



CIN : L26942TG1979PLC002485
GST No.: 36AABCK1868J1ZB

KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

1-10-140.1, 'GURUKRUPA' Ashok Nagar, Hyderabad - 500 020.

REF:KCSIL:SEC:2026:

July 7, 2026

1. BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI - 400 001.
2. The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
MUMBAI - 400 051.

Dear Sir,

Sub : Annual Report for 2025-2026.

Pursuant to Regulation 34 of SEBI (*Listing Obligations and Disclosure Requirements*) Regulations, 2015, please find attached the Annual Report for 2025-2026 in respect of the 47th Annual General Meeting scheduled to be held on 10th August, 2026 at 10.15 A.M at Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad. A copy of the Annual Report is uploaded on the website of the company at : <http://www.kakatiyacements.com/Admin/investors/AnnualReport/ANR2025-2026.pdf>

This is for your information and record.

Thanking you,

Yours faithfully,
for Kakatiya Cement Sugar & Industries Limited,

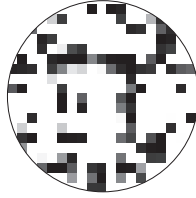
M V R L S Rao
Company Secretary &
Compliance Officer

Encl : a/a

47th Annual Report 2025 - 26



**KAKATIYA CEMENT
SUGAR & INDUSTRIES LIMITED**



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

47th Annual Report 2025-26

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KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

BOARD OF DIRECTORS

- | | |
|-----------------------------------|------------------------------|
| 1) Shri P Veeraiah | Chairman & Managing Director |
| 2) Shri J S Rao | Non-Executive Director |
| 3) Smt. M Varalakshmi | Non-Executive Director |
| 4) Smt. Hima Bindu Myneni | Independent Director |
| 5) Shri V Siva Ramakrishna Murthy | Independent Director |
| 6) Shri K Rama Rao | Independent director |

SENIOR EXECUTIVES

- | | |
|--------------------------|--|
| 1) Dr. P Anuradha | Chief Executive Officer |
| 2) Shri M Bhavani Dattu | Chief Financial Officer |
| 3) Shri M V R L S Rao | Company Secretary & Compliance Officer |
| 4) Shri D G K Raju | President (Cement Division) |
| 5) Shri Ch Nageswara Rao | Vice President (Sugar Division) |

STATUTORY AUDITORS

M/s. M Anandam & Co.,
Chartered Accountants,
Surya Towers,
Secunderabad - 500003

COST AUDITORS

M/s. Narasimha Murthy & Co.,
Cost Accountants,
3-6-365, 104 & 105, Pavani Estates,
Y V Rao Mansion , Hyderabad - 500029.

SECRETARIAL AUDITOR

Manjula Aleti & Associates,
Practicing Company Secretary,
Shop No. 2, Second Floor,
Maheswar Complex,
Kukatpally Main Road, Kukatpally,
Hyderabad - 500072

INTERNAL AUDITORS

M/s. Ramanatham & Rao,
Chartered Accountants,
Kala Mansion, S D Road,
P B No. 2102, Flat No. 302,
Secunderabad - 500003.

BANKERS

State Bank of India
Ashok Nagar Branch
Hyderabad-500020

Union Bank of India
Ashok Nagar Branch
Hyderabad-500020

REGISTERED OFFICE

1-10-140/1, "GURUKRUPA"
Ashok Nagar,
Hyderabad - 500020.
Phone:040-27637717/27633627
E-Mail : info@kakatiyacements.com
and shares@kakatiyacements.com

REGISTRARS

XL SOFTECH Systems Limited,
3, Sagar Society, Road No.2, Banjara Hills,
Hyderabad - 500034.
Phone:040-23545914/23545915
E-Mail : xlfield@gmail.com

FACTORIES

CEMENT:

Dondapadu Village,
Chintalapalem Mandal,
Suryapet Dist. Telangana State

SUGAR & POWER:

Peruvancha Village
Kallur Mandal
Khammam Dist. Telangana State



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

NOTICE:

Notice is hereby given that the 47th Annual General Meeting of the Company is scheduled to be held on Monday, the 10th August, 2026 at 10.15 A.M. at Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500020 to transact the following business.

Ordinary business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of Directors' and Auditor's thereon.
2. To declare dividend of ₹ 3/- per equity share for the Financial Year ended 31st March 2026.
3. To appoint a Director in place of Shri J S Rao (DIN: 00029090) who retires by rotation, and being eligible, offers himself for re-appointment and in this regard, to pass the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri J S Rao (DIN:0029090), who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation".

Special Business:

4. Payment of Remuneration to the Managing Director

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

Resolved that in furtherance to the Resolution passed by the Members at their 44th Annual General Meeting held on 25th September, 2023 whereat the Members have approved the Resolution pertaining to re-appointment of Shri P. Veeraiah, as the Chairman & Managing Director for a period of 5 (Five) years with effect from 1st December, 2023 and up to 30th November 2028 and also approved the payment of remuneration for a period of 3 (Three) years commencing from 1st December, 2023 to 30th November 2026 and pursuant to provisions of section 2 (54), 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with schedule V thereto, and pursuant to the recommendation of the Nomination and Remuneration Committee and that of the Board, the consent of the Members of the Company be and is hereby accorded for payment of remuneration to Shri P Veeraiah, Managing Director for the remaining period of his tenure commencing from 1st December, 2026 and ending with 30th November, 2028 at the same level as approved by the Members at their Annual General Meeting held on 25th September, 2023 on the following terms and conditions:-

A.Remuneration comprising of salary, commission and leave travel allowance

- 1) Salary: ₹ 7,00,000/- (Rupees Seven Lakhs only) per month (annual increments to be decided by the Board)
- 2) Commission: 2% of Commission (in addition to salary and perquisites) calculated with reference to the net profits of the Company for each financial year which shall not exceed the ceiling laid down in section 197 of the Companies Act, 2013.
- 3) Leave Travel Allowance for self and family equivalent to one month's salary in a year.

B.Perquisites/ Benefits:

- a) House Rent Allowance : House Rent allowance at 40% of the salary shall be paid. In addition, free use of the Company's owned furniture and other consumer durables if required.
- b) Provident Fund and Gratuity:
 - i. Company's contribution to Provident fund and superannuation fund shall be as per the provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.
 - ii. Gratuity shall be paid as per the Payment of Gratuity Act or Company's Gratuity scheme whichever is higher.



C. Other Perquisites:

- i. Gas, Electricity, Water, House Maintenance and furnishings, the monetary value of which shall be valued as per the Income Tax Rules, 1962 and subject to a ceiling of 10% of the salary of the Managing Director.
- ii. Personnel Accident Insurance shall not exceed Rs. 10,000/- per annum.
- iii. Re-imbursement of all Medical expenses incurred for self and family.
- iv. Provision of car with driver for use on Company's business and telephone facility at residence.
- v. Club Fee:- Fee of clubs subject to a maximum of two clubs. However admission and life membership fee shall not be included for this purpose.

The perquisites shall be evaluated at cost to the Company and when such evaluation is difficult, it shall be evaluated as per the Income Tax Rules.

D. Minimum Remuneration :

Where in any financial year during the currency of the tenure, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and commission not exceeding the limits specified in schedule V of the Companies Act, 2013 including any statutory modifications thereto for the time being in force.

The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committees thereof.

Further Resolved that the Board of Directors of the Company be and are hereby authorized to take such steps and to do other acts, deeds, matters and things as they deem fit and appropriate and give such directions / instructions as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for all the matters connected therewith or incidental thereto.

5. To appoint Smt. Hima Bindu Myneni (DIN:07120807), as Non Executive Independent Director for a period of five years with effect from 16th June, 2026.

To consider and if thought fit, to pass with or without modifications the following Resolution as an **Special Resolution**.

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and 160 other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b)/17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enhancement thereof for the time being in fore and Articles of Association of the company, Smt. Hima Bindu Myneni (DIN:07120807), Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom based on her evaluation of performance, the Nomination and Remuneration Committee (NRC) and the Board recommended her re-appointment as an Independent Director of the Company and who shall not be liable to retire by rotation to hold office for second term of 5(five) consecutive years, commencing from 16th June, 2026 to 15th June, 2031."

6. Fixation of Remuneration of Cost Auditors:

To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration No.000042) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027 amounting to 1.75 lakhs together with the applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit be and is hereby ratified and confirmed".



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- 7. To authorise the Managing Director to give Donations under Section 181 of the Companies Act, 2013 to the extent of ₹ 35 lakhs per year to various charity organizations w.e.f 2026-2027 onwards.**

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 181 of the Companies Act, 2013 and other applicable provisions and the rules made thereunder, Shri P. Veeraiah, Chairman & Managing Director be and is hereby authorized to give donations to the extent of ₹ 35.00 lakhs per year to various Charity Organisations with effect from 2026-2027 onwards.

By Order of the Board
for **Kakatiya Cement Sugar & Industries Limited**

Place : Hyderabad
Date : 28.05.2026

M V R L S Rao
Company Secretary and
Compliance Officer
(M.No. A10575)



NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on poll only instead of himself/herself and a proxy need not be a member of the Company. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, at least 48 hours before the commencement of the Annual General Meeting.** Proxies submitted on behalf of Limited Companies, Bodies Corporate, Societies etc. must be supported by certified copies of appropriate Resolutions/authorities as applicable.
2. In case of Joint holders attending the Meeting, only such Joint holder whose name appears as the First Holder will be entitled to vote.
3. An explanatory statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 which sets out details relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and e-mail address by every participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit their PAN and register their e-mail address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form and who have not updated their KYC details viz. Income Tax PAN, Bank Account details, Mobile number, e-mail address and nomination are requested to update the same by writing to the Company's RTA M/s. XL Softech Systems Limited/Company by submitting a request letter mentioning the Folio No. and Name of the Shareholder along with scanned copy of the share certificate (both sides) and self-attested copies of the PAN, cancelled blank cheque along with duly filled in ISR-1/2/3, SH-13/14 and e-mail address to the RTA/Company. **In case of non-updation of KYC details by the members holding shares in physical form, no dividend (if declared) will be sent unless the same are updated.**
5. The Register of Members and Share Transfer Books will remain closed from Tuesday, the 4th August, 2026 to Monday, the 10th August, 2026 (both days inclusive) and the record date is 3rd August, 2026 in connection with the 47th Annual General Meeting and for determining the entitlement of Members for payment of dividend.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. As required under Listing Regulations and Secretarial Standard-2 on General Meetings, details in respect of Directors seeking appointment/re-appointment at the AGM is separately annexed hereto. The Directors seeking the appointment/re-appointment have furnished requisite declaration under section 164(2) and other applicable provisions, if any, of the Companies Act, 2013 including Rules framed thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. All the members are requested to intimate their e-mail address to the Company's RTA at **xlfield@gmail.com** for sending Notice and Annual Report through e-mail. The members are also requested to notify immediately any change in their address to the Company's RTA XL Softech Systems Limited with their Folio Number(s) and with their e-mail addresses. They can also visit the company website at www.kakatiyacements.com where notice is uploaded. For any communication, the members may also utilize company's investor e-mail ID: **info@kakatiyacements.com**.
9. The Dividend, after declaration, will be paid to those members, whose names stand on the Register of Members as on 3rd August, 2026 being the record date. The Dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares, whose names appear in the list furnished by the Depositories for this purpose as on 3rd August, 2026. The Dividend will be paid on or before 9th September, 2026.
10. Members may note that the Income Tax Act, 1961 as amended by the Finance Act, 2020 mandates that dividends paid or distributed by a company after April 01, 2021 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making payment of dividend, depending upon the status and category of the member.

For resident shareholder, taxes shall be deducted at source under Section 194 of the Income Tax Act as follows:-

Members having valid PAN	10% or as notified by the Government of India
Members not having Valid PAN	20% or as notified by the Government of India



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However no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by her/him during the Financial Year 2025-2026 does not exceed ₹ 10,000/- and also in cases where members provided Form 15G/Form 15H subject to conditions specified in the Income Tax Act, 1961.

11. The Notice calling the AGM has been uploaded on the website of the Company at www.kakatiyacements.com. The Notice can also be accessed from the website(s) of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and at www.nseindia.com respectively.
12. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. Central Depository Services of (India) Limited (CDSL).
13. The documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The members may write an e-mail to info@kakatiyacements.com and the Company shall respond suitably.
14. As per provisions of Section 124 of the Companies Act, 2013, the Company has transferred to the Investor Education and Protection Fund (IEPF), the amount of all unclaimed dividend declared up to and including the financial year ended 31st March, 2018. The amount of unclaimed dividend for the financial year ended 31st March, 2019 will be transferred to the Investor Education and Protection Fund (IEPF) within the prescribed time during the current year.
15. As per the provisions of Section 124 of the Companies Act, 2013, the Company is required to transfer dividend, which remains unpaid or unclaimed for a period of 7 years, to the IEPF set up by the Central Government. The shareholders, who have not claimed their dividend for any year from the financial year ended March 31, 2019 onwards are requested to lodge their claim with the Company.
16. The members may note that they can avail of nomination facility in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled-in to XL Softech Systems Limited at the address mentioned in this Report. Members holding shares in electronic mode may contact their respective Depository Participants for availing of this facility.
17. The Company's shares are listed with The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Annual Listing Fee for the year 2026-2027 has been paid to these two Stock Exchanges.
18. As per SEBI Circular No.CIR/MRD/DP/10/2013 dated March 21, 2014, dividend payments to investors are made electronically through ECS. **The members holding shares in demat form are requested to update their bank details with the depositories with whom they have opened their demat accounts, to ensure that dividend is credited promptly. Those members who hold shares in physical form are requested to communicate their bank account number, name of the Bank, Branch, IFSC Code and address to: info@kakatiyacements.com or shares@kakatiyacements.com and xlfield@gmail.com for necessary action at our end. The members holding Accounts in Banks in which merger has taken place are requested to check and mention the correct IFSC code of the Bank consequent to merger.**
19. Electronic copy of the Notice of the AGM of the Company and the Annual Report inter alia indicating the process and manner of e-voting are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless a member has requested for a hard copy of the same.
20. In compliance with the provisions of Section 108 and 109 of the Companies Act, 2013 and Rules 20 and 21 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is providing e-voting facility to the members to exercise their right to vote on Resolutions proposed to be passed in the meeting by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting. The Company has engaged the services of CDSL as the authorised agency to provide e-voting facilities and instructions for availing e-voting facility are given in **Note No.27**.
21. The Board has appointed Smt. Manjula Aleti, Company Secretary in Practice (Membership No.FCS:10380, COP:13279) as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.



22. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 2 (Two) working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against forthwith to the Chairman or a person authorised by the Chairman for counter signature.
23. The Results shall be declared by the Chairman or by an authorised person of the Chairman and the Resolutions will be deemed to have been passed on the date of AGM, subject to receipt of requisite number of votes in favour of the Resolutions.
24. After declaration of results, the same shall be placed along with the scrutinizer's Report(s) on the website of the company www.kakatiyacements.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed.
25. A person whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the Depositories as on the cut-off date i.e. 3rd August, 2026 shall only be entitled to avail the facility of remote e-voting.
26. **The e-voting period commences on Friday, 7th August, 2026 (9:00 AM) and ends on Sunday 9th August, 2026 (5:00 PM).** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd August, 2026, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it subsequently.
27. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company.

CDSL e-Voting System - For e-voting

THE INSTRUCTIONS TO MEMBERS FOR E-VOTING ARE AS UNDER:

- (i) The voting period begins on Friday, 7th August, 2026 (9:00 AM) and ends on Sunday, 9th August, 2026 (5:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd August, 2026 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual members holding securities in Demat mode with CDSL/NSDL** is given below:



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Type of shareholders	Login Method
Individual members holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual members holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual members (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.



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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.18002109911.
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-voting for **Physical members and members other than individual holding in Demat form.**

- 1) The members should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Members" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical members and other than individual members holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat members as well as physical members) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter your Dividend Bank Details or Date of Birth (in DD/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



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- (ix) Click on the EVSN for the relevant (**KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED**) on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non - Individual Members and Custodians - For Remote e-voting only.**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@kakatiyacements.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical members - Please provide necessary details like Folio No., Name of shareholder, scanned copies of the share certificate (both sides), PAN and AADHAR (both self attested) by email to Company/RTA's email id.
2. For Demat members - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat members - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting through Depository.

If you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 210 9911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 210 9911.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.4.

It may be recalled that the Members at the 44th Annual General Meeting held on 25th September, 2023 had re-appointed Shri P. Veeraiah, Chairman & Managing Director for a period of 5 (Five) years w.e.f. 1st December, 2023 on terms and conditions detailed in the Notice in respect of the Annual General Meeting under reference. His appointment will end on 30th November, 2028.

However the remuneration payable to Shri P. Veeraiah, Chairman & Managing Director is for a period of 3 (Three) years only in accordance with Schedule V and other related provisions of the Companies Act, 2013. The said period of 3 (Three) years ended on 30th November, 2026.

Presently Shri P. Veeraiah has been drawing a basic salary of ₹ 7.00 lakhs per month in addition to allowances, perquisites, benefits and commission. Shri P Veeraiah drew a total Remuneration of ₹ 130.11 lakhs for the year ended 31st March 2026.

It was opined that due to various external factors and other reasons, the profitability of the Company was impacted negatively and the Company has incurred losses in the previous years and in view of this, the remuneration is subject to applicability of Schedule V of the Companies Act, 2013.

Accordingly, the Board has decided to retain the remuneration payable to Shri P. Veeraiah, Chairman & Managing Director as per the applicability of Schedule V to the Companies Act, 2013.

Shri P Veeraiah is interested in the subject matter. Dr. P Anuradha, Chief Executive Officer and one of the Key Managerial Personnel is the wife of Shri P Veeraiah and therefore is deemed to be interested in the subject matter.

None of the other Directors and key Managerial Personnel (KMPs) or their relatives is interested or concerned in this Resolution.

Information in accordance with Schedule V Companies Act, 2013

1. General Information:

1.	Nature of Industry	Manufacture of Cement, Sugar and Generation of Power		
2.	Date or expected date of commencement of commercial production	The Company's Cement, Sugar and Power division have been in operation since many years.		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospects	Not Applicable		
4.	Financial performance based on given indicators	(₹ in crores)		
		2025-26	2024-25	2023-24
	Total Revenue	86.73	104.68	168.56
	Net profit	(24.05)	(13.30)	(1.34)
5.	Foreign investments or collaborations, if any.	Not Applicable		

2. Information about the appointee:

1.	Background details	Shri P Veeraiah is the son of Late Shri P Venkateswarlu, Founder Promoter and Chairman and Managing Director of the Company. Shri P Veeraiah, aged about 55 years, is a Commerce Graduate. He was inducted into the Board and was made the Joint Managing Director on 5th December, 1998. He was holding this position till he was elevated as Chairman and Managing Director on 3rd February, 2016.
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KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

2.	Past remuneration	He drew a sum of ₹ 130.11 lacs in 2025-26 from the Company
3.	Recognition or awards	-----
4.	Job profile and his suitability	He is incharge of the overall affairs of the Company and its operations.
5.	Remuneration proposed	The existing remuneration is retained at ₹ 7.00 lacs per month and 2% of commission on the net profits and other perquisites and benefits. Schedule V is applicable in the event of no profits or inadequate profits.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with be with respect to the country of his origin)	All parameters have been duly considered by the Nomination and Remuneration Committee and the same are approved by the Board as well. This point has been elaborated in Item No.4 of the explanatory statement to the notice.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any	He is now the Chairman and Managing Director of the Company. He is also the Chief Promoter of the Company. His wife Dr. P Anuradha has been appointed as Chief Executive Officer for a period of three years effective from 25 th May, 2024. He is not related to any Director or Key Managerial Personnel or their relatives.
8.	No. of shares held in the Company	37,04,527 shares.

3. Other Information:

1.	Reasons of loss or inadequate profits	The company has been incurring losses for the past 3 years in view of the adverse market condition prevailed in the cement industry. Apart from this, several adverse factors like weaker infrastructure demand, adverse weather, raising input costs, significant increase of mergers and acquisitions by prominent cement companies especially in South India.
2.	Steps taken or proposed to be taken for improvement	All critical issues are being monitored by the Company regularly.
3.	Expected increase in productivity and profits in measurable terms.	The outlook of the Cement industry has been showing downward trend and the losses are not specific to this company but in general as a whole. Given the fact that the cement industry is displaying bright prospects and the longstanding reputation the Company enjoys in the market, we are expecting that there would be better performance in the days to come.

The information contained in the resolution in item no. 4 and the information provided as per Schedule V of the Companies Act, 2013 in respect of remuneration payable to Shri P. Veeraiah, Chairman & Managing Director may be construed as compliance under Section 190(1)(b) of the Companies Act, 2013 relating to written memorandum of the terms and conditions.

4. Disclosures: Mentioned in Corporate Governance Report to the extent applicable.

The Board commends this Resolution for approval of Members as an Ordinary resolution.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Item No.5

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Articles of Association of the company and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 28.5.2026 has re-appointed Smt. Hima Bindu Myneni (DIN:07120807), under the category of 'Independent Director' for a period of five years with effect from 16th June, 2026 subject to the approval of members at the forthcoming Annual General Meeting. She holds the office upto the date of the Annual General Meeting.

The Company has received (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 pursuant to the Companies (Appointment & Qualification of Directors) Rules, 2014 from Smt. Hima Bindu Myneni to the effect that she is not disqualified as per Section 164(2) of the Companies Act, 2013; and (iii) a declaration to the effect that she meets the criteria of independence as provided for under Section 149 (7) of the Companies Act, 2013.

In the opinion of the Board, Smt. Hima Bindu Myneni fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as Non-Executive Independent Director and that she is independent of the management.

The Resolution set out at Item No.5 of the notice is put forth for consideration of the members as an Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Smt. Hima Bindu Myneni as Non-Executive Independent Director.

The terms and conditions of re-appointment of Smt. Hima Bindu Myneni shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Smt. Hima Bindu Myneni is interested in the Resolution as set out in Item No.5 of the notice with regard to her appointment. The relatives of Smt. Hima Bindu Myneni may be deemed to be interested in the Resolution to extent of their shareholding, if any, in the company. Save and except the above, none of the other directors / KMPs of the company / their relatives is in any way concerned or interested financially or other wise in the subject matter.

The Board commends this Special Resolution as set out in Item No.5 of this notice for approval of members at the forthcoming Annual General Meeting.

Profile

Smt. Hima Bindu Myneni has vast experience as a practicing Chartered Accountant. She holds directorships in various companies including SEW infrastructure Limited, a listed company in infrastructure sector.

She has significant exposure in corporate affairs acquired over the period. Her Core Skills include Audit, Taxation, Project consultancy and financial consultancy relating to business enterprises.

The Board felt that considering her expertise and knowledge, it would be in the interest of the company to approve her appointment as Non-Executive Independent Director. Further details of the profile have been stated in the Annexure.

The Board commends the Special Resolution for approval of Members.

Item No.6

The Board based on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the Financial Year ended 31st March, 2027.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors. None of the Directors or Key Managerial Personnel or their immediate relatives is interested or concerned in this Resolution.

The Board commends this Resolution for approval of Members as an Ordinary Resolution.

Item No.7.

The Board of Directors, at its meeting held on 28.5.2026 passed resolution authorizing Sri. P. Veeraiah, the Chairman & Managing Director to give Donations under Section 181 of the Companies Act, 2013 to extent of Rs.35 lakhs per year to various charity organizations w.e.f 2026-2027 onwards subject to the approval of the shareholders at the ensuing Annual General Meeting. As per Section 181 of the Companies Act, 2013, prior permission of the company in general meeting shall be



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required for making the contribution in case any amount the aggregate of which, in any financial year, exceed five per cent. of its average net profits for the three immediately preceding financial years. As your Company is suffering losses, this shareholders' approval is necessary to give donations as said above.

None of the Directors is interested in this resolution and the Board commends this Resolution for approval of Members as an Ordinary Resolution.

ANNEXURE TO NOTICE

(Particulars of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Item No.3 TO 5

Sl. No.	Name of the appointee	Shri J S Rao (DIN00029090)	Shri P Veeraiah (DIN 00276769)	Smt. Hima Bindu Myneni (DIN:07120807)
1.	Date of Birth	18/07/1953	30/03/1970	21/07/1971
2.	Qualification	B.E	B.Com	FCA
3.	Date of first Appointment	09/07/1979	05/12/1998	16-06-2021 for a period of five years.
4.	Expertise in the specific functional areas	45 years of rich and varied experience in operations of Cement plants.	two and half decades experience in Cement Industry in General Management, Strategy, and Marketing	A Fellow Member of the Institute of Chartered Accountants of India having varied experience in Audit, Taxation, Project and Financial Consultancy.
5.	Nature of appointment	Retiring by rotation and being eligible offers himself for re-appointment.	Approval for remuneration for a period of two years from 01.12.2026 to 30.11.2028	Re-appointment as Non-Executive, Independent Director for a second term of 5 (five) years effective from 16 th June, 2026, till 15 th June, 2031, subject to the approval of the members through Special Resolution.
6.	Occupation	Industrialist	Industrialist	Practicing Chartered Accountant.
7.	Terms and conditions of appointment or re-appointment along with details of Remuneration sought to be paid and remuneration last drawn	He is a Non-Executive Director. No remuneration is paid to the Non-Executive Directors except payment of sitting fee and reimbursement of expenses incurred for attending the Board / Committee Meetings attended by the Non-Executive Directors.	Refer Resolution No. 4 Last Salary Drawn : ₹ 130.11 Lakhs	Abridged Terms and Conditions of appointment of Independent Directors are available on the website of the Company. Except Sitting Fee and reimbursement of expenses incurred for attending the Board/Committee Meetings, no other payment is made.
8.	Shareholding of Kakatiya Cement Sugar & Industries Limited (as on 31.03.2026)	10000 shares	37,04,527 shares	Nil
9.	No. of Listed entities in which committee membership / chairmanship held	2	1	1



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INDUSTRIES LIMITED**

10.	Membership/ Chairmanship of Committee in this Company	Member of Audit Committee and Corporate Social Responsibility Committee	Member Corporate Social Responsibility Committee Chairman Risk Management Committee	Chairperson Audit Committee, Corporate Social Responsibilities Committee and Stakeholders Relationship Committee
11.	No. of Listed entities in which Directorship held (including this Company)	2	1	1
12.	Details of Listed entities from which the person has resigned in the last three years	Not applicable	Nil	2
13.	Inter-se relationship with any other Director, Manager or KMP.	Not applicable	Spouse of Dr. Anuradha, CEO	Not applicable
14.	No. of Board Meetings attended during the year	3	4	4

By Order of the Board
for Kakatiya Cement Sugar & Industries Limited

Place : Hyderabad
Date : 28.05.2026

M V R L S Rao
Company Secretary and
Compliance Officer
(M.No. A10575)



DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 47th Annual Report together with the Audited Financial statements for the year ended 31st March, 2026.

Financial Results

The Financial Results for the year ended 31st March, 2026 are summarized below:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Income (Sales and other Income)	8,675.08	1,0467.93
Profit before Depreciation, Interest & Taxes	(2,011.81)	(376.04)
Depreciation	266.14	258.77
Interest	72.08	512.83
Provision for bad and doubtful debts	85.00	210.61
Taxation	-	--
Deferred Taxation	(29.36)	(27.72)
TOTAL	393.86	954.49
Profit after Tax	(2,405.67)	(1,330.53)
Other Comprehensive Income	5.67	(57.85)
Total Comprehensive Income	(2,400.00)	(1,388.38)
Share Capital (No. of shares)	7773858	7773858
EPS (Rs.)	(30.95)	(17.12)

Dividend

Your Directors are pleased to recommend for your consideration a Dividend at ₹ 3.00 /- per equity share of ₹ 10/- each for the year ended 31.03.2026, at par with the dividend declared in the past few years, which entails an outlay of ₹ 233.22 lacs.

Transfer of Profits to Reserves

In view of the loss incurred by the Company during the year under review, no amounts were transferred to Reserves. The Company has not transferred any amount to reserves from out of the profits of the preceding financial years.

Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been claimed for seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF).

Accordingly, the Company has transferred 12,292 equity shares to the IEPF Authority during the year ended 31st March, 2026. The Members are requested to visit the website of the Company www.kakatiyacements.com and refer to the 'Unpaid Dividends/IEPF' section under the heading 'Corporate Info' to know the details of the investors whose shares/unpaid dividend have been transferred to IEPF. In case the shares/unpaid dividend of any shareholder have already been transferred to IEPF, then such shareholder is requested to claim the same from IEPF by filing the requisite e-form IEPF-5 along with all the attachments on www.mca.gov.in and to forward the uploaded e-form IEPF-5 along with all its duly executed attachments to the Company for further processing.



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According to Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the Company has transferred unclaimed dividend amounting to ₹ 10,02,843/- to IEPF during the year under review. The said transfer was in respect of the unclaimed dividend for the financial year 2017-2018.

Material Changes and Commitments

In terms of Section 134(3)(l) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

Public Deposits

The Company has not accepted any deposits during the year under review and there were no outstanding deposits as at the end of the year falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Significant and Material orders passed by the Regulators / Courts / Tribunals

There are no significant and material orders passed by the Regulators or Courts or Tribunals in the year under review impacting the 'going concern' status and Company's operations in future.

Directors

In accordance with the provisions of the Companies Act, 2013, Shri J S Rao Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief profile of the Shri J S Rao, Director who is retiring by rotation and seeking reappointment at the ensuing Annual General Meeting is presented elsewhere in this Annual Report.

Dematerialisation

As on 31st March, 2026, 76,54,215 (98.46%) shares were dematerialised with the following depositories:

Sl. No.	Name of Depository	No. of Shares
i)	National Securities Depositories Limited	21,46,529
ii)	Central Depository Services (India) Limited	55,07,686

The Company, therefore once again requests such of the public Members who have not yet dematerialised their shares to initiate immediate steps to complete the process of dematerialisation.

KYC Compliance by Members holding shares in Physical Form

Securities and Exchange Board of India has made it mandatory for holders of physical securities to furnish details of PAN, contact details (address with Pin Code, email address, mobile number), bank account, updated specimen signature and nomination/ opt-out of nomination.

Please note that in case of failure of the Members to get the above referred details registered/updated with the RTA, the Company will be withholding the dividend payable (if declared by the Members at the ensuing Annual General Meeting) and the same shall be released only after the said details are updated. Further, in respect of such folio(s) the Members will not be eligible to lodge grievance or avail any services from Company or Registrar and receive dividend, till the above mentioned details are furnished.

The relevant forms prescribed by Securities and Exchange Board of India (viz. ISR-1, ISR-2, ISR-3, SH-13 and SH-14) can be downloaded from the Company's website and weblink is <http://www.kakatiyacements.com/kyc-compliance-documents.html> or that of RTA website <https://xlsoftech.com>.



Statement of Affairs of the Company

The Statement of affairs of the Company is presented as part of Management Discussion and Analysis (MDA) Report forming part of this Report.

Performance of the Year under review

The performance of the Company was not up to the mark during the financial year 2025-2026 as the Cement industry as a whole in India suffered a lot and your company is not an exception.

Several adverse factors viz., increase of petrol / diesel costs weaker infrastructure demand, slowed Government spending, adverse weather, raising input costs, significant increase of Mergers & Acquisitions by prominent cement companies especially in south India.

Further, non-renewal the reduced area of sugarcane cultivation due to migration of farmers to alternate crops fetching more remunerative prices like oil palm cultivation have all played its role on the operations of the Company and the Company could not achieve the expected capacity utilization. The division-wise operational and financial details of the performance are stated herein below:-

Cement Division:

During the year under review, the Cement Division has produced 1,65,884 MT as against 1,29,778 MT in the year ago period thereby registering a decrease of about 27.82%.

The Cement Division has clocked a turnover of ₹ 63.65 crores in 2025-26 as against the turnover of ₹ 47.86 crores recorded in the previous year and this works out to a decrease of 32.99%.

The Cement Division has incurred loss before interest and tax (PBIT) of ₹ 10.89 crores in the year under review as against Loses of ₹ 12.57 crores earned in the previous year.

Sugar Division:

The Sugar cane crushed in the Sugar Division in the year under review is 21,450 MT as against 47,887 MT in the previous year thereby recording a decrease of about 55.21%. Even though the Company could procure the mandals and villages of its choice during the year under review, by the time the same were allotted to the Company, the cane growers in the said mandals have already entered into agreements with neighbouring factory and as a result, the Company could procure only negligible quantity of cane from these additional areas. The Government Regulation restricting the sale of the sugar has also impacted the quantum of sales during the year under review.

The Sugar Division has clocked a turnover of ₹ 16.26 crores in 2025-26 in comparison with ₹ 43.88 crores in the preceding year and thereby registering a decrease of about 62.94% over the year ago period. The Sugar Division has incurred losses before interest and tax (PBIT) of ₹ 9.60 crores in the year under review as against Profit of ₹ 5.08 crores in the preceding year owing to better market pricing.

Power Division:

The Power Division has generated 12,92,159 kWh in 2025-26 as against 21,66,438 kWh of power in the preceding year thereby recording a decrease of about 40.36%.

The Power Division is mainly dependent on the Sugar Division. As there is non-availability of sufficient cane for crushing in the Sugar Division for the reasons explained therein, the performance of the Sugar Division is low and accordingly the Power Division performance is also low.

The Power division has clocked a turnover of ₹ 0.99 crores in the year under review as against the turnover of ₹ 1.82 crores made in the year-ago period.

The Power Division made a loss before interest and tax (PBIT) of ₹ 3.06 crores as against a loss of ₹ 0.97 crores in the previous year.

Current Year Outlook:

Cement Division:

Taking into account the market conditions and other factors, the Company has set a target of its cement production at 2,70,000 MT for the current year.



Sugar Division:

The Sugar Division was impacted by various issues during the year under review. The scarcity of water sources, and loss of productive areas in the zonal allocation made by the Government in 2022 for part of the year are some of the critical factors which continue to impact the prospects of the Company.

However, migration of farmers to alternate crops fetching more remunerative prices and incentives from both Central and State Governments for promoting oil palm cultivation coupled with the non availability of water in sufficient quantities at regular intervals have forced the Company to downward revision of the target of cane crushing to 25,000 MT during the current year.

Power Division:

The performance of power division is directly linked to the operational level of the sugar division. A favorable government policy with regard to utilization of coal as an alternative fuel to bagasse during off-season of the sugar division is yet to crystallize since the government has not been permitting the power generating companies to utilize the coal as an alternative fuel to bagasse. In view of this, the performance of the power division will continue to be low and added to this factor, any serious impediments to the sugar division will further impact the performance of the power division.

Insurance:

All the properties of the Company including its buildings, Plant and Machinery and Stocks wherever required have been adequately insured.

Disclosures under the Companies Act, 2013

I) Annual Return:

The Annual Return as per provisions of Section 92 of the Companies Act, 2013 in Form MGT-7 is available on the Company's website, the web link is http://www.kakatiyacements.com/Admin/investors/AnnualReport/Annual%20Return_2026.pdf

II) Board Meetings:

During the year under review, 4 (Four) Board Meetings were held. The details of the Board Meetings and its composition along with the attendance of the Directors are furnished elsewhere in the Corporate Governance Report.

III) Changes in Share Capital

There was no change in the Share Capital during the year under review.

IV) Changes in the nature of business, if any

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

V) Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management personnel. The Policy is approved by the Nomination and Remuneration Committee and the Board.

VI) Related Party Transactions

Particulars of contracts / arrangements entered into by the Company with Related Parties referred to in Section 188 (1) of the Companies Act, 2013 for the year ended 31st March, 2026 have been provided in Form No.AOC-2 pursuant to clause (b) of sub Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same are annexed to this Report (**Annexure-1**).

The Audit Committee and the Board also considered the Related Party Transactions as prescribed by the SEBI Circular No. SEBI/Ho/CFD/CFD-PoD-2/P/CIR/2025/18 dated 14.2.2025 and in the format of Para 4 of the Standards where ever applicable.

All the Related Party Transactions have been approved by the Audit Committee and are at an "arms-length" basis.



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VII) Statement of particulars of Appointment and Remuneration of the Managerial Personnel:

The statement of particulars of Appointment and Remuneration of Managerial Personnel as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ending 31st March, 2026 is annexed to this Report (**Annexure-2**).

VIII) Key Managerial Personnel

The following have been designated as the Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Shri P Veeraiah	Managing Director
Dr. P. Anuradha	Chief Executive Officer
Shri M Bhavani Dattu	Chief Financial Officer
Shri M V R L S Rao	Company Secretary & Compliance Officer

IX) Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of the Company have been registered and are members Independent Directors Data Bank maintained by Indian Institute of Corporate Affairs and the said registrations are valid. The Registration of Smt. Hima Bindu Myneni, is valid up to 27.02.2031 and of Shri V Siva Rama Krishna Murthy up to 27.02.2027. Registration of Shri Karumanchi Rama Rao is valid for Life Time.

All the Independent Directors of the Company have been granted exemption from passing the online proficiency self-assessment test.

X) Statement of declaration of independence furnished by Independent Directors under Section 149(7) of the Companies Act, 2013:

The Independent Directors have submitted the declaration of independence as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149 (7) of the Companies Act, 2013 and Regulation 25(8) and 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors have also confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duty with an objective independent judgment and without any external influence.

XI) Confirmation by the Board

Further, the Board after taking these declarations / disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant experience to qualify as Independent Directors of the Company and are independent of the management.

The Board opines that the Independent Directors of the Company strictly adhere to corporate integrity, possess requisite expertise, experience, qualifications to discharge the assigned duties and responsibilities as mandated by the Companies Act, 2013 and Listing Regulations diligently.

XII) Committees of the Board and its Meetings:

Your Board has constituted various Committees of the Board as required under the provisions of the Companies Act, 2013 and of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the composition, scope and its meetings etc., are furnished in the Corporate Governance Report, which forms part of this Report.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 134 (3) and 134 (5) of the Companies Act, 2013 with respect to the Director's Responsibility Statement, the Board of Directors of the Company hereby confirm that:



- a. in the preparation of annual accounts for the year ended 31st March, 2026, the applicable accounting standards have been followed and that there were no material departures therefrom.
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2026 and of the loss of the Company for that period.
- c. the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2026 on a 'going concern' basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Evaluation of the Board's Performance:

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Independent Directors with specific focus on the performance of the Board and individual Directors. The observations of the evaluation made in the previous year, if any, will be considered. At the end of the current year, a comprehensive review will also be done.

The Board evaluation embraces several aspects such as development of suitable strategies and business plans at an appropriate time and its effectiveness, implementation of robust policies, procedures, size and structure and expertise of the Board.

As regards evaluation of Managing Director/Whole time Directors, aspects such as achievement of financial / business targets prescribed by the Board, developing and executing business plans, Operational Plans, Risk Management and financial affairs of the organization and Development of policies and strategic plans aligned with the vision and mission of the Company were considered.

With regard to evaluation of Non-Executive Directors, aspects such as participation at the Board / Committee Meetings, effective deployment of knowledge and expertise, independence of behavior and judgment were considered.

As regards evaluation of performance in respect of Committee Meetings, aspects such as discharge of functions and duties as per scope of the Committee, processes and procedures followed in discharging such functions were considered.

In respect of evaluation of the Chairperson, aspects such as managing relationship with the members of the Board and Management, providing ease of raising of issues, positive reception to the concerns by the members of the Board and promoting constructive debate and effective decision making at the Board were taken into account.

Further to comply with Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have also evaluated the performance of Non-independent Directors, Chairman and the Board as a whole at a separate meeting of Independent Directors.

A brief note on performance of evaluation of independent directors has been incorporated in the Corporate Governance Report.

Auditors:

Statutory Auditors:

M/s. M. Anandam & Co., Chartered Accountants, Secunderabad (FRN : 000125S) were appointed as the Statutory Auditors of the Company for a period of 5 (Five) years by the Members at the 43rd Annual General Meeting held on 8th September, 2022 and they hold office up to the conclusion of the Annual General Meeting to be conducted in 2027. Accordingly, they continue to be the Statutory Auditors of the Company.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Internal Auditors

Your Board, on the recommendation of the Audit Committee, has appointed M/s. Ramanatham & Rao, Chartered Accountants, Secunderabad (FRN:002934S) as the Internal Auditors of the Company for the year 2026-27.

Cost Auditors

As per Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, cost records are required to be audited. Based on the recommendation of Audit Committee, your Board has appointed M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors for the current year 2026-27 and necessary Resolution for ratification of their remuneration is placed before the Members at the ensuing Annual General Meeting for their approval in terms of Rule 14 (a)(ii) of the Companies (Audit and Auditors) Rules, 2014.

Secretarial Auditor

Pursuant to the provisions of Sections 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, pursuant to recommendation of the Audit Committee, the Board of Directors, subject to the approval of the shareholders at the ensuing Annual General meeting, appointed Manjula Aleti & Associates, Practicing Company Secretaries (Firm Regn. No.: S2020TL735100) (Peer review Certificate No. 6702/2025) as the Secretarial Auditors of the Company for a period of not more than 5 (Five) consecutive years from the conclusion of this 46th Annual General Meeting till the conclusion of the 51st Annual General Meeting of the Company to be held in 2030 on such remuneration as may be mutually agreed to by the Audit Committee & by the Board and Secretarial Auditor.

The Secretarial Audit Report issued by Manjula Aleti & Associates, Practicing Company Secretary in Form-MR 3 for the financial year ended 31st March, 2026 is annexed to this Report (**Annexure -3**).

The Certificate of Non-Disqualification of Directors' issued by Manjula Aleti & Associates, Practicing Company Secretary under Schedule V(C)(10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI/ Ministry of Corporate Affairs or such statutory authority as on 31st March, 2026 is annexed to this Report (**Annexure -4**).

SEBI has made it mandatory on the part of the Listed Companies to secure an Annual Secretarial Compliance Report from a Practicing Company Secretary on compliance of all applicable SEBI Regulations and Circulars / guidelines issued there under. The Company has obtained the Annual Secretarial Compliance Report from Manjula Aleti & Associates, Practicing Company Secretary for the year ended 31st March, 2026 and the same is annexed to this Report (**Annexure -5**).

The Auditor's Report and the Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

Reconciliation of Share Capital Audit

As required by the SEBI Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Practicing Company Secretary Certificate in regard to the same is submitted to BSE the NSE and is also placed before the Board of Directors.

Corporate Social Responsibility (CSR)

In compliance with the provisions of Section 134(3)(a) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility (CSR) Policy) Rules 2014, the Company has constituted the CSR Committee comprising of Smt. Himabindu Myneni as the Chairperson and Shri P Veeraiah and Shri J S Rao as members. The Committee is responsible for formulating and monitoring the CSR policy of the Company.

As per Section 135 of the Companies Act, 2013 and other applicable provisions thereof, your company is not under obligation to spend any amount under CSR activities during the financial year 2025-2026 as the Company incurred cash losses during the previous financial year.

The annual report on CSR activities forms part of this Report (**Annexure -6**).



Corporate Governance

As per Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a detailed report on Corporate Governance together with the certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

Acquisition of shares by Managing Director

During the year under review, the Managing Director has not acquired any shares.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013.

There are no loans, guarantees or investments made or given under Section 186 of the Companies Act, 2013.

Disclosure under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has put in place a Policy for Prevention of Sexual Harassment of Women at workplace. Internal Complaints Committee (ICC) has been setup to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

No complaint of sexual harassment has been received during the year under review.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

a) Conservation of Energy:

- | | | |
|-------|--|-----|
| (i) | the steps taken or impact on conservation of energy | Nil |
| (ii) | the steps taken by the Company for utilizing alternate sources of energy | Nil |
| (iii) | the capital investment on energy conservation equipment | Nil |

b) Technology Absorption:

- | | | |
|-------|---|-----|
| (i) | the efforts made towards technology absorption | Nil |
| (ii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | |
| a) | the details of technology imported | |
| b) | the year of import | |
| c) | whether the technology been fully absorbed | |
| d) | if not fully absorbed, areas where absorption has not taken place and the reasons therefor | Nil |
| (iii) | the capital investment on energy conservation equipment | Nil |
| (iv) | the expenditure incurred on Research and Development | Nil |

There is no separate Research and Development Wing as the scale of Company's operations are relatively small. However, the Company has fairly good laboratory with adequate testing facility to ensure quality of various inputs and also finished products. Besides the Company continuously endeavours to improve production process and product quality and encourages the technicians and workers to innovate.

c) Foreign Exchange earnings and outgo:

The Company has neither earned nor used any Foreign Exchange during the year under review.



Vigil Mechanism and Whistle Blower Policy:

The whistle blower policy aims at conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The policy of vigil mechanism and whistle blower policy is available on company's website i.e., <http://www.kakatiyacements.com/Admin/investors/Policies/Whistle%20Blower%20policy.pdf>

Environmental Protection:

The Company has been making endeavors to protect the environment from the evil effects of pollution from time to time. Planting of saplings and seedlings in and around the factories and colonies is being done on a continuous basis so as to develop green belt around the plant to improve the environment.

Management Discussion and Analysis (MDA) Report

a) Statement of Affairs of the Company

The Company has recorded Cement production of 1,65,884 MT as against 1,29,778 MT in the preceding year, thereby recording a increase of about 27.82%.

It is hereby informing the members that as the serious impediments encountered by the Sugar Division, it was only 21,450 MT of Sugar Cane Crushing in the year under review as against 47,887 MT in the preceding year.

During the year under review, the Company has clocked a turnover (excluding other income) of ₹ 78.86 crores compared to ₹ 89.22 crores recorded in the year-ago period. The segmental revenue has decreased in both Cement and Sugar Division during the year under review as compared to the previous year.

b) Industry Structure and Development:

The Company has a well developed network of dealers for its Cement Division, located in the states of Telangana and Andhra Pradesh and the Company therefore is in a reasonably comfortable position in securing orders from its clients. It is heartening to note that some of the dealers have been patronizing the Company since inception and the strong bondage that is developed between the Company and dealers is one of the prominent features of this mutually beneficial relationship.

While the Company has a well established structure and dealer network, the Company anticipates that it could have some impact on its performance in the current year due to the variation in the prices of Coal and other raw materials of Cement Division. The Company shall endeavour its best to mitigate the fixed overheads to the possible extent, combat the critical challenges and move forward with a committed spirit.

The sugar industry is essentially seasonal in its nature. The availability of cane, good rainfall and proper irrigation facilities are primary issues that determine the fortunes of the industry. The allocation of zonal area to the sugar units by the department is also an important factor as allotment of villages having growth potential for cultivation of cane will facilitate higher cane production alongwith declaration of more remunerative price and other incentives by the Government to encourage sugarcane cultivation, leading to production of higher volumes in the sugar industry.

c) Opportunities and Threats:

The Company is desirous of reaping the benefits of its well positioned dealer network across the states of Telangana and Andhra Pradesh in respect of its cement plant and will make every effort to overcome the bottlenecks in achieving the targeted operations for the current year.

The Government of Telangana has not been permitting power generators to use coal as an alternative fuel during the off season of the sugar industry as a matter of policy which was not the situation a many years ago.

Unless the Government revisits the entire issue keeping in view the interest of entrepreneurs as well as all other stakeholders, it would be difficult for the power generators to survive in the long run as sub-optimal generation of power will seriously impact the viability of the industry.

In the sugar industry, fetching remunerative price for its product, adequate availability of sugar cane with close proximity to the sugar plant and industry-friendly governmental regulations are the key areas of concern.



The Company will make its best endeavors in resolving the complicated issues in the sugar and power divisions through negotiations with governmental authorities and will also liaison with the legal advisers in respect of pending litigations concerning the power division.

However, the Company, with an ability, determination and grit acquired over the years, is in a strong challenging model and combat the critical situations resulting from micro and macro factors.

d) Segment or product-wise performance:

Segment-wise and product-wise performance has been furnished elsewhere in this Report.

e) Medium and long term strategy

The range of market operations in respect of cement product is restricted to the States of Telangana and Andhra Pradesh. The existing production capacity can be optimally utilized in catering to the requirements of the two Telugu states. In the circumstances no medium and long term strategy is being envisaged by the Company in the absence of any immediate plans for expansion.

f) Outlook:

Division-wise outlook has been furnished elsewhere in this Report.

g) Risks and concerns:

The Cement, Sugar and Power industries being core industries, there is no risk of product obsolescence or steep fall in demand by way of product substitution or otherwise and, therefore, your Directors do not foresee any major risks and concerns in the near future except as discussed elsewhere in this Report.

The Company endeavors its best to effect necessary changes, modifications to the machinery and equipment and also to carry out necessary maintenance works to position the machinery in all the divisions in robust condition so as to keep the bottlenecks at bay.

h) Internal control systems and their adequacy:

As stated elsewhere in this Report, the Company has adequate internal control systems and the Chief Financial Officer will monitor the Internal Audit Reports and brief the Audit Committee in case any deficiency in the system is noticed and corrective measures are adopted to strengthen the system.

i) Financial Performance with respect to operational performance:

This has been discussed elsewhere in this Report.

j) Human Resource Development and Industrial Relations:

The Company believes that the quality of its employees is the key to success and is therefore committed to provide necessary human resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancements.

Industrial Relations during the year continued to be cordial through effective communication, meetings and negotiations with the work force in an informal and congenial atmosphere.

The Company's strength consists of 433 permanent employees as on 31st March, 2026.

k) The details of significant changes (change of 25% or more) as compared to the preceding year in key financial ratios.

These details were mentioned elsewhere in this Annual Report.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Cautionary Statement

Statements in this "Management Discussion and Analysis" may be considered to be "forward looking statements" within the meaning of applicable Securities Laws or Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, finished goods prices, raw material availability and prices, cyclical demand and pricing in the Company's markets, changes in Government Regulations, tax regimes besides other factors such as litigations and labour negotiations and health and safety related issues concerning all the stakeholders.

Acknowledgment

Your Directors take this opportunity to place on record their sincere thanks to the Banks and various departments of the Central and State Governments of Telangana and Andhra Pradesh for their support to the Industry.

Your Directors thank the entire network of dealers who have enabled the Company to achieve the volumes and kept up the rapport and friendly association with the Company.

Your Directors record their appreciation for committed support to the Company by all the employees at all levels throughout the year under reference.

Your Directors record their gratitude to all the Members who have been reposing confidence in the Company and its Management.

**By Order of the Board
for Kakatiya Cement Sugar & Industries Limited**

Place : Hyderabad
Date : 28.05.2026

**P Veeraiah
Chairman & Managing Director
(DIN: 00276769)**



Annexure -1

Form No. AOC – 2

(pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2026 which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at arm's length basis.

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2026 are as follows:-

Name of Related Party	Nature of relationship	Duration of contract	Salient terms	Amount (₹ in lacs)
Remuneration				
Shri P Veeraiah	Key Managerial Personnel	As per approval of members	As per approval of members	130.11 (129.44)
Dr. P Anuradha	Key Managerial Personnel	As per terms of appointment	As per company's policy	61.60 (56.20)
Shri M V R L S Rao from 01.06.2025	Key Managerial Personnel	As per terms of appointment	As per company's policy	18.49 (20.89)
Shri M Bhavani Dattu	Key Managerial Personnel	As per terms of appointment	As per company's policy	10.80 (10.80)
Shri V Sesha Sayee up to 31.05.2024	Key Managerial Personnel	As per terms of appointment	As per company's policy	- (4.00)
Total Remuneration				220.59 (221.33)
Shri P Veeraiah	Key Managerial Personnel/ Promoter	Ongoing	Based on transfer pricing guidelines	36.00 (36.00)
Total Rent				36.00

**By order of the Board
for Kakatiya Cement Sugar and Industries Limited**

Place : Hyderabad
Date : 28.05.2026

**P Veeraiah
Chairman & Managing Director
DIN : 00276769**



Annexure - 2

Statement of particulars under section 197 of the companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for 2025-2026.**

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Shri P. Veeraiah (Chairman and Managing Director)	30:1

- (ii) **The percentage increase in remuneration of Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the year under review.**

Sl. No.	Name	Percentage increase in remuneration
1.	Shri P. Veeraiah (Chairman and Managing Director)	Nil
2.	Dr. P Anuradha (Chief Executive Officer)	8.64%
3.	Shri M V R L S Rao (Company Secretary & Compliance Officer)	Nil
4.	Shri M Bhavani Dattu (Chief Financial Officer)	Nil

Non-Executive Directors are paid sitting fee in respect of the Board or Committee Meetings attended by them. No other Remuneration is paid to them.

- (iii) **The percentage decrease in the median remuneration of employees in the year 2025-2026**

6.94%

- (iv) **The number of permanent employees on the rolls of company**

433

- (v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average decrease in the remuneration for the employees (excluding that of Key Managerial Personnel) is 5.28% while it was 3.13% in the previous year.

- (vi) **Affirmation that the remuneration is as per the remuneration policy of the company**

Yes.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

Name of the employee	Age of the employee	Designation of the employee	Gross remuneration received (Rs. In lacs)	Nature of employment whether contractual or otherwise	Qualifications of the employee	Experience of the employee	Date of commencement of employment	The last employment held by such employee before joining the company
Shri P Veeraiah	56 years	Chairman and Managing Director	130.11	Regular	B.Com	28 years	12-05-1998	---
Dr. P Anuradha	48 years	Chief Executive Officer	61.60	Regular	B.D.S, M.B.A, L.L.M	19 years	25-05-2018	---
Shri M V R L S Rao	62 years	Company Secretary & Compliance Officer	18.49	Regular	B.com, LLB, ACS, ACMA	30 years	01-06-2024	AP Gas Power corporation
Shri M Bhavani Dattu	73 years	Chief Financial Officer	10.80	Regular	M.Com, LLB, ACA, ACS, ACMA	46 years	18-04-2012	HMT Machine Tools Ltd.

(A) List of top ten employees in terms of remuneration drawn in accordance of Rule 5 (2) and 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(₹ in Lakhs)

Sl. No.	Name	Designation	Remuneration received (₹ in lakhs)	Nature of employment	Qualification and Experience in years	Date of commencement of employment	Age in years	Last employment held	Percentage shares held	Relation ship with directors
1.	Shri P Veeraiah	Chairman and Managing Director	130.11	Regular	B.Com 28 years	12.05.1998	56	--	47.65	--
2.	Dr. P Anuradha	Chief Executive Officer	61.60	Regular	B.D.S, M.B.A, L.L.M 19 years	25.05.2018	48	--	--	--
3.	Shri D Gopala Krishnam Raju	President	28.48	Regular	B.E (Mech) 38 years	14.10.2013	61	Ncl Industries Ltd	--	--
4.	Shri Ch Nageswara Rao	Vice President	25.49	Regular	B.E (Mech) ANSI, Kanpur 33 years	07.08.2022	56	Balrampur Group	--	--
5.	Shri M V R L S Rao	Company Secretary & Compliance Officer	18.49	Regular	B.Com, LLB, ACS, ACMA 21 years	01.06.2024	62	AP Gas Power Corporation	--	--
6.	Shri K Raghunath Babu	Manager (Civil)	11.86	Regular	DCE 36 years	07.09.1990	60	---	--	--
7.	Shri M Vijay Kumar Raju	Manager - Pyro Process	10.99	Regular	BSC 26 years	21.06.2014	44	Bheema Cements	--	--
8.	Shri V. Satyanarayana	Manager Finance	10.88	Regular	M.Com.,ACMA 30 Years	08.06.2025	59	Sagar Cements	--	--
9.	Shri M Bhavani Dattu	Chief Financial Officer	10.80	Regular	M.Com ACA, LLB, ACS, ICWA 46 years	18.04.2012	73	HMT Machine Tools Ltd	--	--
10.	Shri N. Narasimha Murthy	Cane Advisor	10.05	Regular	BSC (Agrl.) 41 years	08.06.2023	66	Andhra Sugars	--	--



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

(B) Employee who worked for full financial year 2025-2026 and received aggregate remuneration of not less than one hundred and two lakh rupees.

Sl. No.	Name	Designation	Remuneration received	Nature of employment	Qualification and Experience in years	Date of commencement of employment	Age in year	Last employment held	Percentage shares held	Relation ship with directors
1.	Shri P Veeraiah	Chairman and Managing Director	130.11	Approved by Members	B.Com 28 years	05.12.1998	56	---	47.65	--

(C) There was no employee who worked for a part of the financial year 2025-2026 and received aggregate remuneration of not less than ₹ 8,50,000/- per month.

**By Order of the Board
for Kakatiya Cement Sugar and Industries Limited**

Place : Hyderabad
Date : 28.05.2026

**P. Veeraiah
Chairman & Managing Director
DIN: 00276769**



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,

The Members of

Kakatiya Cement Sugar and Industries Limited

CIN: L26942TG1979PLC002485

1-10-140/1, Gurukrupa

Ashoknagar, Hyderabad-500020

I have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Kakatiya Cement Sugar and Industries Limited** (hereinafter called the "Company") for the **Financial Year ended 31st March, 2026**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed with Ministry of Corporate Affairs, Stock Exchanges and other Regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the **financial year ended 31st March, 2026** complied with statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed with Ministry of Corporate Affairs, Stock Exchanges and other Regulatory authorities and other records maintained by the Company for the **financial year ended on 31st March, 2026** according to the provisions of :

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;



(v) The compliances under the following Acts and the Rules/Regulations prescribed thereunder were also examined by me :

- a. The Explosives Act, 1884
- b. The Mines Act, 1952
- c. The Telangana Sugarcane (Regulation of Supply and Purchase) Act, 1961
- d. Environment Protection Act, 1986
- e. The Minimum Wages Act, 1948
- f. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952
- g. Factories Act, 1948
- h. Employees' State Insurance Act, 1948
- i. The Payment of Wages Act, 1936
- j. The Payment of Bonus Act, 1965

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the financial year under review:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
- g. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

I report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of Statutory Audit and by other designated professionals.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) Listing Regulations and uniform Listing Agreement entered into by the Company with the BSE Ltd and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including an Independent Woman Director. The changes that have taken place in the composition of the Board of Directors were in compliance with the provisions of the Act.



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

- Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for the directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or various Committees of the Board, as the case may be.

I further report that, as per the explanations given to me and the representation made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, there were no other specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

**For MANJULA ALETI & ASSOCAITES
Company Secretary in Practice**

CS Manjula Aleti

FCS: 10380, COP: 13279

(UDIN: F010380H000387240)

Peer Review Certificate No.: 6702/2026

Place: Hyderabad

Date : 18.05.2026

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

Annexure - A

To,
The Members of
Kakatiya Cement Sugar & Industries Limited
CIN: L26942TG1979PLC002485
1-10-140/1, Gurukrupa
Ashoknagar, Hyderabad-500020

Management Responsibility:

It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For MANJULA ALETI & ASSOCAITES
Company Secretary in Practice**

Place: Hyderabad
Date : 18.05.2026

CS Manjula Aleti
FCS: 10380, COP: 13279
(UDIN: F010380H000387240)
Peer Review Certificate No.: 6702/2026



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

Annexure - 4

Certificate of Non-Disqualification of Director

The Members

Kakatiya Cement Sugar & Industries Limited

1-10-140/1, Gurukrupa

Ashok Nagar

Hyderabad-500020

SUB : Certificate under Schedule V (C)(10)(of SEBI (Listing Obligations and Disclosure Requirements), 2015

I, Manjula Aleti, Proprietor of M/s. Manjula Aleti & Associates (Regd. No.: S2020TL735100), a firm of Company Secretaries in whole-time practice, have examined the records, books and papers of Kakatiya Cement Sugar & Industries Limited (CIN:L26942TG1979PLC002485) having its registered office at 1-10-140/1, "GURUKRUPA", Ashok Nagar, Hyderabad-500 020, Telangana State, India (the Company) as required to be maintained under the Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements), 2015 other applicable rules and regulations made there under for Financial year ending 31.03.2026.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the Company, its officers and agents, I certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on 31.03.2026.

SL.No	Name of the Director	Designation	DIN No
1	Veeraiah Pallemapati	Chairman and Managing Director	00276769
2	Seshagiri Rao Jasti	Non- Executive Director	00029090
3	Varalakshmi Masina	Non- Executive Director	07585164
4	Hima Bindu Myneni	Independent Director	07120807
5	Rama Rao Karumanchi	Independent Director	07532854
6	Siva Ramakrishna Murthy Vankineni	Independent Director	03642007

**For MANJULA ALETI & ASSOCIATES
Company Secretary in Practice**

Place: Hyderabad

Date : 18.05.2026

CS Manjula Aleti
M. No.: 10380; CoP: 13279
Peer Review Ref No.: 6702/2026
UDIN: F010380H000387163



Annexure - 5

SECRETARIAL COMPLIANCE REPORT OF KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

[CIN:-L26942TG1979PLC002485]

For the year ended 31st March, 2026

(Under Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Manjula Aleti Proprietor of M/s. Manjula Aleti & Associates., Company Secretary in whole time Practice have examined:

- all the documents and records made available to me and explanation provided by the listed entity,
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- all other documents/ filings that are found to be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2026 ('Review period') in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not Applicable**);
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable**);
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable**);
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (**Not Applicable**);
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable**);
- Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and 2018 (**Not Applicable**);

And circulars /guidelines issued there under;

And based on the above examination, I, hereby report that, during the Review Period, the compliance status of the listed entity is appended below:

- The listed entity has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-**

S. No	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr.No	Observations / Remarks of the PCS in the previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations / Circulars/guidelines including specific clause)	Details of violations / deviations and actions taken / penalty imposed , if any , on the listed entity	Remedial actions if any, taken by the listed entity	Comments of the PCS on actions taken by the listed entity
1.	Nil	Nil	Nil	Nil	Nil	Nil

c) I, hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

Sr. No	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) as notified by the central Government under section 118(10) of the Companies Act, 2013 and Mandatorily applicable.	YES	---
2.	Adoption and timely updation of the Policies: - All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. - All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/ guidelines issued by SEBI	YES YES	--- ---
3.	Maintenance and disclosures on Website: - The Listed entity is maintaining a functional website - Timely dissemination of the documents/ information under a separate section on the website - Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	YES YES YES	--- --- ---
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013as confirmed by the Listed entity.	YES	---
5.	Details related to Subsidiaries of listed entities: a. Identification of material subsidiary companies b. Disclosure requirements of material as well as other subsidiaries	NA NA	The Company does not have any subsidiaries.
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	YES	---
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	YES	---



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Sr. No	Particulars	Compliance Status (Yes/NO/NA)	Observations/ Remarks by PCS*
8.	Related Party Transactions: a. The listed entity has obtained prior approval of Audit Committee for all Related party Transactions b. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee	YES NA	--- ---
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.	YES	---
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	---
11.	Actions taken by SEBI or Stock Exchange(s), if any: Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	---	---
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the Listing Regulations.	NA	There was no resignation of statutory auditor from the listed entity during the Review Period. Further, the listed entity does not have any material subsidiary company
13.	Additional Non-compliances observed, if any: No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	No Non Compliance Observed	---

In addition to the above confirmations, I hereby report that during the Review period :

- The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from my examination of those records.
- There are no instances found to me in the listed entity to qualify the report with any observations.

Assumption and Limitation of Scope and Review:

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- My responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the listed entity.
- This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the Listing Regulations and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For MANJULA ALETI & ASSOCAITES
Company Secretary in Practice

CS Manjula Aleti

FCS:10380, COP:13279

(UDIN:F010380H000387218)

Peer Review Certificate No.: 6702/2026

Place: Hyderabad

Date: 18.05.2026



Annexure - 6

Annual Report on Corporate Social Responsibility (CSR) Activities: CSR REPORT 2025-2026

1. Brief outline on CSR Policy of the Company

Social and environmental responsibility has always been at the forefront of our operating philosophy and the Company has consistently contributed to socially responsible activities. CSR portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with.

As a responsible corporate citizen, it tries to contribute to social and environmental causes on a consistent basis. We believe that to succeed, an organization must maintain high standards of corporate behavior towards its stakeholders i.e. employees, consumers and society in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value to our stakeholders' lives.

The CSR policy is rooted in the Company's philosophy and imbued with the values of quality, reliability, best practices and driven by our aspiration for excellence in the overall performance of our business.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Smt. Hima Bindu Myneni	Chairperson/Independent, Non-Executive	1	1
2.	Shri P Veeraiah	Member / Managing Director (Executive)	1	1
3.	Shri J S Rao	Member / Non-Independent Non-Executive	1	1

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.	http://www.kakatiyacements.com/Admin/investors/Policies/CSR%20Policy.pdf
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Nil Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2025-2026	Nil	Nil

6.	Average net profit of the Company as per section 135(5).	Nil
7.	(a) Two percent of average net profit of the Company as per section 135(5)	Nil
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c).	Nil



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

8.	(a)	CSR amount spent or unspent for the financial year:				
Total Amount Spent for the Financial Year (in ₹)		Amount Unspent (in ₹)				
		Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
		Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil		NA	NA	NA	NA	NA

8.	(b)	Details of CSR amount spent against ongoing projects for the financial year:								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State. District						Name CSR Registration number.
				NA						

8.	(c)	Details of CSR amount spent against (other than ongoing projects) for the financial year:							
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	Registration number
				NA					

8.	(d)	Amount spent in Administrative Overheads	Nil
	(e)	Amount spent on Impact Assessment, if applicable	Nil
	(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	Nil
	(g)	Excess amount for set off, if any	Nil
	(i)	Two percent of average net profit of the company as per section 135(5)	Nil
	(ii)	Total amount spent for the Financial Year	Nil
	(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
	(v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	Nil



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Note:

As the Company incurred loss of ₹ 1,33,05,262 during the financial year 2024-2025, the company is not under obligation to spend any amount under CSR activities as per Section 135 of the Companies Act, 2013.

9.	(a)	Details of Unspent CSR amount for the preceding three financial years:					
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), If any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
NA							

9.	(b)	Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
			NA					

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year		NA
10.	(a)	Date of creation or acquisition of the capital asset(s).	NA
10.	(b)	Amount of CSR spent for creation or acquisition of capital asset	NA
10.	(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	NA
10.	(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	NA
11.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)		NA

Hima Bindu Myneni
Chairperson (CSR Committee)
DIN: 07120807

P Veeraiah
Chairman & Managing Director
Member
DIN: 00276769



CORPORATE GOVERNANCE REPORT:

Report pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company furnishes herein below the details of compliance with the requirements of the Corporate Governance:-

A) Related Party Transactions Disclosures:

The transactions with related parties are disclosed in notes to accounts forming part of the Annual Report. All the transactions with related parties are at arm's length and in compliance with the requirements. The related party transactions are approved by the Audit Committee and noted by the Board. The transactions for which the Audit Committee has given omnibus approval are periodically reviewed by the Committee and the Board.

The Audit Committee and the Board considered the Related Party Transactions as prescribed by the SEBI Circular No. SEBI/Ho/CFD/CFD-PoD-2/P/CIR/2025/18 dated 14.2.2025 and in the format of Para 4 of the Standards where ever applicable.

In terms of the Companies Act, 2013 and as envisaged under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine related party transactions. The policy can be viewed on the website, the web link is : http://www.kakatiyacements.com/Admin/investors/Policies/RTP%20POLICY_6.02.2026.pdf

B) Management Discussion and Analysis (MDA) Report:

- I. The Report on MDA has been included in the Directors' Report and forms part of the Annual Report.
- II. Disclosure of Accounting Treatment: The Company has followed the accounting standards in preparation of its financial statements.

C) Corporate Governance Report:

The Corporate Governance Code and Company's philosophy

Your Company is committed to implement sound corporate governance practices with a view to bring about accountability and transparency in its operations and thereby meet the aspirations of the shareholders and societal expectations. The Company's corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high level of integrity in decision making with an objective to enhance the value to the stakeholders.

Board of Directors:

As on 31st March, 2026, the Board of Directors (Board) comprised of 6 (Six) Directors of which 5 (Five) are Non-Executive Directors including 3 (Three) Independent Directors.

Sl. No.	Name of the Director	DIN No.	Designation and Category	No. of Board Meetings held	No. of Board Meetings Attended	Whether attended the last Annual General Meeting	Director ship in other Boards #	Member ship in other Committees of the Company*
01.	Shri P Veeraiah	00276769	Chairman & Managing Director Executive	4	4	YES	0	0
02.	Shri J S Rao	00029090	Non Executive Director	4	3	NO	7	1
03.	Smt. M Varalakshmi	07585164	Non Executive Director	4	1	NO	0	2
04.	Smt. Myneni Hima Bindu	07120807	Independent Director	4	4	YES	7	2
05.	Shri Vankineni Sivarama Krishna Murthy	03642007	Independent Director	4	2	YES	1	3
06.	Shri Karumanchi Rama Rao	07532854	Independent Director	4	4	NO	1	1



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

includes Private Companies

* Memberships in Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee have been considered.

The Board has an optimum combination of executive, non-executive and independent directors and the composition of the Board is in conformity with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Board Meetings were held during the year under review. These were held on 23.05.2025, 11.08.2025, 03.11.2025 and 06.02.2026. The Maximum gap between any of two consecutive meetings did not exceed 120 days.

Disclosure of Relationship between Directors inter-se:

None of the Directors are related to each other inter-se.

Shareholding of Non-Executive Directors in the company

The number of equity shares of the Company held by Non-Executive Directors as on 31st March, 2026 are as detailed herein below:

Sl.No.	Name of the Director	No. of Equity Shares held in the Company
1.	Shri J S Rao	10,000
2.	Smt. M Varalakshmi	Nil
3.	Smt. Hima Bindu Myneni	Nil
4.	Shri V Sivarama Krishna Murthy	Nil
5.	Shri K Rama Rao	Nil

Particulars of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sl. No.	Name of the appointee	Shri J S Rao (DIN00029090)	Smt. Hima Bindu Myneni (DIN:07120807)
1.	Date of Birth	18/07/1953	21/07/1971
2.	Qualification	B.E	FCA
3.	Date of first Appointment	09/07/1979	16-06-2021 for a period of five years.
4.	Expertise in the specific functional areas	45 years of rich and varied experience in operations of Cement plants.	A Fellow Member of the Institute of Chartered Accountants of India having varied experience in Audit, Taxation, Project and Financial Consultancy.
5.	Nature of appointment	Retiring by rotation and being eligible offers himself for re-appointment.	Re-appointment as Non-Executive, Independent Director for a second term of 5 (five) years effective from 16 th June, 2026, till 15 th June, 2031, subject to the approval of the members through Special Resolution.
6.	Occupation	Industrialist	Practicing Chartered Accountant.
7.	Terms and conditions of appointment or re-appointment along with details of Remuneration sought to be paid and remuneration last drawn	He is a Non-Executive Director. No remuneration is paid to the Non-Executive Directors except payment of sitting fee and reimbursement of expenses incurred for attending the Board / Committee Meetings attended by the Non-Executive Directors.	Abridged Terms and Conditions of appointment of Independent Directors are available on the website of the Company. Except Sitting Fee and reimbursement of expenses incurred for attending the Board/ Committee Meetings, no other payment is made.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

8.	Shareholding of Kakatiya Cement Sugar & Industries Limited (as on 31.03.2026)	10000 shares	Nil
9.	No. of Listed entities in which committee membership / chairmanship held	2	1
10.	Membership/ Chairmanship of Committee in this Company	Member of Audit Committee and Corporate Social Responsibilities Committee	Chairperson Audit Committee, Corporate Social Responsibilities Committee and Stakeholders Relationship Committee
11.	No. of Listed entities in which Directorship held (including this Company)	2	1
12.	Details of Listed entities from which the person has resigned in the last three years	Not applicable	2
13.	Inter-se relationship with any other Director, Manager or KMP.	Not applicable	Not applicable
14.	No. of Board Meetings attended during the year	3	4

Chart setting out the skills/ expertise/ competence of the Board of Directors in terms of Clause 2(h) Part C of Schedule V: Annual Report and under Regulation 34(3) 53(f) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Sl.No.	Name of the Director	Category	Specialisation
01.	Shri P. Veeraiah	Chairman & Managing Director (Promoter)	A Graduate in Commerce having nearly 28 years of experience in Cement Industry.
02.	Shri J.S. Rao	Non-Executive Director (Promoter Group)	An Engineer having rich and varied experience in operations of Cement Plant and also managing his own cement Company.
03.	Smt. M. Varalakshmi	Non-Executive Director	A Science Graduate having nearly four decades experience in Accounts and Banking operations.
04.	Smt. Hima Bindu Myneni	Independent Director	A Fellow Member of the Institute of Chartered Accountants of India having varied experience in Audit, Taxation, Project and Financial Consultancy.
05.	Shri Vankineni Sivarama Krishna Murthy	Independent Director	An Electrical Engineer having varied experience in Distribution, Generation (O&M of Power stations), Project Planning, Manpower Planning, Human Resources Development and Construction.
06.	Shri Karumanchi Rama Rao	Independent Director	A Fellow Member of the Institute of Chartered Accountants of India with more than Thirty Four (35) years of experience in Accounts, Financial Management & Planning, Auditing and as an advisor of Portfolio Management Services.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The Board can meet, fulfill and satisfy the core skills / expertise / competence identified by the Board as required in the context of an efficient functioning of its business.

General Body Meetings:

The last three Annual General Meetings were held as under:

Sl. No.	AGM/ EGM	Location	Date and Time	Whether any special resolutions were passed	Postal Ballots
01.	46 th AGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	28.08.2025 11.00 A.M.	NO	NO
02.	EGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	27.03.2024 3.30 P.M	YES	NO
03.	45 th AGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	29.08.2024 11.00 A.M	NO	NO
04.	44 th AGM	Sri Thyagaraya Gana Sabha, Chikkadapally, Hyderabad	25.09.2023 10.00 A.M	YES	NO

Independent Directors' Meeting

During the year under review, the Independent Directors met on 28th March, 2026, inter- alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting and expressed satisfaction with performance of the Directors and of the Board as a whole.

Familiarisation Programmes for Directors

As part of the Corporate Governance, the company conducts Familiarisation Programmes for Independent Directors and other Directors who are inducted into the Board to enable the incumbent Directors to understand the business, culture and processes of the company.

The Familiarisation Programme is not a one-time affair that is conducted at the time of induction of a new Director. Such Familiarisation Programmes are also conducted during the year for the benefit of the Board. The Company presents in an informal manner programmes to familiarize the Board members with the strategy, operations and functions of the Company besides providing updates on relevant legislations to ensure that the Board Members are kept abreast of these Regulations.

These are normally done after conclusion of the Board and Committee Meetings or at any other convenient time.

Three Familiarisation Programmes were conducted to the following Board Members during 2025-2026.

Sl.No.	Name of Director	No.of Programmes	No. of hours spent	Cumulative No.of hours spent
1.	Smt. M Varalakshmi	3	3	24
2.	Shri J S Rao	3	4	28
3.	Smt. Hima Bindu Myneni	3	4	18
4.	Shri Vankineni Siva Rama Krishna Murthy	2	3	9
5.	Shri. K. Rama Rao	2	3	6



Web link where details regarding Familiarisation Programme for Board Members can be viewed:
<http://www.kakatiyacements.com/Admin/investors/Policies/FAMILIARISATION%202025-2026.pdf>

Performance Evaluation of Independent Directors

The Performance evaluation of Independent Directors shall be done by the entire Board excluding the Director being evaluated. There are various parameters based on which the performance of the Independent Directors is evaluated which include participation at the Board / Committee Meetings, guidance provided to Senior Management outside of Board/Committee Meetings, effective deployment of knowledge and expertise, integrity and maintaining of confidentiality, independence of behavior and judgment, impact and influence, exercise of objective independent judgment in the best interest of the Company, ability in monitoring Corporate Governance practices and adherence to the Code of Conduct for Independent Directors.

The Board ensures formation and monitoring of robust evaluation frame work of Individual Directors including Chairman of the Board, Board as whole and various Committees thereof and carries out the evaluation on an annual basis.

The Board evaluation for the financial year ending 31st March, 2026 has been completed by the company internally which included the evaluation of the performance of the Board as a whole, its Committees and Directors individually and results of the same were informally shared with the Board.

Committees of the Board

Audit Committee:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and Regulation 18 of the Listing Regulations and, inter alia includes:

- a. To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the financial reports of the Company and internal control systems. Examination of scope of audit and observations of the Auditors / Internal Auditors and overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.;
- b. To call for the comments of the auditors about internal control systems, scope of audit, including the observations of the auditors and review of financial statements before their submission to the Board and also to discuss any related issues with the internal and statutory auditors and the management of the Company;
- c. To evaluate internal financial controls and risk management systems;
- d. To, inter-alia, review Management Discussion and Analysis of financial conditions, results of operations and Statement of Significant Related Party transactions submitted by the management before submission to the Board;
- e. To investigate into any matter in relation to the items referred to it by the Board and for this purpose obtain professional advice from external sources, if required;
- f. To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report;
- g. To approve Related Party Transactions.
- h. Reviewing the functioning of the Whistle Blower mechanism;
- i. Recommending the appointment, re-appointment, and if required, the replacement or removal of the statutory auditors, internal auditors, cost auditors and Secretarial Auditor and fixation of audit fee and approval for payment for any other services.

Audit Committee meetings and attendance during the financial year ended 31st March, 2026:

Four Audit Committee meetings were held during the year under review on 28.05.2025, 11.08.2025, 03.11.2025 and 06.02.2026 and the attendance details are as under:



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Name of the Director	Designation	No. of Meetings attended
Smt. M Hima Bindu	Chairperson	4
Shri J S Rao	Member	3
Shri Vankineni Siva Rama Krishna Murthy	Member	3
Shri Karumanchi Rama Rao	Member	3

The maximum gap between any two consecutive meetings was not more than 120 days.

Nomination and Remuneration Committee:

Terms of Reference

The main scope of the Nomination and Remuneration Committee is to determine and recommend to the Board the persons to be appointed / re-appointed as Executive Directors / Non-Executive Directors/KMPs.

The committee also determines and recommends to the Board the financial component. The compensation of the Executive Directors comprises of fixed components and may also include commission based on the profits earned by the Company.

The compensation is determined based on the levels of responsibility and the parameters prevailing in the industry. The Executive Directors are not paid any sitting fee for Board / Committee meetings attended by them. The Non-Executive Directors are paid sitting fee and re-imbursement of expenses for Board / Committee Meetings attended by them and no other payment is made to them.

The Nomination and Remuneration Committee examines and devises a policy on Board diversity and to formulate criteria for determining qualifications, experience, positive attributes and independence. It also recommends to the Board the factors to be reckoned with in determining the remuneration payable to the Directors/KMPs.

The Board constituted a Nomination and Remuneration Committee consisting of the following Directors with the role and responsibility duly defined and in accordance with the applicable statutory and other requirements.

Nomination and Remuneration Committee meeting was held during the year under review on 28.03.2026.

Name of the Director	Designation	Category	Attendance
Shri Vankineni Siva Rama Krishna Murthy	Chairman	Non -Executive / Independent	1
Smt. M Varalakshmi	Member	Non-Executive	0
Shri Karumanchi Rama Rao	Member	Non -Executive / Independent	1

Stakeholders Relationship Committee:

Terms of reference:

The Committee is constituted to

- address complaints/grievances of the shareholders regarding transfer/ transmission of shares, non-receipt of share certificates, dividends, annual reports and such other matters.
- Review the effectiveness of the services rendered by Registrar & Share Transfer Agent M/s. XL Softech Systems Limited.
- Review the measures taken to ensure that the shareholders receive dividend on time and also to reduce the unclaimed dividend amount.

Two Stakeholders Relationship Committee meetings were held during the year under review on 22.05.2025, and 29.10.2025 and the attendance details are as under:

The Constitution of the Committee and the attendance at its meetings are given hereunder:

Smt. M Hima Bindu	Chairperson	2
Smt. M. Varalakshmi	Member	0
Shri Vankineni Siva Rama Krishna Murthy	Member	2



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Compliance Officer :

Shri M.V.R.L.S Rao

No. of shareholder complaints received during the year under review : 1

No. of complaints resolved to the satisfaction of shareholders : 1

No. of Pending complaints : Nil

Email ID of Investor grievances : shares@kakatiyacements.com and xlfield@gmail.com

Risk Management Committee:

The constitution of the Risk Management Committee is a non-mandatory requirement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The objective behind constitution of the Risk Management Committee is to identify risk, develop appropriate risk mitigation strategies and to monitor activities of the organization and also to highlight the systematic study safeguards against threats, loss and damages of brand, reputation and assets of the Company. Improvement of level of awareness and appreciating and managing material business risks are also the objectives of the Risk Management Committee.

The Committee, besides identifying the risk factors, is also expected to manage and monitor risk and ensure that proper internal systems and processes are in place.

Directors constituting the Risk Management Committee:

Name of the Director	Designation
Shri P Veeraiah	Chairman
Shri Karumanchi Rama Rao	Member

The Risk Management Committee met once on 28.03.2026 during the year under review whereat both the Directors were present in addition to other Members.

Corporate Social Responsibility (CSR) Committee:

The Company has constituted a committee to formulate the CSR Policy and to implement certain activities as envisaged in Schedule VII of the Companies Act, 2013 read with Rules prescribed there under.

Two CSR Committee meetings was held during the year under review on 21.01.2026.

Composition of the CSR Committee

Name of the Director	Designation	Attendance
Smt. Hima Bindu Myneni	Chairperson	1
Shri P Veeraiah	Member	1
Shri J S Rao	Member	1

Payment of fee to the Statutory Auditors

Given below are the details of fee paid to M/s. M. Anandam & Co, Chartered Accountants, Statutory Auditors of the Company during the financial year ended 31st March, 2026:

Sl.No.	Payments to the Statutory Auditors	₹ in lakhs
1.	for Statutory Audit	5.00
2.	for Limited Review Reports	1.50
3.	for Tax Audit	1.25
4.	Reimbursement of expenses	---
Total		7.75

* excluding applicable taxes



Code of Conduct:

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with by all members of the Board and Senior Management personnel of the Company. An affirmation of the compliance with the Code has been received from them in respect of the financial year ended 31st March, 2026.

Code of Conduct for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The insider trading code is applicable to all Directors, Designated employees and their immediate relatives. The code lays down the procedures and guidelines to be followed and disclosures to be made while dealing in the securities of the Company. Dealings, if any, by the Directors and Designated employees, and the immediate relatives in respect of the company's scrip and matters related to insider trading code are reported to the Audit Committee on quarterly basis.

Other Disclosures:

Related Party Transactions:

During the year ended 31st March, 2026, there were no materially significant related party transactions which had potential conflict with the interest of the Company at large. The transactions with related parties are disclosed in the notes to the Annual Accounts and also as an Annexure to Directors' Report in form AOC-2.

Disclosures pertaining to Large Corporate Entities:

Your Company does not fall under the category of Large Corporate Entity as per SEBI guidelines. Hence the requirement of complying with the Annual Disclosures for the Financial Year ended 31st March, 2026 is not applicable to the Company.

Details of non-compliances, if any:

A statement of compliances with all laws and regulations as certified by the Managing Director and Company Secretary are placed at periodic intervals before the Board.

No penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority during the year under review. The Company's shares were not suspended at any point of time.

The Disclosure of compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance status (Yes/No)
17	Board of Directors	Yes For Regulation 17 (1A) refer the above point on non-compliance
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	N.A
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Certification by Chairman and Managing Director and Chief Financial Officer:

The Chairman and Managing Director and Chief Financial Officer have furnished a certificate to the Board as contemplated in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure of Material Events:

The Company has adopted a policy on determining materiality of an event or information and furnishing the same to Stock Exchanges in accordance with Regulation 30 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adoption of Policy on Preservation of Documents:

The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adoption of Discretionary Requirements

The Company has complied with mandatory requirements of Corporate Governance as per SEBI Listing Regulations. We have yet to adopt the Discretionary Requirements.

Means of Communication:

Quarterly/Half-Yearly and Annual Financial Results of the Company are filed with National Stock Exchange of India Limited and BSE Limited and generally published in Financial Express and Andhra Prabha (Telugu Daily). Half Yearly reports are not sent to shareholders separately. The Results are also available on Company's website and web link is <http://www.kakatiyacements.com/financial-results.html>. The Company has not made any presentations to investors / analysts during the year.

General Shareholder Information:

- | | | | |
|----|----------------------------|---|--|
| a) | Annual General Meeting | : | 47 th Annual General Meeting |
| | Date | : | 10 th August, 2026 |
| | Time | : | 10.15 A.M |
| | Venue: | | Shri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad – 500 020. |
| b) | Financial Calendar | : | 1 st April to 31 st March |
| | | | The schedule for considering Financial Results |
| | | | Quarter ended June, 2026 On or before August 14, 2026 |
| | | | Quarter ended September, 2026 On or before November 15, 2026 |
| | | | Quarter ended December, 2026 On or before February 15, 2027 |
| | | | Quarter and Year ended March, 2026 On or before May, 2027 |
| c) | Record Date / | : | 3 rd August, 2026 |
| | Date(s) of Book closure | : | 4 th August, 2026 to 10 th August, 2026 |
| | | | (both days inclusive) |
| d) | Dividend payment date | : | on or before 9 th September, 2026. |
| e) | Registered Office | : | KAKATIYA CEMENT SUGAR & INDUSTRIES LTD.,
1-10-140/1, "GURUKRUPA", Ashok Nagar, HYDERABAD – 500 020.
Phone:040-27637717/27633627
CIN:L26942TG1979PLC002485
e-mail : shares@kakatiyacements.com |
| f) | Listing on Stock Exchanges | : | The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla
Complex, Bandra (E), MUMBAI – 400 051.

BSE Limited,
Floor 25, P.J. Towers, Dalal Street, MUMBAI – 400 001. |
| g) | Code/Symbol | : | NSE – KAKATCEM
BSE – 500234
ISIN for NSDL & CDSL: INE437B01014 |



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

h) Market Price Data: (Source: NSE & BSE Quotations)

Month and Year	National Stock Exchange of India Limited			BSE Limited		
	High ₹	Low ₹	No. of Shares Traded	High ₹	Low ₹	No. of Shares Traded
April 2025	158.88	134.99	106510	163.90	131.20	11226
May 2025	165.50	140.00	86135	171.00	139.05	14576
June 2025	172.49	150.05	344843	177.70	150.00	40044
July 2025	179.29	155.10	222492	178.60	154.10	21043
August 2025	161.60	148.10	108486	166.50	145.65	21041
September 2025	163.00	144.01	109727	167.45	144.55	28975
October 2025	165.55	140.25	60966	160.00	141.20	11608
November 2025	146.90	132.19	51776	161.70	133.60	10391
December 2025	141.89	125.00	64556	149.70	126.50	22534
January 2026	133.00	106.99	94880	130.90	107.00	8787
February 2026	123.88	109.99	73117	125.50	109.60	4944
March 2026	112.93	85.00	174767	113.95	84.70	29555

i) Address of Registrars and Share Transfer Agents:

XL SOFTECH Systems Limited,
3, Sagar Society, Road No. 2, Banjara Hills,
HYDERABAD – 500 034.
Tel: 040-23545913, 14, 15
Email: xlfield@gmail.com

j) Share Transfer System:

The Share Transfer work is being handled by the Company's R & T Agent and they have confirmed that no non-compliance of the procedural requirements has taken place during the year under review.

k) Distribution of Shareholding and Shareholding Pattern: Distribution of Shareholding as on 31.03.2026.

Share Holding (of nominal value in ₹)	Number of Shareholders	% to total	Number of Shares	% to total
Up to 5000	17730	95.47	1003967	12.92
5001 - 10000	428	2.31	336938	4.33
10001 - 20000	193	1.04	287080	3.69
20001 - 30000	77	0.42	196133	2.52
30001 - 40000	36	0.19	127202	1.64
40001 - 50000	24	0.13	109786	1.41
50001 - 100000	44	0.24	310069	3.99
100001 and above	39	0.21	5402683	69.50
Total	18571	100.00	7773858	100.00



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Shareholding Pattern as on 31.03.2026:

Category	No. of Equity Shares	% of Paid-up Capital
Promoters & Promoters Group	4217225	54.25
Bodies Corporate	572106	7.36
Non Resident Individuals	30120	0.39
Financial Institutions / Banks	72	0.00
Mutual Funds	200	0.00
Foreign Portfolio Investors	0	0.00
IEPF	238895	3.07
Trusts	248	0.00
HUFs	178576	2.30
General Public	2536417	32.63
TOTAL	7773858	100.00

i) There are no outstanding GDRs / ADRs / Warrants or any Convertible instruments as on 31st March, 2026.

m) Dematerialisation of Shares:

As on 31st March, 2026, 76,54,215 (98.46%) shares were dematerialised with the following depositories:

Sl.No.	Name of Depository		No. of Shares
i	National Securities Depositories Limited	-	21,46,529
ii)	Central Depository Services (India) Limited	-	55,07,686

n) Plant Locations

CEMENT:

Dondapadu Village
Chintalapalem Mandal
Suryapet District
Telangana State

SUGAR & POWER:

Peruvancha Village
Kallur Mandal
Khammam District
Telangana State

o) Address for correspondence:

Shareholders can correspond at the Registered Office of the Company at Hyderabad, addressed to the Company Secretary or to the Registrars & Share Transfer Agents, whose address has been mentioned elsewhere in this Report.

Place : Hyderabad
Date : 28.05.2026

P Veeraiah
Chairman & Managing Director
DIN : 00276769

Declaration on Code of Conduct

This is to affirm that all Directors and Senior Management personnel of the Company have complied with the Code of Conduct of the Company for the financial year ended 31st March, 2026 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Hyderabad
Date : 28.05.2026

P Veeraiah
Chairman & Managing Director
DIN : 00276769



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

**CERTIFICATE BY CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)
PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

The Board of Directors
Kakatiya Cement Sugar & Industries Limited
Hyderabad

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2026 and to the best of our knowledge and belief –
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee –
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

P Veeraiah
Chairman & Managing Director
DIN:00276769

M Bhavani Dattu
Chief Financial Officer
PAN : AECPM1280L

Place : Hyderabad
Date : 28.05.2026



INDEPENDENT AUDITOR'S CERTIFICATE

To
The Members of Kakatiya Cement Sugar & Industries Limited

CERTIFICATE ON CORPORATE GOVERNANCE

This certificate is issued in accordance with the terms of our engagement letter dated 16.06.2025

We, M. Anandam & Co., Chartered Accountants, the Statutory Auditors of Kakatiya Cement Sugar & Industries Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2026, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations during the year ended March 31, 2026.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **M. Anandam & Co.,**
Chartered Accountants
(FRN: 000125S)

A.V. Sadasiva
Partner

Place : Hyderabad
Date : 28.05.2026

Membership No.018404
UDIN: 26018404SSUED25161



Independent Auditor's Report

To

The Members of Kakatiya Cement Sugar & Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kakatiya Cement Sugar & Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters in our audit of the Company for the year ended 31st March, 2026.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Sr. No.	Key Audit Matter	Auditor's Response
1.	<u>Evaluation of uncertain tax positions</u> The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 32 to the Financial Statements	Principal Audit Procedures The audit procedures included but were not limited to: - Obtaining a detailed understanding processes and controls of the Management with respect to claims or disputes - Performing following procedures on samples selected: - Understanding the matters by reading the correspondences, communications, minutes of the management meeting - Making corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the unit, and perusing legal opinions, if any, obtained by the Management. - Discussing the status of the cases with the legal team regarding the progress and probability assessment of the outcomes. - Evaluating the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates. - Evaluating appropriateness of adequate disclosures in accordance with the applicable Indian accounting standards.
	<u>Valuations of Inventories</u> Finished goods are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always volatility in the selling price of sugar which is dependent upon various market conditions, determination of the net realizable value involves significant management judgement and therefore has been considered as a key audit matter. Total value of finished goods of sugar as at 31st March, 2026 is ₹ 879.76 Lakhs.	Principal Audit Procedures The audit procedures included but were not limited to: - Obtained an understanding of the determination of the net realizable value of the sugar and assessed and tested the reasonableness of the significant judgements applied by the management. - Evaluated the design of internal controls relating to the valuation of sugar and also tested the operating effectiveness of the aforesaid controls. - Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management. - Compared the actual costs incurred to sell after the year end / based on the latest sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management. - Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. - Assessed the appropriateness of the disclosure in the financial statements in accordance with Ind As2 "Inventories".



Other Information

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast



significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the year ended 31st March, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected there with are as stated in paragraph 1(b) above and paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 32);
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There is no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that (Note 44 of the Financial Statements), to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that (Note 44 of the Financial Statements), to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) As stated in Note 37(b) to the financial statements, the dividend proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, the Company has used accounting software Oracle 9i which does not have the feature of audit trail (edit log) facility at both application level and database level. Hence, we are unable to comment on the audit trail feature and whether the audit trail had operated throughout the year or was tampered with.

In the absence of audit trail, we unable to comment on the preservation of audit trail

2. As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M. Anandam & Co.,
Chartered Accountants
(Firm Regn.No.000125S)

A. V. Sadasiva
Partner

Place : Hyderabad
Date : 28.05.2026

Membership No. 018404
UDIN: 26018404FLRYGY1727



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference to financial statements of **Kakatiya Cement Sugar & Industries Limited** (“the Company”) as of 31st March, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

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

Meaning of Internal Financial Controls over Financial Reporting

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

For M. Anandam & Co.,
Chartered Accountants
(Firm Regn.No.000125S)

A. V. Sadasiva
Partner

Membership No. 018404
UDIN: 26018404FLRYGY1727

Place : Hyderabad
Date : 28.05.2026



Annexure “B” to the Independent Auditor’s Report

With reference to Paragraph 2 under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company, we report that

i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have intangible assets and hence reporting under the clause 3(i)(a) (B) of the Order is not applicable.

(b) The property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification

(c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% or more in the aggregate for each class of inventory.

(b) The Company has availed working capital facility from banks against fixed deposits of the Company and submission of quarterly returns or statements are not applicable. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. During the year the Company has not made investments, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has made investments which are in compliance with Section 186 of the Act. The Company has not granted loans, not provided guarantees and securities.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company as prescribed under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, duty of Customs, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, duty of Custom, and other statutory, Cess and other material statutory dues in as at March 31, 2026 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, value added tax, customs duty as at 31st March, 2026 which have not been deposited on account of any dispute pending, are as under:



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Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Amount paid (₹ in Lakhs)	Forum where dispute is pending
Income-Tax Act, 1961	Income Tax	136.40	Assessment Years 1999-2000 2000-2001 2001-2002	123.98	High Court of Telangana
Income-Tax Act, 1961	Income Tax	427.94	Assessment year 2014-15	--	High Court of Telangana
Income-Tax Act, 1961	Income Tax	2581.75	Assessment year 2009-10	--	High Court of Telangana
Income –Tax Act 1961	Income Tax	1156.46	Assessment Year 2007-08	--	High Court of Telangana
Income –Tax Act 1961	Income Tax	930.42	Assessment Year 2008-09	--	High Court of Telangana
Income-Tax Act, 1961	Income Tax	969.26	Assessment Year 2016-17	--	High Court of Telangana
Customs Act, 1962	Customs Duty	65.77	Financial year 2012-13	--	Commissioner Customs
Telangana states Electricity Board	Electricity Duty	321.75	2003-04 to 2012-13	--	Hon'ble Supreme Court of India
Sales tax Act, 1956	Central Sales tax	435.61	Financial year 2015-16		VAT Appellate Tribunal, Hyderabad

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans or other borrowings and in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) In our opinion and based on our examination and enquiries with the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.



**KAKATIYA CEMENT SUGAR &
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- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
b) We have considered, the internal audit reports of the company issued till date, for the year under audit
- xv. During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
b) The Company is not engaged in any non-banking financial housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of ₹1,339.57 Lakhs during the financial year covered by our audit and incurred cash losses of ₹ 888.87 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under class 3(xviii) of the order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion, the provisions of section 135 of the Act are not applicable to the Company and hence reporting under clause 3(xx) of the Order is not applicable.

For M. Anandam & Co.,
Chartered Accountants
(Firm Regn.No.000125S)

A. V. Sadasiva
Partner

Place : Hyderabad
Date : 28.05.2026

Membership No. 018404
UDIN: 26018404FLRYGY1727



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2026

All amount ₹ in lakhs, unless otherwise stated

Particulars	Note	As at 31 st March, 2026	As at 31 st March, 2025
I. ASSETS			
(1) Non-current assets:			
(a) Property, plant and equipment	2	4,449.22	4, 532.28
(b) Financial assets			
i) Investments	3	3.00	2.09
ii) Other financial assets	4	6,966.60	7,095.38
(c) Other non-current assets	5	359.62	359.62
(2) Current Assets:			
(a) Inventories	6	3,419.71	3,726.81
(b) Financial assets			
i) Trade receivables	7	1,795.72	1,795.46
ii) Cash and cash equivalents	8	228.74	3,772.73
iii) Bank balances other than (ii) above	9	4,043.07	2,196.72
iv) Other financial assets	10	174.89	491.43
(c) Current tax assets (net)	11	1,085.78	1,030.02
(d) Other current assets	12	433.74	265.05
TOTAL ASSETS		22,959.90	25,267.58
II. EQUITY & LIABILITIES:			
Equity			
(a) Equity share capital	13	777.39	777.39
(b) Other equity	14	17,492.41	20,125.62
Liabilities			
(1) Non-current liabilities:			
(a) Provisions	15	81.79	21.98
(b) Deferred tax liabilities (Net)	16	724.60	752.05
(2) Current Liabilities:			
(a) Financial liabilities			
i. Borrowings	17	1,950.04	1,842.24
ii. Trade payables	18		
(a) Total outstanding dues to micro enterprises and small enterprises		6.95	6.73
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises		808.93	698.47
iii. Other financial liabilities	19	403.61	409.09
(b) Other current liabilities	20	614.70	563.67
(c) Provisions	21	99.47	70.33
TOTAL EQUITY AND LIABILITIES		22,959.90	25,267.58
Summary of Material accounting policies	1		

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

As per our report of even date
For M. ANANDAM & CO.
Chartered Accountants
(Firm Registration Number: 000125S)

A.V. Sadasiva
Partner
Membership Number:018404
Place : Hyderabad
Date : 28.05.2026

On behalf of the Board of Directors

P.Veeraiah
Chairman & Managing Director
DIN: 00276769

M. Bhavani Dattu **M V R L S Rao**
Chief Financial Officer Company Secretary and
(PAN:AECPM1280L) Compliance Officer
(M.No. A10575)



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

All amount ₹ in lakhs, unless otherwise stated

	Particulars	Note	Year ended 31 st March, 2026	Year ended 31 st March, 2025
I	Income			
	Revenue from operations	22	7,886.15	8,922.29
	Other income	23	788.93	1,545.64
	Total income		8,675.08	10,467.93
II	Expenses			
	Cost of materials consumed	24	1,700.75	2,125.03
	Changes in inventories of work-in-progress and finished goods	25	(236.92)	2,170.85
	Employee benefits expense	26	2,087.81	1,994.35
	Finance costs	27	72.08	512.83
	Power and fuel		4,715.01	2,813.07
	Depreciation	28	266.14	258.77
	Other expenses	29	1,760.92	1,951.29
	Total expenses		10,365.79	11,826.18
III	Profit/(Loss) before tax (I - II)		(1,690.71)	(1,358.25)
IV	Exceptional Items			
	Wheeling charges		737.31	-
V	Profit/(Loss) before tax (III-V)		2,428.02	(1,358.25)
VI	Tax expenses:			
	1) Current tax		-	-
	2) Earlier year's tax		7.01	-
	3) Deferred tax		(29.36)	(27.72)
VII	Profit/(Loss) for the year (V - VII)		(2,405.67)	(1,330.53)
VIII	Other Comprehensive Income (OCI)			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans		7.58	(77.31)
	(b) Income tax relating to the item (a) above		(1.91)	19.46
	Other comprehensive income/(loss) for the year (net of tax)		5.67	(57.85)
IX	Total Comprehensive Income/(loss) for the year (VII + IX)		(2,400.00)	(1,388.38)
VIII	Earning per equity share (Face Value of ₹ 10/- each)			
	(i) Basic (in ₹)	30	(30.95)	(17.12)
	(ii) Diluted (in ₹)		(30.95)	(17.12)
	Summary of Material accounting policies	1		

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

As per our report of even date

For M. ANANDAM & CO.

Chartered Accountants

(Firm Registration Number: 000125S)

A.V. Sadasiva

Partner

Membership Number:018404

Place : Hyderabad

Date : 28.05.2026

On behalf of the Board of Directors

P.Veeraiah

Chairman & Managing Director

DIN: 00276769

M V R L S Rao

Company Secretary and
Compliance Officer
(M.No. A10575)

M.Bhavani Dattu
Chief Financial Officer
(PAN:AECPM1280L)



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Statement of Cash Flows for the year ended 31st March, 2026

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Cash flow from operating activities		
Profit/(Loss) before tax	(2,428.02)	(1,358.25)
Adjustments for:		
Depreciation expenses	262.14	258.77
Net (gain)/loss on disposal of property, plant and equipment	-	(4.47)
Interest income on deposits and others	(749.39)	(1,290.34)
Dividend Income	0.09	(0.06)
Provision for bad and doubtful debts	-	1.11
Provision for bad and advances	25.00	9.50
Provision for obsolete inventories	60.00	200.00
Finance costs	72.08	512.83
Net (gain)/loss in on fair value changes of investment	(0.91)	0.71
Operating profit/(loss) before working capital changes	(2,755.01)	(1,670.20)
Change in operating assets and liabilities		
(Increase)/ decrease in inventories	247.10	2,326.52
(Increase)/ decrease in trade receivables	(0.26)	6.42
(Increase)/ decrease in other current financial assets	291.54	24.38
(Increase)/ decrease in current tax assets	(55.76)	392.68
(Increase)/ decrease in other current assets	(168.69)	223.12
Increase/ (decrease) in trade payables	110.69	(443.81)
(Increase)/ decrease in other non current financial assets	128.96	877.80
Increase / (decrease) in other financial liabilities	(5.48)	5.39
Increase/ (decrease) in provisions	96.53	2.28
(Increase)/ decrease in other non-current assets	-	(108.90)
Increase/ (decrease) in other current liabilities	51.03	(199.11)
Cash generated from operations	(2,059.35)	1,436.58
Less : Income taxes paid	(7.01)	-
Net cash flow from/(used in) operating activities	(2,066.36)	1,436.58
Cash flows from investing activities		
Purchase of property, plant and equipment (net)	(183.08)	(64.68)
(Increase)/ decrease in fixed deposits	(1,846.35)	9,352.02
Proceeds from sale of property, plant and equipment	-	20.48
Interest received	749.39	1,290.34
Dividend income	(0.09)	0.06
Net cash inflow (used in) from investing activities	(1,280.13)	10,598.21
Cash flow from financing activities		
Increase/ (decrease) in current borrowings (net)	107.80	(7,570.61)
Interest paid	(72.08)	(512.83)
Dividend paid	(233.21)	(233.21)
Net cash inflow (used in) from financing activities	(197.49)	(8,316.64)
Net increase/ (decrease) in cash and cash equivalents	(3,543.98)	3,718.15
Cash and Cash equivalents at the beginning of the year	3,772.72	54.58
Cash and Cash equivalents at the end of the year (Note No.8)	228.74	3,772.73



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

The above statement of cash flows has been prepared under the 'Indirect method' as set out in Indian Accounting Standard - 7 Statement of Cash Flows.

Net debt reconciliation

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance of borrowings	1,842.24	9,412.85
Add/(less):- Proceeds / repayment of borrowings (net)	107.80	(7,570.61)
Closing balance of borrowings	1,950.04	1,842.24

Material accounting policies (Refer Note-1)

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

As per our report of even date
For M. ANANDAM & CO.
Chartered Accountants
(Firm Registration Number: 000125S)

A.V. Sadasiva
Partner
Membership Number:018404

Place : Hyderabad
Date : 28.05.2026

On behalf of the Board of Directors

P.Veeraiah
Chairman & Managing Director
DIN: 00276769

M.Bhavani Dattu
Chief Financial Officer
(PAN:AECPM1280L)

M V R L S Rao
Company Secretary and
Compliance Officer
(M.No. A10575)



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Statement of Changes in Equity for the year ended 31st March, 2026

A. Equity Share capital

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance at the beginning of the year	777.39	777.39
Add: Changes in equity share capital due to prior period errors	-	-
Add: Changes in equity share capital during the year	-	-
Balance at the end of the year	777.39	777.39

B. Other Equity

As at 31st March, 2026

Particulars	Reserves and Surplus			Amalgamation Reserve	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 01 st April, 2025	1,391.62	2,379.92	15,278.19	1,075.89	20,125.63
Add/(less): Profit/(Loss) for the year	-	-	(2,405.66)	-	(2,405.66)
Less : Dividend paid	-	-	(233.21)	-	(233.21)
Add : Other Comprehensive Income/(loss) on remeasurement of employee benefit obligation (net of tax)	-	-	5.67	-	5.67
Balance as at 31 st March, 2026	1,391.62	2,379.92	12,644.99	1,075.89	17,492.43

As at 31st March, 2025

Particulars	Reserves and Surplus			Amalgamation Reserve	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 01 st April, 2024	1,391.62	2,379.92	16,899.77	1,075.89	21,747.20
Add/(less) : Profit/(Loss) for the year	-	-	(1,330.52)	-	(1,330.52)
Less : Dividend paid	-	-	(233.21)	-	(233.21)
Add : Other Comprehensive Income/(loss) on remeasurement of employee benefit obligation (net of tax)	-	-	(57.85)	-	(57.85)
Balance as at 31 st March, 2025	1,391.62	2,379.92	15,278.19	1,075.89	20,125.63

Material accounting policies (Refer Note-1)

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

As per our report of even date

For M. ANANDAM & CO.

Chartered Accountants

(Firm Registration Number: 000125S)

A.V. Sadasiva

Partner

Membership Number:018404

Place : Hyderabad

Date : 28.05.2026

On behalf of the Board of Directors

P. Veeraiah

Chairman & Managing Director

DIN: 00276769

M.Bhavani Dattu
Chief Financial Officer
(PAN:AECPM1280L)

M V R L S Rao
Company Secretary and
Compliance Officer
(M.No.A10575)



Notes to the financial statements for the year ended 31st March, 2026

1. Material Accounting Policies

Background

Kakatiya Cement, Sugar & Industries Limited (the "Company") was incorporated in 1979 having its Registered office in Hyderabad. The Company's activities are organized into three operating divisions namely Cement, Sugar and Power. The major activity of the company is to produce, manufacture, refine, sell and generally to deal in all kinds of Portland Cement, sugar, generation and distribution of power.

Material Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Statement of Compliance with Ind AS and Basis of Preparation

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

1.2 Functional and Presentation Currency

The Financial Statements are presented in Indian Rupees (Rs.) which is also functional currency. All the values have been rounded off to the nearest rupee in lakhs, with two decimals unless otherwise indicated.

1.3 Basis of Preparation

The Financial Statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value as per Ind AS. 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.

Employee Defined Benefit Plans :

Plan Assets measured at fair value less present value of defined benefit obligation.

Certain Financial Assets and Liabilities : Fair Value

1.4 Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable (excluding taxes), net of returns and reduced by any rebates and trade discount allowed.

i) Sale of products

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods and/or services has transferred from the Company to the buyer. Revenue is measured based on consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties.

Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the buyer has gained control through their ability to direct the use of and obtain substantially all the benefits from the goods.

ii) Interest, Dividends and Other Income

Interest and dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

1.5 Property, Plant and Equipment



Tangible Assets

i) Recognition and Measurement

- Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any, except freehold land which is carried at historical cost.
- Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.
- The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.
- Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii) Subsequent Expenditure

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

iii) Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

iv) Depreciation/ Amortization

- Depreciation is calculated using Straight Line basis at the rates arrived at based on the useful lives prescribed in Schedule II of Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed and adjusted if appropriate at each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- Depreciation on additions / disposals is provided on a pro rata basis that is from / upto the date on which asset is ready for use /disposed of.

vi) Impairment of Assets

Intangible assets and Property, Plant and Equipment (PPE)

- Intangible assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.
- If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit or loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



Capital work-in-progress

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress to Tangible Fixed Assets.

Intangible Assets

i) Initial Recognition and Classification

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in statement of profit and loss as incurred.

iii) Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives and is included in depreciation and amortisation in Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

iv) Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Impairment of Non-Financial Assets.

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.6 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred and reported in finance costs.

1.7 Current versus Non Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset/ liability is treated as current when it is :-

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading.
- Expected to be realised/ settled 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.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents. The company has identified 12 months as its operating cycle.

1.8 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, wherever considered necessary. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs including manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Excess/ shortages, if any, arising on physical verification are absorbed in the respective consumption accounts.

Material in Transit

Valuation of inventories of Material in Transit is done at cost

Work-in-Progress (WIP) and Finished Goods

These inventories are valued at lower of cost and NRV. Cost of Finished Goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

1.9 Taxes on Income

Income tax comprises Current and Deferred Tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to business combination or to an item recognised directly in equity or in other comprehensive income.

I) Current Tax

- Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
- Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

II) Deferred Tax

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



- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.
- The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.
- Deferred tax assets and deferred tax liabilities are offset only 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.

1.10 Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.11 Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items 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.

1.12 Provisions, Contingent Liabilities and Contingent Assets

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in the case of :

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed in the Financial Statements.

1.13 Earnings Per Share

Basic earnings per equity share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

1.14 Leases

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



Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in Finance Costs in the Statement of Profit and Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

1.15 Employee Benefits

Employee benefits include provident fund, gratuity and compensated absences and bonus plans.

Defined Contribution Plans

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined Benefit Plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. 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 other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

Bonus Plans

The company recognizes a liability and expenses for business. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



1.16 Equity, Reserves and Dividend Payments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

Dividend distributions payable to equity shareholders is included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.17 Significant Judgments, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgments

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

a) Contingencies

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

b) Estimates and Assumptions

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

c) 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 assets recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit (CGU's) fair value less costs of disposal and its value in use. It 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. Where 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.



d) Estimation of Defined Benefit Obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such 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, mortality rates and attrition rate. 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.

e) Financial Instruments

- Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.
- Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Fair Value Measurement of Financial Instruments

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

f) Estimation of Current Tax and Deferred Tax

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported on the financial statements.

g) Impairment of Financial Assets

- The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates (ECL). The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- The company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses(or reversal) that is required to adjust the loss allowances at the reporting date to the amount that is required is recognised as an impairment gain or loss in statement of profit or loss.

1.18 Segment Reporting:

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind As 108, the chief operating decision maker evaluates the company's performance and allocates resources based on analysis of various performance indicators by business segments and geographic segments.

1.19 Standards issued but not yet effective

There is no such notification applicable from April 1, 2026.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Notes to the financial statements for the year ended 31st March, 2026

2 Property, Plant and Equipment

(a) As at 31st March, 2026

All amount ₹ in lakhs, unless otherwise stated

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01.04.2025	Additions	Deletions	31.03.2026	As at 01.04.2025	For the Year	On Disposals	As at 31.03.2026	As at 31.03.2026
Cement Division									
Freehold Land									
(Refer note below)	101.15	-	-	101.15	-	-	-	-	101.15
Buildings	339.15	-	-	339.15	86.34	9.20	-	95.54	243.61
Plant & Equipment	1,879.71	-	-	1,879.71	565.05	75.36	-	640.41	1,239.30
Other Equipment	17.40	33.41	-	50.80	11.16	4.14	-	15.30	35.50
Furniture and Fixtures	4.48	-	-	4.48	2.28	0.33	-	2.61	1.87
Office Equipment	33.26	0.57	-	33.83	22.82	4.01	-	26.83	7.00
Vehicles	74.74	20.48	-	95.22	24.75	8.63	-	33.38	61.84
Total	2,449.88	54.46	-	2,504.35	712.40	101.67	0.00	814.07	1,690.28
Sugar Division									
Freehold Land	156.82	-	-	156.82	-	-	-	-	156.82
Buildings	1,066.65	-	-	1,066.65	429.19	35.96	-	465.15	601.49
Plant & Equipment	923.04	-	-	923.04	316.58	35.86	-	352.44	570.60
Other Equipment	49.11	-	-	49.11	23.42	7.74	-	31.16	17.95
Furniture and Fixtures	1.15	-	-	1.15	0.33	0.06	-	0.39	0.76
Office Equipment	12.03	-	-	12.03	5.31	1.12	-	6.43	5.60
Vehicles	19.91	-	-	19.91	5.29	4.28	-	9.57	10.34
Total	2,228.70	0.00	0.00	2,228.70	780.12	85.03	0.00	865.14	1,363.55
Power Division									
Factory Buildings	247.50	-	-	247.50	122.20	0.00	-	122.20	125.30
Plant & Equipment	1,720.49	128.62	-	1849.11	499.57	79.43	-	579.00	1270.11
Total	1,967.99	128.62	0.00	2,096.61	621.77	79.43	0.00	701.20	1,395.40
Grand Total	6,646.58	183.08	0.00	6,829.66	2,114.28	266.13	0.00	2,380.41	4,449.22



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

Notes to the financial statements for the year ended 31st March, 2026

2 Property, plant and equipment

(b) As at 31st March, 2025

All amount ₹ in lakhs, unless otherwise stated

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01.04.2024	Additions	Deletions	31.03.2025	As at 01.04.2024	For the Year	On Disposals	As at 31.03.2026	As at 31.03.2025
Cement Division									
Freehold Land									
(Refer note below)	101.15	-	-	101.15	-	-	-	-	101.15
Buildings	339.15	-	-	339.15	77.14	9.20	-	86.34	252.82
Plant & Equipment	1,870.02	9.69	-	1,879.71	489.69	75.36	-	565.04	1,314.67
Other Equipment	17.40	-	-	17.40	7.15	4.01	-	11.16	6.24
Furniture and Fixtures	4.48	-	-	4.48	1.37	0.91	-	2.28	2.20
Office Equipment	33.26	-	-	33.26	22.49	0.33	-	22.82	10.43
Vehicles	47.14	27.60	-	74.74	16.91	7.84	-	24.76	49.99
Total	2,412.60	37.29	-	2,449.89	614.75	97.65	0.00	712.40	1,737.49
Sugar Division									
Freehold Land	156.82	-	-	156.82	-	-	-	-	156.82
Buildings	1,066.65	-	-	1,066.65	393.23	35.96	-	429.19	637.45
Plant & Equipment	906.79	16.25	-	923.04	281.30	35.28	-	316.58	606.47
Other Equipment	48.23	0.88	-	49.11	15.62	7.80	-	23.42	25.68
Furniture and Fixtures	1.15	-	-	1.15	0.26	0.07	-	0.33	0.82
Office Equipment	9.45	2.58	-	12.03	4.29	1.02	-	5.31	6.72
Vehicles	35.32	7.68	23.08	19.91	7.61	4.75	7.07	5.29	14.63
Total	2,224.39	27.39	23.08	2,228.70	702.31	84.89	7.07	780.12	1,448.58
Power Division									
Factory Buildings	247.50	-	-	247.50	108.62	13.58	-	122.20	125.30
Plant & Equipment	1,720.49	-	-	1,720.49	436.91	62.66	-	499.57	1,220.92
Total	1,967.99	0.00	0.00	1,967.99	545.52	76.24	0.00	621.77	1,346.21
Grand Total	6,604.98	64.68	23.08	6,646.58	1,862.59	258.77	7.07	2,114.28	4,532.28



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Notes to the financial statements for the year ended 31st March, 2026

3 Investments

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Fair value through profit and loss (FVTPL)		
- Union Bank of India	3.00	2.09
1830 shares (1830 in Previous Year) (face value of INR 10 each)		
Total	3.00	2.09
Aggregate market value of quoted investments	3.00	2.09

4 Other financial assets (non-current)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured, considered good		
- Earmarked deposits with banks	6,115.57	5,777.23
- Margin money deposits with banks	400.49	402.68
- Deposits with banks	21.40	19.20
- Interest accrued on bank deposits	10.51	503.33
- Deposits with government companies	414.47	388.98
- Deposits with others	3.97	3.97
Total	6,966.40	7,095.38

5 Other Non Current assets

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advances other than capital advances		
- Taxes paid under protest	359.62	359.62
Total	359.62	359.62

6 Inventories (Valued at lower of cost or net realizable value unless otherwise stated)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Raw materials (CY-Nil (PY - ₹ 84.90))	93.32	433.68
Work-in-progress	1,515.47	610.37
Finished goods	1,414.84	2,083.01
Stores and spares	706.23	849.89
Less: Provision for obsolete stores and spares	(310.16)	(250.16)
Net stores and spares	396.07	599.73
Total	3,419.71	3,726.81

7 Trade receivables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured, considered good	3,073.74	3,073.48
Less: Allowance for expected credit loss	(1,278.03)	(1,278.03)
Total	1,795.72	1,795.46



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

7.1 Trade receivables ageing schedule As on March 31, 2026

All amount ₹ in lakhs, unless otherwise stated

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	0.26	1.12	-	606.42	1,187.92	1,795.72
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	1.11	0.28	1,276.64	1,278.03
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: Expected risk of credit loss	-	-	(1.11)	(0.28)	(1,276.64)	(1,278.03)
Total	0.26	1.12	-	606.42	1,187.92	1,795.72

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	0.67	0.45	-	606.42	1,187.92	1,795.46
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	1.11	0.28	1,276.64	1,278.03
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Expected risk of credit loss	-	-	(1.11)	(0.28)	(1,276.64)	(1,278.03)
Total	0.67	0.45	-	606.42	1,187.92	1,795.46

Expected Credit Loss Rate	As on 31.03.2026	As on 31.03.2025
Expected Credit Loss:		
Dues from government companies	42%	42%
Dues from others	100%	100%



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

8 Cash and cash equivalents

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a) Balances with banks		
- in current accounts	53.51	3,771.16
- in deposit accounts	173.06	-
b) Cash on hand	2.17	1.57
Total	228.74	3,772.73

9 Other Bank Balances

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a) Earmarked balances with banks		
Margin money deposits	-	-
Unpaid dividend accounts	43.07	48.40
b) Balances with banks		
Term Deposits	4,000.00	2,148.32
Total	4,043.07	2,196.72

9.1: The Company has transferred unclaimed dividend of ₹ 10.03 lakhs pertaining to year 2017-18 to the Investor Education & Protection Fund on expiry of seven years (Previous Year ₹ 9.70 lakhs pertaining to year 2016-17).

10 Other Financial Assets (Current)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Staff loans	0.40	0.72
Employee advances	25.00	25.00
Less: Advance provision for doubtful debts	(25.00)	-
Interest accrued on bank deposits	174.49	465.70
Total	174.89	491.43

11 Current Tax Assets (Net)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	1,030.02	1,422.70
Add: Taxes paid (including TDS and TCS receivable)	55.77	130.16
Less: Refund received during the year	-	(522.85)
Total	1,085.78	1,030.02

12 Other Current Assets

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Prepaid expenses	28.03	32.67
Advances to suppliers	72.10	82.81
Prepaid royalty expenses	31.91	66.50
GST input credit receivable	301.70	83.07
Total	433.74	265.05



All amount ₹ in lakhs, unless otherwise stated

13. Equity Share Capital

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
AUTHORIZED:		
90,00,000 (2025 - 90,00,000) Equity Shares of ₹ 10/- each	900.00	900.00
TOTAL	900.00	900.00
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
77,73,858 (2025- 77,73,858) Equity Shares of ₹ 10/- each fully paid-up	777.39	777.39
TOTAL	777.39	777.39

13.1 Movement in Equity Share Capital

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
Shares outstanding at the beginning of the year	77,73,858	777.39	77,73,858	777.39
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	77,73,858	777.39	77,73,858	777.39

13.2 Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares	% of total Shares	Number of shares	% of total Shares
P Veeraiah	37,04,527	47.65	37,04,527	47.65

13.3 Terms/Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the distribution will be in proportion to the number of equity shares held by the shareholders.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

13.4 Promoter's Shareholding

Year ended 31st March, 2026

Shares held by promoters at the end of the year				% Change
S.No.	Name of the Promoter	No. of Shares	% of Total Shares	During the Year
1	P. Veeraiah	37,04,527	47.65	-
2	Samrajyam Pallemapati	3,23,277	4.16	-
3	Triveni Jasti	69,500	0.89	-
4	Shanti Jetty	57,880	0.74	-
5	Shalini Jetty	1	-	-
6	Ragini Jetty	-	-	-
7	Jasti Lakshmi Nalini	28,520	0.37	-
8	J Siva Rama Prasad	-	-	-
9	Jutla Chandra Shekar Goud	-	-	-
10	Sukumari Koneru	12,000	0.15	-
11	Seshagiri Rao Jasti	10,000	0.13	-
12	Saarika Koneru	5,720	0.07	-
13	J Venkata Krishna	3,000	0.04	-
14	Musunuri Ramakrishna Prasad	2,000	0.03	-
15	Raajitha Koneru	700	0.01	-
16	Jasti Chelameswar (HUF)	100	0.01	-
Total		42,17,225	54.25	

Year ended 31st March, 2025

Shares held by promoters at the end of the year				% Change
S.No.	Name of the Promoter	No. of Shares	% of Total Shares	During the Year
1	P. Veeraiah	37,04,527	47.65	-
2	Samrajyam Pallemapati	3,23,277	4.16	-
3	Triveni Jasti	69,500	0.89	-
4	Shanti Jetty	57,880	0.74	-
5	Shalini Jetty	1	-	-
6	Ragini Jetty	-	-	-
7	Jasti Lakshmi Nalini	28,520	0.37	-
8	J Siva Rama Prasad	-	-	-
9	Jutla Chandra Shekar Goud	-	-	-
10	Sukumari Koneru	12,000	0.15	-
11	Seshagiri Rao Jasti	10,000	0.13	-
12	Saarika Koneru	5,720	0.07	-
13	J Venkata Krishna	3,000	0.04	-
14	Musunuri Ramakrishna Prasad	2,000	0.03	-
15	Raajitha Koneru	700	0.01	-
16	Jasti Chelameswar (HUF)	100	0.01	-
Total		42,17,225	54.25	

13.5 Shares allotted as fully paid pursuant to contract without payment being received in cash or as fully paid up bonus shares during the period of five years immediately preceding 31st March, 2026 - Nil (PY : Nil)



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

14. Other equity

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Reserves and surplus		
Securities premium	1,391.62	1,391.62
General reserve	2,379.92	2,379.92
Retained earnings	12,644.97	15,278.19
Amalgamation reserve	1,075.89	1,075.89
TOTAL	17,492.41	20,125.63

(a) Securities premium

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	1,391.62	1,391.62
Add/(less) : movement during the current year	-	-
Closing balance	1,391.62	1,391.62

(b) General Reserve

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	2,379.92	2,379.92
Add/(less) : movement during the current year	-	-
Closing balance	2,379.92	2,379.92

(c) Amalgamation reserve

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	1,075.89	1,075.89
Add/(less) : movement during the current year	-	-
Closing balance	1,075.89	1,075.89

(d) Retained earnings

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	15,278.19	16,899.77
Add/(less) : Profit/(Loss) for the year	(2,405.67)	(1,330.52)
less: Dividend	(233.21)	(233.21)
Add/(less) : Other comprehensive income/(loss) on remeasurement of defined benefit obligation (net of tax)	5.66	(57.85)
Closing balance	12,644.97	15,278.19

Nature and purpose of reserves:

1. Security premium will be utilised in accordance with the provisions of the Companies Act, 2013.
2. General reserve will be utilised for strengthening financial position and meeting the future contingencies and losses.
3. Amalgamation reserve which was created at the time of amalgamation, will be utilised as per the Companies Act, 2013.
4. The retained earnings represent the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

15 Provisions (Non-current)

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
- Leave encashment	19.45	10.24
- Gratuity	52.33	2.48
Others		
Provision for mine closure activity	10.00	9.26
Total	81.79	21.98

15.1 Limestone Mines back filling provision of ₹8.58 lakhs was recognised as on 01.04.2025 and included in plant & equipment of Cement division

16 Deferred tax liabilities (net)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred tax assets		
On expenses allowable on payment basis	(22.20)	(18.08)
On depreciation	-	-
Deferred tax liabilities		
On expenses allowable on payment basis	(5.49)	(5.90)
On depreciation	752.28	776.02
Deferred tax liabilities (net)	724.60	752.05

Movement in deferred tax liabilities (net)

Particulars	Total
As at 31st March, 2024	799.23
(Charged)/Credited	
to Statement of profit and loss	(27.72)
to Other comprehensive income	19.46
As at 31st March, 2025	752.05
(Charged)/Credited	
to Statement of profit and loss	(29.36)
to Other comprehensive income	1.91
As at 31st March, 2026	724.60

17 Borrowings

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a) Secured loans		
Working capital loans from banks (Repayable on demand)	1950.04	1,842.24
Total	1950.04	1,842.24

Note 17.1: The Company has taken facilities from State Bank of India against pledge of fixed deposits valuing ₹ 7365.00 lakhs (Previous year ₹ 5777.23 lakhs) of the company at an average interest rate of 7.07% p.a (PY:7.14% p.a.).

18 Trade payables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Dues to micro, small and medium enterprises	6.95	6.73
Dues to creditors other than micro, small and medium enterprises	808.93	698.47
Total	815.89	705.20



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

18.1 Trade Payables ageing schedule

As on 31st March, 2026

All amount ₹ in lakhs, unless otherwise stated

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i) MSME	6.95	-	-	-	-	-	6.95
ii) Others	-	-	398.44	-	-	338.20	736.64
iii) Disputed Dues-MSME	-	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	72.29	72.29
Total:	6.95	-	398.44	0.00	0.00	410.49	815.89

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i) MSME	6.73	-	-	-	-	-	6.73
ii) Others	-	-	287.72	0.19	0.07	338.20	626.18
iii) Disputed Dues-MSME	-	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	72.29	72.29
Total:	6.73	0.00	287.72	0.19	0.07	410.49	705.20

19 Other financial liabilities (Current)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Employee benefits payable	232.24	233.57
Unpaid dividends*	43.07	48.40
Mobilisation Fund	116.52	115.32
Security deposits from stockists	11.79	11.80
Total	403.61	409.09

* There are no pending amounts to be transferred to Investor Education and Protection Fund.

20 Other Current Liabilities

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance from customers	170.50	115.49
Statutory liabilities	113.89	115.08
Electricity duty payable	319.57	319.57
Others	10.74	13.53
Total	614.70	563.67



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

21 Provisions (Current)

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for employee benefits		
Gratuity	89.23	68.77
Leave encashment	10.25	1.56
Total	99.47	70.33

22 Revenue from operations

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Revenue from contracts with customers		
Sale of products	7,886.15	8,922.29
Total	7,886.15	8,922.29

Details of Products Sold

Cement	6,364.95	4,786.05
Sugar	1,521.20	4,136.23
Power	-	-
Total	7,886.15	8,922.29

23 Other Income

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Interest income on deposits with banks	749.39	1,290.34
Interest income*	28.31	36.86
Miscellaneous income	11.23	213.98
Profit on sale of asset	-	4.47
Provisions no longer required written back	-	-
Total	788.93	1,545.64

* Includes interest on Income Tax refund ₹ 35.24 lakhs (PY : Nil)

24 Cost of Materials consumed

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Limestone	423.16	262.56
Gypsum	131.26	95.25
Sugar cane	763.46	1,543.58
Laterite	279.03	140.80
Others	103.85	82.83
Total	1,700.75	2,125.03



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

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

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Opening inventories		
Finished goods	2,083.00	3,310.90
Work-in-progress	610.37	1,553.33
(A)	2,693.37	4,864.23
Closing inventories		
Finished goods	(1,414.83)	(2,083.00)
Work-in-progress	(1,515.47)	(610.37)
(B)	(2,930.30)	(2,693.37)
Total (A-B)	(236.92)	2,170.85

26 Employee Benefits Expense

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Salaries, wages and bonus	1,852.44	1,776.76
Contribution to provident and other funds	90.70	91.07
Staff welfare expenses	144.67	126.52
Total	2,087.81	1,994.35

27 Finance costs

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Interest on borrowings	72.08	512.83
Total	72.08	512.83

28 Depreciation

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Depreciation on Property, plant and equipment	266.14	258.77
Total	266.14	258.77



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

29 Other expenses

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Consumption of stores and spares	476.03	559.55
Consumption of packing materials	323.19	260.94
Repairs and maintenance		
- Building	0.16	3.10
- Plant and equipment	286.98	267.70
- Others	35.49	47.02
Other manufacturing expenses	12.89	17.92
Donations	-	19.78
Travelling and conveyance expenses	22.78	20.91
Professional fee	57.25	64.87
Payment to auditors (Refer Note 29 a)	7.00	7.75
Insurance expenses	6.58	8.40
Communication and printing expenses	8.67	7.22
Advertisement and sales promotion expenses	11.04	12.88
Selling and marketing expenses	32.14	27.70
Rent, rates and taxes	99.22	114.57
Provision for bad and doubtful debts	25.00	1.11
Provision for bad and doubtful advances	-	9.50
Provision for Obsolete Inventories	60.00	200.00
Security charges	224.65	213.80
Miscellaneous expenses	808.16	86.15
Corporate social responsibility expenditure (Refer Note 29 b)	- 1.00	- -
Total	2,498.23	1,951.29

29 a) Payment to Auditors

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
(a) To Statutory auditors		
- Statutory audit fee	5.00	5.00
- Tax audit fees	1.25	1.25
- Quarterly Limited Review fees	1.50	1.50
(b) To Others		
- Cost Audit fees	1.75	1.75
Total:	9.50	9.50



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29 b) Corporate Social Responsibility expenditure

All amount ₹ in lakhs, unless otherwise stated

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Amount required to be spent as per Section 135 of the Act	-	-
Amount of expenditure incurred:		
1. Construction/ acquisition of any assets	-	-
2. On purposes other than (1) above	1.00	-
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	-	Set off from previous year excess c/f balance
Nature of CSR activities under Sec 135 read with Schedule VII of Companies Act, 2013		i) Eradicating Hunger. II) Enhancing vocational skills to differently abled.
Details of related party transactions in relation to CSR expenditure	Nil	Nil

Note: During the previous financial year, Company incurred losses. As per the amended CSR provisions of Section 135, when there was a loss in the previous financial year, Company need not spend CSR expenditure in the current financial year.

30 Earnings Per share

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Net Profit/(Loss) attributable to the equity shareholders (A)	(2,405.67)	(1330.53)
Weighted average number of equity shares outstanding during the year (B)	7773858	7773858
Face value of equity shares (₹)	10.00	10.00
Basic/Diluted earnings per share (₹) (A/B)	(30.95)	(17.12)



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31 Notes to employee benefits

Defined benefit plans

(i) leave Obligations

The leave obligation covers the company's liability for earned leave which is unfunded.

(ii) Defined contribution plan

The company has defined contribution plan namely provident fund. Contributions are made to provident fund at the rate of 12% of basic salary plus DA as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 st March, 2026	31 st March, 2025
Company's contribution to provident fund	90.70	91.07

(iii) Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of ₹ 20 Lakhs at the time of separation from the company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the fund status and amounts recognised in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 st March, 2026	31 st March, 2025
Defined benefit obligation at the beginning	291.17	207.31
Current service cost	27.43	22.47
Fast service cost	46.19	-
Interest expense	18.76	13.88
Benefits paid	(29.66)	(30.72)
Actuarial (gain)/ loss on obligations - OCI	(6.80)	78.24
Defined benefit obligation at the end	347.09	291.17

Components of Other Comprehensive Income

Particulars	31 st March, 2026	31 st March, 2025
Actuarial (gain) / loss on employee benefits	(7.58)	77.31
Less: Deferred Tax @ 25.168%	1.91	(19.46)
Actuarial (gain) / loss on employee benefits (net of tax)	(5.67)	57.85

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	31 st March, 2026	31 st March, 2025
Fair value of plan assets at the beginning	219.92	204.83
Defined benefit obligation at the beginning	291.98	207.31
Amount recognised in the Balance Sheet at the beginning	(71.26)	(2.48)
Fair value of plan assets at the end	205.54	219.92
Defined benefit obligation at the end	347.10	291.18
Amount recognised in the Balance Sheet at the end	(141.56)	(71.26)



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The principal assumptions used in determining gratuity are shown below:

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Discount rate	7.30%	6.79%
Salary escalation rate	4%	4%

Economic and Demographic Assumptions

Economic Assumptions

Estimates of future compensation increases considered take into account the inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government securities as at 31st March, 2026 for the estimated term of the obligations.

Demographic Assumptions

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Retirement Age	58	58
Mortality table	IALM (2012-14)	IALM (2012-14)
Attrition rate	3%	3%

Amount recognised in Statement of Profit and Loss:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Current service cost	27.43	22.47
Net interest expense	18.76	13.88
Remeasurement of Net Benefit Liability/ Asset	(13.93)	(14.83)
Amount recognised in Statement of Profit and Loss for year ended	32.27	21.52

Amount recognised in Other Comprehensive Income:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Actuarial (gain)/ loss on obligations	(6.80)	78.24
Return on plan assets (excluding amounts included in net interest expense)	1.36	0.41
Amount recognised in Other Comprehensive Income for year ended	(5.45)	78.65

Amount recognised in the Balance Sheet consists of:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Fairvalue at the end of the year	205.54	219.92
Preset value of obligation at the end of the year	347.10	291.18
Retirement benefit liability - non current	257.87	241.13
Retirement benefit liability - current	89.23	50.05

Fair value of plan assets - Employees joined before 2014 is funded by the LIC plan

Expected contribution to post employment benefit plan for the year ending 31.03.2026 is ₹ 347.10 lakhs



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Quantitative sensitivity analysis for significant assumptions as shown below

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 st March 2026	31 st March 2025	Rate	31 st March 2026	31 st March 2025	Rate	31 st March 2026	31 st March 2025
Discount rate	7.30%	6.79%	1%	333.84	278.48	1%	361.76	305.25
Salary growth rate	4.00%	4.00%	1%	362.16	305.38	1%	333.23	278.13
Attrition rate	3.00%	3.00%	1%	349.21	292.82	1%	344.73	1289.33
Mortality rate	100%	100%	10%	34.47.20	291.26	10%	346.99	291.09

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

v) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.



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32 Contingent Liabilities:

All amount ₹ in lakhs, unless otherwise stated

	Particulars	As at 31 st March, 2026	As at 31 st March, 2025
1	Appeal pending before the Hon'ble High Court of Telangana questioning levy of NPV by the Special Secretary Environment, Forests, Sience & Technology Department Govt of A.P. for the forest land diverted to KCSIL for the purpose of Mining Lime Stone under Forest (Conservation) Act, 1980.	755.22	755.22
2	The appeal No.72/2014 dated 05.06.2014 and.73/2014 dated 25.06.2014 for the year 2012-13 is pending before the 'Addl.Commissioner of Customs'. On 03.06.2020, the Commissioner (Appeals), Guntur passed orders remanding back the appeal to the adjudicating authority for denovo consideration as per the directions given by the Supreme Court in a case pertaining to Maruti Ispat and Energy Pvt Ltd & Others pending with the Hon'ble Supreme Court. Further in the Order the Department was directed not to enforce any demand from the Appellant -KCSIL vice versa the Appellant was directed not to make any claim for refund (if any) that accrued during the intervening period. The said case is yet to be adjudicated by the Supreme Court.	65.77	65.77
3	For the Asst. years 1999-00 , 2000-01 and 2001-02 KCSIL paid Income tax paid of Rs.123.98 lakhs under protest against the demand of Rs.136.40 lakhs towards disallowance of un-absorbed depreciation / losses and filed ITTA No. 464/2010, ITTA No. 34/2011 & ITTA No.33/2011 respectively before High Court. KCSIL opted for Vivadh Se Vishwas Scheme 2024 of IncomeTax Department, and complied all the procedures as contemplated under it viz- Withdrawn all the 3 ITTA's from the High Court etc. Consequent to which the department issued Form No. 4 and for the Asst Year 2000-01 Order under Vivad Se Vishwas was passed by the Department on 05.02.2026. Like wise department have to pass Orders for other 2 Asst.years i.e. 1999-2000 & 2001-02.	12.42	12.42
4	For AY 2007-08 , The ITAT in the Appeal partly disposed of the case in favour of the company by allowing 80IA deduction and in response to that the department has filed Appeal (ITTA No. 345/2013) before the Hon'ble Hight Court of Telangana. The same is pending for adjudication.	1,156.46	1,156.46
5	For AY 2008-09. The ITAT in the Appeal partly disposed of the case in favour of the company by allowing 80IA deduction and in response to that the department has filed Appeal (ITTA No. 488/2015) before the Hon'ble Hight Court of Telangana. The same is pending for adjudication.	930.42	930.42
6	For AY 2009-10. The ITAT in the Appeal partly disposed of the case in favour of the company by allowing 80IA deduction and in response to that the department has filed Appeal (ITTA No. 748/2014) before the Hon'ble Hight Court of Telangana. The same is pending for adjudication.	2,581.75	2,581.75



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All amount ₹ in lakhs, unless otherwise stated

7	For the Asst. Year 2014-15, the company has filed an appeal before the CIT(A) against the orders passed by the Assessing Officer disallowing 80IA deduction under IT Act. The CIT(A) as well as ITAT, Hyderabad disposed of the case in favour of the company allowing 80IA deduction, against which the IT department had filed an appeal (ITTA No.76/2022) before the Hon'ble High Court of Telangana and pending for adjudication. However the effectual consequential order u/s 154 is pending with the department for disposal.	427.94	427.94
8	For the A.Y.2016-17, the company has filed an appeal before the CIT(A) against the orders passed by the Assessing Officer disallowing 80IA deduction under IT Act. The CIT(A) as well as ITAT, Hyderabad disposed of the case in favour of the company allowing 80IA deduction, against which the IT department had filed an appeal (ITTA No.66/2021) before the Hon'ble High Court of Telangana and pending for adjudication. However the effectual consequential order u/s 154 is pending with the department for disposal.	969.26	969.26
9	The Company has received Demand notices dated 07.01.2021, 11.02.2021 from TGNPDCL, Warangal directing it to pay a sum of ₹ 2053.86 lakhs towards Grid Support Charges for the period commencing from 12.04.2002 and ending with 31.03.2009. The Original Petition (OP.NO. 35/2023) filed by KCSIL before TGERC, questioning the demand of Grid Support by TGNPDCL was dismissed by the TGERC on 28.10.2024. Company filed a Review Petition (R.P. No. 1 of 2025) before TGERC. Arguments are heard and the Review Petition is reserved for Orders by TGERC on 04.07.2025.	2,053.86	2,053.86
10	Under Protest KCSIL has paid the crystallised Principal sum of ₹ 11,95,82,966/- claimed by TGSPDCL towards differential wheeling charges in two parts i.e. ₹ 8,00,00,000/- on 24.03.2022 and ₹ 3,95,82,966/- on 27.10.2022 and KCSIL has disputed the levy of interest and surcharge amounting to ₹ 42,36,86,659/- levied by TGSPDCL through its notice dated 07.07.2023 by way of filing a Original Petition (O.P. No. 36/2023) before Telangana Electricity Regulatory Commission (TGERC). The O.P. was dismissed by TGERC on 28.10.2024. Company filed an Appeal before the Appellate Tribunal for Electricity (APTEL) - New-Delhi (D.F.R.No. 4/2025). By Order dt.10.03.26 APTEL extended its earlier order not to initiate any coercive action such as disconnection of power to its Cement Plant till further orders. On 05.05.2026 KCSIL Sr.Counsel has presented the arguments. Now the Appeal is posted to 11.08.2026 for arguments of TGSPDCL.	4,236.87	4,236.87
11	The Joint Commissioner of Sale Tax vide is Order dated 09.01.2024 revised the proceedings issued by the Assistant Commissioner of Sale Tax for the Assessment Year by levying tax of ₹ 4,35,60,832. Questioning the revisional Order of Joint Commissioner of Sale Tax, KCSIL filed W.P.No.3148/2024 before the High Court of Telangana. The Hon'ble High Court vide its Orders dated 22.07.2024 disposed off the Writ Petition filed by KCSIL by directing the Company to avail the alternate remedies available to it. KCSIL paid 25% of disputed tax under protest and preferred Appeal before VAT Appellate Tribunal, Hyderabad, registered as Tribunal Appeal No. 7/2025. The Appeal is admitted and posted to 06.07.2026 for hearing.	435.61	435.61



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All amount ₹ in lakhs, unless otherwise stated

12	A demand notice on 07.01.2021 was received from TGSPDCL, Suryapet, Telangana towards differential C.C. charges commencing from April 2014 and ending with February 2020. The Company vide its reply dated 22.01.2021 stated that it had entered into an HT agreement with TGSPDCL wherein it has declared its CMD as 4980 KVA for obtaining supply under 132 KV voltage category. TGSPDCL having agreed for the same in the agreement cannot revise the CC Bills. Hence, the Company requested the authority to withdraw the said letter. But till date no further developments took place by TGSPDCL.	425.91	425.91
13	The Company has received a notice dated 26.04.2024 from the Superintending Engineer, Operation Circle, TGSPDCL, Suryapet to HT Service No. SPT 427 attached to its Cement Factory, demanding an amount of Rs.14,10,82,724/- towards Grid Support Charges calculated from Fy.2002-03 to Fy.2008-09. The Company vide its reply dated 09.05.2024 denied its liability and stated that the Claim towards Grid Support Charges are time barred . Further the Cement Factory does not have any Captive Power Plant (CPP) in parallel with the Grid. APERC vide its order dated 07.12.2002 in OP.No. 742/2000 approved KCSIL cement Factory for using the available D.G. Sets for standby operation without integration with the grid. On 04.07.2024 TGSPDCL further issued a notice revising the Grid Support Charges to Rs.1,36,74,069 restricting the period from 01.04.2002 to 07.12.2002. KCSIL disputed the same on the ground of Limitation and issued a letter dated 20.07.2024. No further developments.	136.74	136.74
14	KCSIL has questioned the levy of Electricity duty @0.25 paise per unit on Captive Consumption w.e.f 17.07.2013 in W.P. No.20536/2009 & Batch filed before Hon'ble High Court of Telangana. The Hon'ble High Court dismissed our W.P. on 19.05.2016. Thereafter the Company preferred SLP before the Hon'ble Supreme Court of India. As per the Interim Orders dated 14.09.16 & 27.09.16, the Company has paid an amount of ₹0.6 paise per unit and ₹0.9 Paise per unit respectively out of the demand of ₹0.25 paise per unit. Depending on the outcome of the Order, the Company may have to pay the balance 0.10 paise per unit aggregating to ₹3,21,75,024/- towards Elecl Duty. Hence provision is being provided for the balance amount.	321.75	321.75
15	W.P.No.13571/2010 KCSIL Vs. Govt. of A.P. GO.No. 35/2010, dated. 06.05.10 was issued by Govt of A.P. fixing the permit fee as ₹ 10/- per Tonne for transporting the lime stone. Questioning the same KCSIL filed the present Writ Petition. Interim Order granted on 28.02.11 directing KCSIL to pay ₹ 3.33 per tonne till the disposal of the W.P. as permit fee to the Govt. Counter affidavit was filed by the D.F.O for which Reply affidavit filed by KCSIL. As the permit fee levy is made by the A.P.Government, and the mines are situated at Andhra Pradesh, the High Court of Telangana has transferred the present W.P. to Andhra Pradesh. Not listed till date.	164.28	164.28

33 Capital and other commitments ₹ Nil (P.Y ₹ Nil)



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34. Related Party Transactions

Names of Related Parties and nature of relationships:

Names of the related parties	Nature of relationship
i) Key Management Personnel (KMP):	
Shri P.Veeraiah	Managing director
Shri M V R L S Rao	Company Secretary & Compliance Officer"
Dr. P. Anuradha	Chief Executive Officer
Shri M Bhavani Dattu	Chief Financial Officer
Shri Seshagiri Rao Jasti	Non executive/Non Independent Director
Smt M Varalakshmi	Non executive/Non Independent Director
Smt Hima Bindu Myneni	Independent Director
Shri V.Sivarama Krishna Murthy	Independent Director
Shri K. Rama Rao	Independent Director
ii) Close members of key management personnel:	
Smt P.Samrajyam	Mother of Sri P.Veeraiah
Smt Triveni Jasti	Sister of Sri P. Veeraiah
Smt Shanti Jetty	Sister of Sri P. Veeraiah
Smt Jasti Lakshmi Nalini	Sister of Sri P. Veeraiah
Smt Sukumari Koneru	Sister of Sri P. Veeraiah
iii) Enterprises in which key management personnel has control	
Shri P.Veeraiah (HUF)	

Details of transactions during the year where related party relationship existed:

All amount ₹ in lakhs, unless otherwise stated

Names of the Related Parties	Nature of Transactions	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Sri P.Veeraiah	Remuneration	130.11	129.44
Dr.P.Anuradha	Remuneration	61.60	56.20
Sri M V R L S Rao	Remuneration	18.49	20.89
Sri V. Sesha Sayee	Remuneration	0.00	4.00
Sri M Bhavani Dattu	Remuneration	10.80	10.80
Sri P.Veeraiah (HUF)	Rent paid	36.00	36.00
Sitting Fee Paid to non-executive/executive Directors	Sitting Fees	0.10	0.12
Reimbursement of expenses paid to non-executive/ executive Directors	Travel expenses	2.81	3.33
Sri P.Veeraiah	Dividend paid	111.14	111.14
Smt. P.Samrajyam	Dividend paid	9.70	9.70
Smt. Triveni Jasti	Dividend paid	2.09	2.09
Smt. Shanti Jetty	Dividend paid	1.74	1.74
Smt. Jasti Lakshmi Nalini	Dividend paid	0.86	0.86
Smt. Sukumari Koneru	Dividend paid	0.36	0.36
Sri Seshagiri Rao Jasti	Dividend paid	0.30	0.30



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Details of outstanding balances as at the year end where related party relationship existed:

All amount ₹ in lakhs, unless otherwise stated

Names of the related parties	Nature	As at 31 st March, 2026	As at 31 st March, 2025
Sri P.Veeraiah (HUF)	Rent	3.00	3.00
Sri P. Veeraiah	Remuneration	9.80	9.80
Dr.P.Anuradha	Remuneration	5.48	4.73
Sri M V R L S Rao	Remuneration	0.90	1.87
Sri M Bhavani Dattu	Remuneration	0.90	0.90

35. Fair values

The carrying amounts of Trade Payables, Other Financial Liabilities (Current), Borrowings (Current), Trade Receivables, Cash & Cash equivalents, Other Bank Balances, Other Financial Assets and loans are considered to be the same as fair value due their short term nature.

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

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:

Categories of financial instruments

Particulars	Carrying value		Fair value	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Financial Assets measured at amortised cost				
Non-current				
Investments	3.00	2.09	3.00	2.09
Other financial assets	6,966.40	7,095.38	6,966.40	7,095.38
Current				
Other financial assets	174.89	491.43	174.89	491.43
Trade receivables	1,795.72	1,795.46	1,795.72	1,795.46
Cash and cash equivalents	228.74	3,772.73	228.74	3,772.73
Other Bank Balances	4,043.07	2,196.72	4,043.07	2,196.72
Total	13,211.83	15,353.81	13,211.83	15,353.81
Financial Liabilities measured at amortised cost				
Non Current				
Current				
Short term borrowings	1,950.04	1,842.24	1,950.04	1,842.24
Trade Payables	815.89	705.20	815.89	705.20
Other Financial liabilities	403.61	409.09	403.61	409.09
Total	3,169.54	2,956.53	3,169.54	2,956.53

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation



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techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

36 Financial risk management objectives and policies

Financial Risk Management Framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as follows:

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other financial assets	174.89	491.43
Trade receivables	1,795.72	1,795.46

Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The company is not expecting any credit loss allowance which is calculated on life time expected credit losses for trade receivables. Credit loss provision on security deposits is taken as 12 months expected credit loss and no loss is expected as at 31st March, 2026, 31st March, 2025

Credit risk on trade receivables and other financial assets is evaluated as follows:

(i) Expected credit loss for trade receivable under simplified approach:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Gross carrying amount	3,073.74	3,073.48
Expected credit loss	(1,278.03)	(1,278.03)
Carrying amount of trade receivables	1,795.72	1,795.46



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(ii) Reconciliation of loss allowance provision

All amount ₹ in lakhs, unless otherwise stated

Particulars	Trade receivables
Loss allowance as at 01st April, 2024	1,276.92
Changes in loss allowance during the year	1.11
Loss allowance as at 01st April, 2025	1,278.03
Changes in loss allowance during the year	-
Loss allowance as at 31st March, 2026	1,278.03

(iii) Significant estimates and judgements

Impairment of financial assets

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

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the authorised person. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facility at the end of the reporting facilities.

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Expiring with in one year (bank Secured Over Draft and other facilities)	3,827.19	3,494.76

(ii) Maturities of financial liabilities:

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

Contractual maturities of financial liabilities

All amount ₹ in lakhs, unless otherwise stated

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended 31st March, 2026						
Borrowings	1,950.04	-	-	-	-	1,950.04
Trade and other payables	-	6.95	398.44	410.49	-	815.89
Other financial liabilities	403.61	-	-	-	-	403.61
Year ended 31st March, 2025						
Borrowings	1,842.24	-	-	-	-	1,842.24
Trade and other payables	-	6.73	287.72	410.75	-	705.20
Other financial liabilities	409.09	-	-	-	-	409.09

(iii) Management expects finance cost to be incurred for the year ending 31st March, 2027 is ₹ 287.03 Lakhs



C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and other price risk, such financial instruments affected by market risk include loans and borrowings, deposits etc.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowings. The company has borrowed funds on fixed rate of interest, there is no impact on the entity due to any interest fluctuations.

37 Capital Management

A. Capital Management and gearing Ratio:

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

Capital includes equity attributable to the equity holders. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Current Borrowings	1,950.04	1842.24
Net Debt	1,950.04	1842.24
Equity	777.39	777.39
Other Equity	17,492.41	20,125.62
Total Capital	18,269.80	20,903.01
Gearing ratio (%)	10.67%	8.81%

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

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2026 and 31st March, 2025.

B. Dividend

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
For the year ended, the directors have recommended final dividend of ₹ 3.00/- per fully paid equity share PY: ₹3/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	233.21	233.21



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

38 Dues to Micro and small enterprises

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

All amount ₹ in lakhs, unless otherwise stated

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount	6.95	6.73
Interest due	-	-
ii) Amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
iii) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
v) Amount of further interest remaining due and payable even 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 a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

Note: Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

39. Ind AS 115 – Revenue from Contracts with Customers

A. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue from contract with customer as per contract price	7,886.15	8,922.29
Less: Discounts and Incentives	-	-
Less: Sales Returns/Credits/Reversals	-	-
Revenue from contract with customer as per statement of profit and loss	7,886.15	8,922.29

The amounts receivable from customers become due after expiry of credit period which on an average is 15 to 30 days. There is no significant financing component in any transaction with the customers.

The Company does not provide performance warranty for products, therefore there is no liability towards performance.

The Company does not have any material performance obligations which are outstanding as at the year end as the contracts entered for sale of goods are for short term in nature.

(B) Reconciliation of revenue recognised from Contract liability (Advance from Customers):

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening contract liability	115.49	133.41
Closing contract liability	170.50	115.49



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

40. Analytical Ratios

All amount ₹ in lakhs, unless otherwise stated

S.No.	Ratio	Current Year	Previous year	Variance (%)	Reasons
(a)	Current ratio (in times)	2.88	3.70	(22.15)	
(b)	Debt-equity ratio (in times)	0.26	0.21	22.95	
(c)	Return on equity ratio (in %)	(13.17)	(6.37)	(106.86)	Net Profit decreased by due to heavy losses incurred during the current year
(d)	Inventory turnover ratio (in times)	43.36	41.77	3.82	
(e)	Trade receivables turnover ratio (in times)	22.77	20.12	13.15	Decrease in sales volume
(f)	Trade payables turnover ratio (in times)	1.79	3.08	(41.72)	Due to decrease in purchases, the turnover increased
(g)	Net capital turnover ratio (in times)	9.67	12.65	(23.60)	
(h)	Net profit ratio (in %)	(0.31)	(0.15)	(104.56)	Turnover reduced from ₹89.22 Cr to ₹ 78.86 Cr for the year
(i)	Return on capital employed (in %)	(0.07)	(0.03)	161.98	Net Profit decreased by due to heavy losses incurred during the current year
(j)	Return on Investment	(0.41)	(0.59)	(30.66)	Being drastic stock market effect in the current financial year, the share value of Union Bank also reduced

41 Segment information

The Company's activities are organised into three operating segments namely Cement, Sugar and Power. The Segments are the basis on which the company reports its segment information

Cement division - produce, manufacture, refine and prepare the portland cement

Sugar division - It deals mainly with the crushing of sugar-cane

Power division - It generates and distributes the power

They primarily uses a measure of profit before tax to assess the performance of the operating segments.



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Information about Products:

Revenue from external customers- sale of cement : ₹ 6,364.95 lakhs (P.Y: ₹ 4,786.05 lakhs)

Revenue from external customers- sale of sugar : ₹ 1,521.20 lakhs (P.Y: ₹ 4,136.23 lakhs)

Revenue from external customers- sale of power : ₹ Nil (P.Y: ₹ Nil)

The company has not made external sales to a single customer meeting the criteria of 10% or more of the entity's revenue.

Segment revenue and expenses:

The Company has an established basis of allocating Joint/Corporate expenses to the segments, which is reasonable, and followed consistently. All other segment revenue and expenses are attributable to the segments.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions that are reported as direct offsets in the balance sheet. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. In such cases, the entire revenue and expenses of these assets including depreciation are also allocated to the same segments. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.

Inter segment transfers:

The Company accounts for inter segment sales and transfer at average Market price.

Summary of segment information

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 st March, 2026	31 st March, 2025
A. Revenue		
Segment revenue		
Cement	6,364.95	4,786.05
Sugar	1,625.93	4,387.56
Power	99.00	182.45
	8,089.88	9,356.06
Less: Inter Segment sales	203.73	433.77
Total revenue	7,886.15	8,922.29
B. Segment profit		
Cement	(1,089.87)	(1,256.81)
Sugar	(960.18)	508.19
Power	(305.88)	(96.80)
Segment operating profit	(2,355.94)	(845.42)
Operating profit	(2,355.94)	(845.42)
Finance costs	72.08	512.83
Profit before tax	2,428.02	(1,358.25)
Tax expense	(22.35)	(27.72)
Profit/(Loss) after tax	(2,405.67)	(1,330.53)



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

All amount ₹ in lakhs, unless otherwise stated

Particulars	31 st March, 2026	31 st March, 2025
Segment Assets		
Cement	10,563.76	10,009.32
Sugar	7,822.33	10,770.05
Power	4,573.81	4,488.20
Total assets	22,959.89	25,267.57
Segment liabilities		
Cement	1,704.14	1,500.97
Sugar	2,666.38	2,544.02
Power	3,19.57	319.57
Total liabilities	4,690.10	4,364.56

Particulars	31 st March, 2026	31 st March, 2025
Geographical segment revenue by location of customers		
India	7,886.15	8,922.29
Outside India	-	-
TOTAL	7,886.15	8,922.29

Particulars	31 st March, 2026	31 st March, 2025
Geographical segment assets		
India	22,959.90	25,267.58
Outside India	-	-
TOTAL	22,959.90	25,267.58

42 "Code on Security, 2020":

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company is in the process of restructuring the compensation of its employees and assessed the impact of the changes, consistent with the Labour Codes, draft rule. The Company has presented financial impact under "Employee benefits expense" in the Statement of Profit and Loss. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

43 The Financial Statements were approved and authorised by the Board of Directors of the Company on 28th May, 2026.



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

- 44** 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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lent or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in the persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 45** The accounting software that is being used by the Company for maintaining its books of account does not have the feature of audit trail (edit log) facility both at the application level and database.

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

As per our Report of even date
For M. ANANDAM & CO.
Chartered Accountants
(Firm Registration Number: 000125S)

A.V. Sadasiva
Partner
Membership Number:018404

Place : Hyderabad
Date : 28.05.2026

on behalf of the Board of Directors

P.Veeraiah
Chairman & Managing Director
DIN: 00276769

M.Bhavani Dattu
Chief Financial Officer
(PAN:AECPM1280L)

M V R L S Rao
Company Secretary and
Compliance Officer
(M.No.A10575)



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

ATTENDANCE SLIP

Folio No./ Client ID No :	No. of shares held :
DP ID. :	E-Mail ID :

NAME :

ADDRESS :

I hereby record my presence at the 47th Annual General Meeting of the Company on Monday, 10th August, 2026 at 10.15 A.M. Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500020.

Signature of Shareholder / proxy

PROXY FORM

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/Client Id :
DP ID :

I / We being the member(s) of Kakatiya Cement Sugar & Industries Limited, hereby appoint:

1) _____ of _____ having e-mail id _____ or failing him

2) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 47th Annual General Meeting of the Company to be held on Monday, 10th August, 2026 at 10.15 A.M. at Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500 020 and at any adjournment thereof in respect of such resolutions as are indicated below:



KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

Resolutions	For	Against
1. Audited Financial Statements, Reports of the Board of Directors and Auditors for the year ended 31 st March, 2026.		
2. Declaration of Dividend on Equity Shares.		
3. To appoint a Director in place of Shri J S Rao who retires by rotation and being eligible offers himself for re-appointment.		
4. To approve the Payment of Remuneration to the Managing Director		
5. To re-appointment of Smt. Himabindu Myneni as Non executive Independent Director for a period of five years from 16 th June 2026 (second term)		
6. Ratification of remuneration payable to M/s. Narasimha Murthy & Co., Cost Accountants the Cost Auditors of the Company for the Financial year ending 31 st March, 2027.		
7. To authorise the Managing Director to give Donations under Section 181 of the Companies Act, 2013 to the extent of ₹ 35 lakhs per year to various charity organizations w.e.f 2026-2027 onwards.		

Signed this _____ day of _____ 2026.

Signature of shareholder _____

Affix One Rupee
Revenue Stamp

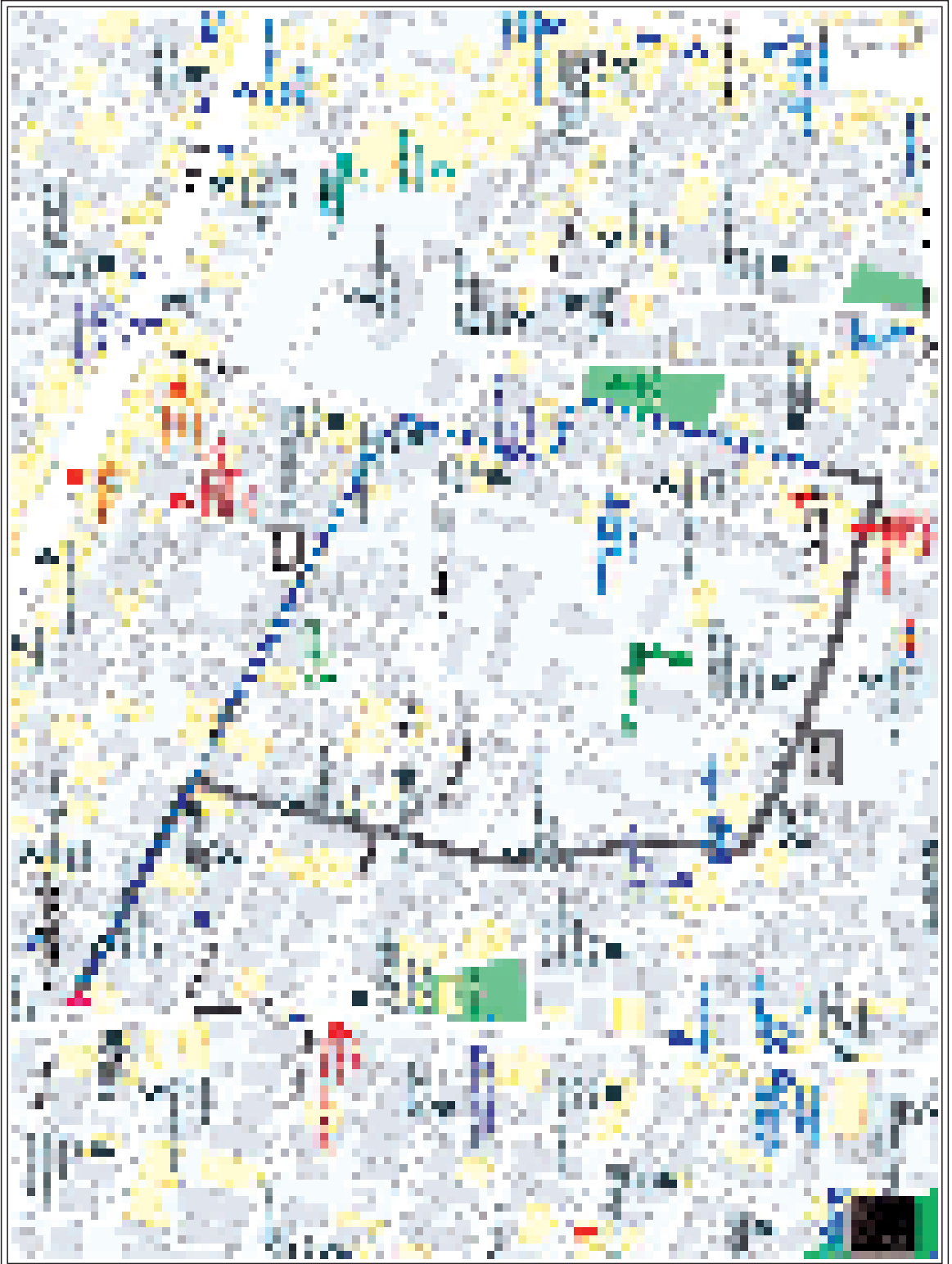
Signature of proxy holder (s)

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting and a Proxy need not be a member of the Company.**
2. Shareholder/Proxy holder, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting venue.
3. Members are requested to advise the change of their address, if any, to the Company at the above address.

Members who have not dematerialized their holdings are requested to do so at the earliest in compliance with the requirements of SEBI.

NO GIFTS / COMPLIMENTS WILL BE DISTRIBUTED AT THE MEETING.





**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

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If undelivered, please return to:



**KAKATIYA CEMENT SUGAR &
INDUSTRIES LIMITED**

1-10-140/1, "GURUKRUPA"
ASHOKNAGAR,
HYDERABAD - 500 020.
CIN No. L26942TG1979PLC002485
Website: www.kakatiyacements.com
Phone: 040-27637717