11.58
Total	20.70	0.15	29.00	70.85	120.70

As at 31 March, 2024	On demand and Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings	1.90	0.15	29.00	70.85	101.90
Trade payables	2.89	-	-	-	2.89
Other financial liabilities	15.91	-	-	-	15.91
Total	20.70	0.15	29.00	70.85	120.70



Toshali Cements Private Limited**Notes to financial statements for the year ended 31 March, 2025**

(All amounts in INR in Crores, unless otherwise stated)

Note No. 38**Leases**

The Company has

- (a) applied single discounting rate to a portfolio of leases with reasonably similar characteristics.
- (b) treated the leases with remaining lease term of less than 12 months as if they are "short term leases".
- (c) not applied the requirements of Ind AS 116 for leases of low value assets.
- (d) used hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

i) Amounts recognised in Statement of Profit and loss

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Interest on lease liabilities	0.04	0.04
Expenses relating to short-term leases	0.28	0.28
Depreciation on Right of Use Assets	0.02	0.02
Total	0.34	0.34

ii) The impact of change in accounting policy on statement of Profit and loss due to adoption of Ind AS 116 is as given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Lease Liability	0.04	0.04
Amortization on Right of Use Assets	0.02	0.02
Less: Lease rental expenses	(0.04)	(0.04)
Impact on Statement of profit and loss	0.02	0.02

iii) The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	As at 31 March, 2025	As at 31 March, 2025
Balance at the beginning	0.40	0.40
Interest cost accrued during the year	0.04	0.04
Less: Payment of Lease liabilities including interest	(0.04)	(0.04)
Balance at the end	0.40	0.40

iv) Maturity analysis of Lease Liabilities on an undiscounted basis:

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Less than one year	0.04	0.04
One to Five years	0.14	0.14
More than Five years	2.43	2.43
Total undiscounted lease liabilities	2.61	2.61

v) Amounts recognised in the statement of cash flows:

Particulars	for the year ended 31 March, 2025	for the year ended 31 March, 2024
Payment of Lease liability	(0.04)	(0.04)



Toshali Cements Private Limited
Notes to financial statements for the year ended 31 March, 2025
Note No. 39

Ratios	Numerator	Denominator	Current Year	Previous Year	% of Variance	Reason for Variance
a) Current Ratio	Current Assets	Current Liabilities	1.70	1.01	67.24%	Refer Note-1
b) Debt-Equity Ratio	Borrowings (Non-current and Current)	Total Equity	4.81	5.40	(10.87%)	Refer Note-2
c) Debt Service Coverage Ratio	Profit after taxes (excluding exceptional items) + depreciation and amortizations + Interest + other adjustments	Interest Cost + Principal repayment	(0.98)	(0.21)	361.83%	Refer Note-1
d) Return on Equity Ratio	Profit for the year	Average Total Equity	(1.50)	(0.76)	97.63%	Refer Note-2
e) Inventory turnover Ratio	sales	Average Inventory	6.70	7.83	-14.46%	Not applicable as below the threshold limit
f) Trade Receivable turnover Ratio	Revenue from operations (net)	Average of Trade Receivables	10.30	12.57	(18.06%)	Not applicable as below the threshold limit
g) Trade Payables turnover Ratio	Purchases	Average Trade Payables	3.67	4.76	-22.87%	Refer Note-1
h) Net Capital turnover Ratio	Revenue from operations (net)	Current Assets - Current Liabilities	3.80	206.41	(98.16%)	Refer Note-1
i) Net profit Ratio	Profit for the year	Revenue from operations	(0.25)	0.27	(191.31%)	Refer Note-2
j) Return on Capital employed	Profit before Tax + Finance cost	Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.14)	0.28	(150.05%)	Refer Note-2
k) Return on investment	Income generated from investments	Weighted average investments	-	-	-	Not applicable

Note:

1. During the year, the company was acquired by J.K.Cements Limited and company raised funds by way for issue of debentures and preference shares for repayment of shortterm borrowings and other dues.

2. Fair value recognition of 0.01% Compulsorily Convertible Debentures and writeback of interest on cumulative preference shares.



Note No. 40

Net debts reconciliation (Changes in liabilities arising from financing activities) as required under Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flow"

Particulars	Non-current borrowings	current borrowings	Total
Total liabilities from financing activities as at 1 April 2022	40.37	43.39	83.76
Cash flows	(5.81)	8.51	2.70
Other non-cash movements	11.15	(11.15)	-
Total liabilities from financing activities as at 31 March 2023	45.71	40.75	86.46
Cash flows	73.34	(38.85)	34.49
Unwinding of interest on 0.01 % Compulsorily convertible Debentures	(0.38)	-	(0.38)
Conversion of preference shares into equity shares	(18.29)	-	(18.29)
Fair value adjustments	(35.60)	-	(35.60)
Total liabilities from financing activities as at 31 March 2024	64.78	1.90	66.68



Note No. 42

The board of directors of Toshali Cement private Limited (TCPL) at their meeting held on 26th October, 2024 has approved the scheme of amalgamation with holding company- J.K. Cement Limited under section 230 to 232 and other applicable provisions of the Companies Act and the rules made there under subject to requisite approval. Under the aforesaid scheme the appointed date of scheme of amalgamation is 1st January, 2024. The scheme has to be approved by National Company Law Tribunal (NCLT) Allahabad.

Note No. 43

The Company is suffering with Continuous cash losses including Current period and Previous Years of the company which resulted in non-availability of profits for the distribution of dividends, the Company has, therefore not created Capital Redemption Reserve on redemptions of Preference Share Capital of Rs. 29.00 Crores as required under the Companies Act 2013 and Debenture Redemption Fund related to earlier years has also not created as required under Section 71(4) of the companies act 2013 as amended read with Rule 18(7) of the companies (Share capital and Debentures) Rules, 2014.

Note No. 44

The Company had discovered that the Compulsory Convertible Debentures amounting to Rs. 35.25 Crores was shown under the head Borrowings. Consequently, amount of Other Equity was shown lower by Rs. 35.25 Crores and Borrowings was shown in excess by the same amount in the Financial Statements for the year ended 31st March 2024. Financial Statements for the year ended have been restated up to that extent to rectify the same. There is no effect in the Current quarter and year ended 31-03-2025. The effect of the restatement of the Financial Statements for the year ended 31/03/2024 is summarised below :-

Particulars		31-03-2024
Other Equity		(81.40)
Borrowings		64.78

Note No. 45

Additional information as required under schedule III

a) Title deeds of immovable properties

The title deeds of all the immovable properties, as disclosed in note-3 to the financial statements, are held in the name of the company.

b) Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment or intangible assets during the current or previous year. As described in the note no. 3 the company is following cost model as its accounting policy for the valuation of Property, Plant & Equipment and Intangible Assets.

c) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

d) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

e) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

f) Relationship with struck off companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

g) Registration of charges or satisfaction of charge with Registrar of Companies (ROC)

The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except fixed deposit pledged against overdraft facilities as sanctioned by bank which is not required to be registered as per the arrangements with the issuing bank.

h) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.



Toshali Cements Private Limited

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

(All amounts in INR in Crores, unless otherwise stated)

i) Utilisation of borrowed funds and share premium

(i) 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 person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

j) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

k) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note No. 46

The Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and rules thereunder are yet to be notified. Impact if any of the changes will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

As per our report of even date
for Gupta Vaish & Co.,
Chartered Accountants
Firm Registration No. 005087C

For and on behalf of the Board of Directors
of Toshali Cements Private Limited

Rajendra Gupta

Rajendra Gupta
Partner
Membership No.: 073250



Ajay Kumar Saraogi

Ajay Kumar Saraogi
Director
DIN: 00130805

Madhavkrishna Singhanian

Madhavkrishna Singhanian
Director
DIN: 07022433

Place:
Date: 08.05.2025

