



CSL/2024-25/110

14th June, 2024

To, BSE Limited Corporate Relationship Department 1 st Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort, Mumbai – 400001. Scrip Code :532443 Scrip ID: CERA	To, National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai – 400051. Scrip Code: CERA
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Dear Sir/Madam,

Sub: Annual Report for the FY 2023-24 along with Notice of the 26th AGM

This is to inform that the 26th Annual General Meeting ("AGM") of the members of the Company will be held on Thursday, 11th July, 2024 at 11.30 a.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 30 and 34(1) of the SEBI (LODR) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2023-24 including the Notice convening 26th AGM which is being sent to the members through electronic mode.

The Annual Report including Notice is also uploaded on the Company's website at www.cera-india.com

We hope you will find the same in order and take the same on records.

Thanking you,
For Cera Sanitaryware Limited.

Hemal Sadiwala
Company Secretary
Encl: As Above

Cera Sanitaryware Limited

Registered Office & Works : 9, GIDC Industrial Estate, Kadi 382715. District : Mehsana, North Gujarat, INDIA
Tele : +91-2764-242329, 243000 E-Mail : kadi@cera-india.com www.cera-india.com

CIN No. : L26910GJ1998PLC034400

CERA

COMMITTED
TO INNOVATION,
OPERATIONAL EXCELLENCE,
AND SUSTAINABLE GROWTH.

ANNUAL REPORT
2023-24



NEW ARRIVALS



A S P E N

Thin Rim Table Top Wash Basin
695 x 450 x 115 mm
Cat. No. A2020126

R I T U A L

Thin Rim Table Top Wash Basin
600 x 400 x 145 mm
Cat. No. A2020132



C O S M O P O L I S

Wall Hung Smart Toilet
600 x 400 x 430 mm



Board of Directors

Mr. Vikram Somany	- Chairman and Managing Director
Mrs. Deepshikha Khaitan	- Joint Managing Director
Mr. Surendra Singh Baid	- Independent Director
Ms. Akriti Jain	- Independent Director
Mr. Anupam Gupta	- Executive Director (Technical)
Mr. Ravi Bhamidipaty	- Independent Director
Mr. Anandh Sundar	- Independent Director (w.e.f. 12 th February, 2024)

Chief Financial Officer

Mr. Vikas Kothari

Company Secretary

Mr. Hemal Sadiwala

Bankers

State Bank of India

Auditors

Singhi & Co.,
Chartered Accountants,
Mumbai.

Registered Office

9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana, Gujarat, India.
www.cera-india.com; Phone : (02764) 243000, 242329
E-mail : kadi@cera-india.com; CIN : L26910GJ1998PLC034400

Corporate Office

7th & 8th Floor, B Wing, "PRIVILON", Ambli BRTS Road, ISKCON Cross Roads, Ahmedabad - 380 059.

Works

- 1) Sanitaryware and Faucetware Plants :
9, GIDC Industrial Estate, Kadi - 382 715, Dist. Mehsana, Gujarat.
- 2) Wind Farms :
 - a) Vill. & Tal. Kalyanpur, Dist. Devbhumi Dwarka, Gujarat.
 - b) Vill. Kadoli, Tal. Abdasa, Dist. Kutch, Gujarat.
 - c) Vill. Jivapar (Anandpar), Tal. Chotila, Dist. Surendranagar, Gujarat.
 - d) Vill. Mota Gunda, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.
 - e) Vill. Navagam, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited
201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009.

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**26th Annual General Meeting at 11.30 a.m. on Thursday,
the 11th day of July, 2024 through Video Conferencing / Other Audio Visual Means.**

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of CERA SANITARYWARE LIMITED will be held at 11.30 am on Thursday, the 11th day of July, 2024 through Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2024 including statement of Profit and Loss and Cashflow Statement for the year ended 31st March, 2024, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
- To declare dividend on Equity Shares for the financial year 2023-24.
- To appoint a director in place of Mr. Anupam Gupta (DIN:09290890), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of ₹ 1.10 Lakh plus out of pocket expenses and applicable taxes, if any for the financial year ending 31st March, 2025, as recommended by the Audit Committee and approved by the Board of Directors of the Company to be paid to K.G. Goyal & Co., Cost Accountants for conducting the Audit of the Cost records of the company be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval of the members be and is hereby accorded in terms of Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 ('Act') and relevant rules made thereunder, including any amendment(s), modification(s), replacement(s) or reenactment(s) thereof for the time being in force for the re-appointment of and for the remuneration payable to Mr. Anupam Gupta (DIN: 09290890) as an "Executive Director (Technical)" of the Company for a period of Three (3) years w.e.f. 15th October, 2024 at a remuneration and other terms as mentioned in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT Mr. Anupam Gupta, Executive Director (Technical) will be liable to retire by rotation.

RESOLVED FURTHER THAT Executive Director (Technical) is also entitled to the benefits as per the rules of the Company, which the other senior executives / employees of the Company are entitled to.

RESOLVED FURTHER THAT the overall remuneration payable to Mr. Anupam Gupta shall not exceed the limits prescribed under the applicable provisions of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, wherein in any financial year during the currency of his tenure, the Company has no profits or the profits are inadequate, the Executive Director (Technical) will be paid Minimum Remuneration within the ceiling limit prescribed under Section II of Part II of Schedule V of the Act or amendment(s), modification(s), replacement(s) or reenactment(s) thereof for the time being in force subject to disclosure and other compliance as may be required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to this resolution or otherwise considered by the Board in the best interest of the Company, as it may deem fit."

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 and other applicable provisions if any of the Companies Act, 2013 ('the Act') and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for adoption of the new set of Articles of Association of the Company in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, to sign such documents as may be necessary, proper or desirable (including but not limited to filing of necessary notices with Stock Exchanges, e-forms and returns with the Ministry of Corporate Affairs or elsewhere) and to carry out modifications/alterations as may be suggested by any regulatory authority in connection with the adoption of the new set of the Articles of Association of the Company and to do all such acts, deeds, matters and things, including delegating such vested authority, as may be considered necessary, proper or expedient in order to give effect to this resolution."

Regd. Office :
9, GIDC Industrial Estate,
Kadi – 382 715
Dist. Mehsana, Gujarat.
CIN : L26910GJ1998PLC034400
13th May, 2024
Ahmedabad

By Order of the Board of Directors
For Cera Sanitaryware Limited

Hemal Sadiwala
Company Secretary
(ACS:20741)

NOTES

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 dated 5th May, 2020 and 9/2023 dated 25th September, 2023, and other circulars issued in this respect ("MCA Circulars") has allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th September, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI Circulars HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"). Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The detailed procedure for participation in the Meeting through VC / OAVM is as per Note No. 20.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated Notice of the AGM alongwith the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2023-24 is also be available on the Company's website www.cera-india.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com & National Stock Exchange of India Limited at www.nseindia.com and notice of AGM is available on the website of CDSL: www.evotingindia.com. Members who have not registered their email address are requested to get their email address registered with their DP in case the shares are held in electronic mode and with Company's Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, Ahmedabad in case shares are held in Physical Form. This may be treated as an advance opportunity in terms of proviso to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014.
3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@parikh-dave.com with a copy marked to helpdesk.evoting@cdslindia.com.
6. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, Email Address, Telephone / Mobile Numbers, Permanent Account Number (PAN), Mandates, Nominations, Power of Attorney, Bank details such as, Name of the Bank and Branch details, Bank Account

Number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MCS Share Transfer Agent Limited, Ahmedabad in case the shares are held by them in physical form.

7. The Register of Members and Share transfer book of the Company will remain closed from 26th June, 2024 to 3rd July, 2024 (both days inclusive).
8. The Board of Directors has recommended Dividend of ₹ 60/- (1200%) per fully paid-up equity share of ₹ 5/- each for the Financial Year 2023-24.
9. Statement pursuant to provisions of Section 102 of the Companies Act, 2013 and SEBI Listing Regulations, in respect of special businesses in the annual general meeting is annexed herewith and forms integral part of the Notice.
10. The Company has transferred the unpaid/unclaimed dividends up to the financial year 2015-16 to the Investor Education and Protection Fund Authority (IEPF Authority) established by the Central Government and uploaded the details of unpaid / unclaimed dividend on the website of the Company at www.cera-india.com.

Members who have not encashed their dividend warrants from the financial year 2016-17 onwards are advised to write to the Company immediately for claiming dividends declared by the Company.

Financial Year	Date of declaration of dividend	Dividend payment %	Expected date of transfer of unpaid dividend to IEPF Account
2016-17	27-07-2017	240	27-08-2024
2017-18	30-08-2018	240	30-09-2025
2018-19	31-07-2019	260	30-08-2026
2019-20*	14-02-2020	260	14-03-2027
2020-21	04-08-2021	260	03-09-2028
2021-22	30-06-2022	700	29-07-2029
2022-23	06-07-2023	1000	05-08-2030

* Interim Dividend

11. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and its amendment made from time to time, all the shares on which dividend has not been paid or claimed for seven consecutive years or more, such shareholders' shares are required to be transferred to the Investor Education and Protection Fund. Company would be sending individual communications to all such shareholders whose dividend has not been paid or claimed for any year during the said seven consecutive years requesting them to claim their dividend before the due date of transfer failing which their shares would be transferred to the IEPF. Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the IEPF Authority at www.iepf.gov.in. Such shareholders are requested to update their KYC, claim their shares and unclaimed / unpaid dividend immediately.

12. SEBI Master circular no. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/ 70 dated 17th May, 2023 provides simplified norms for processing investor's service request, the shareholders holding shares in Physical mode are mandatorily require to record their PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination with the Company/Registrar & Share Transfer Agent (RTA) of the Company. Shareholders are also requested to make sure that their PAN is successfully linked with Aadhaar Card. Original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook / statement attested by the bank which is mandatory for registering the new bank details at the earliest to MCS Share Transfer Agent Ltd.

The relevant formats for Change/Updation of KYC Details like, Mobile Number, Email ID, Bank Details, Signature and Registration of Nomination or Opting Out of Nomination are in Form ISR-1, ISR-2, ISR-3, SH-13, SH-14. All these form and SEBI circulars are available on Company website as well as the website of MCS Share Transfer Agent Ltd.

Nomination facility is available for the Members as per Section 72 of the Act. Members of the Company have an option to nominate any person as their nominee to whom their shares shall vest in the unfortunate event of their death. It is advisable to avail this facility, especially by the Members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission of shares by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to Depository Participant (DP).

13. The Securities and Exchange Board of India ("SEBI"), vide Circulars dated 31st July, 2023, 4th August, 2023 and 20th December, 2023 respectively, has introduced a Common Online Dispute Resolution ("ODR") mechanism to facilitate online resolution of all kinds of grievances/disputes/complaints arising in the Indian Securities Market. The said ODR Portal (<http://smartodr.in/login>) permits the shareholder(s) an additional mechanism to resolve the grievances/complaints/disputes. Details of the same are also made available on the website of the Company.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 30th June, 2024 through email on ceragreen@cera-india.com. The same will be replied by the Company suitably. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members at the Registered Office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.
15. Only those Shareholders whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 4th July, 2024 shall be entitled to avail the facility of remote e-voting or voting at the Annual General Meeting.
16. During the AGM, the scanned copy of Minutes of the General Meetings, Register of Directors & Key Managerial Personnel and their Shareholding, Register of Charges, Register of Members, the Register of Contract maintained by the Company under the Companies Act, 2013, will be available for inspection by the members on the website of the Company.

17. Payment of Dividend:

Shareholders holding shares in Electronic Form:

Such shareholder may note that their bank account details linked with their demat accounts, as furnished by their depositories to the RTA of the Company will be considered by the Company for payment of Dividend. Shareholders who are holding shares in electronic mode are requested to make sure that they have linked/updated latest and correct details of Bank Account Number, Name of Bank, Branch address, MICR Code, IFSC Code with their Demat Account maintained with their respective Depository Participant (DP). The Company will not entertain any direct request from such shareholders for update / change in such bank details. Shareholders who wish to change such bank account details are, therefore, requested to advise their Depository Participants about such change, with complete details of bank account. In case the Company is unable to pay the dividend to such Shareholders by the electronic mode, due to non-availability of the complete details of the Bank account, the Company shall dispatch the Dividend Warrants / Demand Drafts to such Shareholders in physical mode by post to their registered address.

Shareholders holding shares in Physical Form:

SEBI, vide its Master Circular dated 17th May, 2023 and subsequent notifications thereto, had made it mandatory for holders of physical shares to furnish details of PAN, KYC (Postal Address, Mobile Number, E-mail, Bank Details, Signature) and Nomination / opt out of Nomination.

Further SEBI has mandated that with effect from 1st April, 2024, dividend to Shareholders (holding shares in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

In order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means, are requested to follow the below instructions and send the following documents in original to the RTA, latest by 20th June, 2024 a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.cera-india.com/investor-relations/for-physical-shareholders> and on the website of the RTA at: <https://www.mcsregistrars.com/downloads.php> b) Cancelled cheque in original, bearing the name of the shareholder or first holder, in case shares are held jointly. c) Self-attested photocopy of the PAN Card of all the holders; and d) Self-attested photocopy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company

18. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate e-mail will be sent at the registered e-mail ID of the members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company www.cera-india.com.

19. Brief resume of directors, who are proposed to be re-appointed at this meeting are given below:

Name of Director	Mr. Anupam Gupta
DIN	09290890
Date of Birth	21 st May, 1968
Date of Appointment / Re-Appointment	15 th October, 2021 (Re-appointed as Executive Director (Technical) (w.e.f. 15 th October, 2024)
Qualification	B.E. (Electrical) & MBA
Brief Resume and Nature of expertise in specific functional areas	Responsible for overall aspects of manufacturing activities, Human Resources & Industrial Relations, Information Technology, Commercial, Sourcing and Legal Matters.
List of other Directorships	None
Chairman / Member of the Committees of the Board of other Companies	None
Terms and conditions of re-appointment	As per Explanatory Statement annexed to this notice.
Disclosure of relationship between Director Inter-se	None
Shareholding in the Company	NIL
No. of Board Meetings attended during FY 2023-24	4
Listed entities from which the person has resigned in the past three years.	NIL

20. INSTRUCTION FOR E-VOTING AND JOINING THE AGM:

- a) 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), SEBI Circulars and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- d) Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.

e) THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period will begin on 8th July, 2024 and will end on 10th July, 2024. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th July, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 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 shareholders / retail shareholders 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 shareholders.

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 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below :

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 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 evoting is in progress as per the information provided by company. On clicking the evoting 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 16 Digit Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account.

	<p>After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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.nsd.com either on a Personal Computer or on a mobile. 2) 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 or joining virtual meeting & voting during the meeting. 3) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 4) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 or joining virtual meeting & voting during the meeting

<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>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 or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders 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 022-23058738 and 22-23058542 / 43 or call at toll free No. 1800 22 55 33.
Individual Shareholders 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 and joining virtual meeting for Individual shareholders holding shares in Physical Form and shareholders other than individual shareholders holding shares in Demat form / physical form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" 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. Shareholders 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 Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> - Shareholders 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)	<p>Enter the 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.</p> <ul style="list-style-type: none"> - 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).

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant <Cera Sanitaryware Limited> on which you choose to vote.
- 11) 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.
- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) 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.

- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) 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.

(vi) INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- 1) Non-Individual shareholders (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.
- 2) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 3) 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.
- 4) 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.
- 5) 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 mandatory in PDF format in the system for the scrutinizer to verify the same.
- 6) Alternatively Non Individual shareholders are required mandatory 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; company email id i.e. ceragreen@cera-india.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(vii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- 1) For Physical shareholders- please provide necessary details like Folio No., Name of

shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of AADHAAR Card) by email to Company / RTA email id.

- 2) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- 3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

(viii) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 2) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 3) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 4) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at (company email ID i.e. ceragreen@cera-india.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id i.e. ceragreen@cera-india.com). These queries will be replied to by the company suitably by email.
- 5) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 6) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com, under help section or you can write an E-mail to helpdesk.evoting@cdslindia.com or contact

at 022-23058738 and 022-23058542/43 or call at toll free no. 1800 22 55 33.

- 7) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) 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 contact at 022-23058738 and 022-23058542/43 or call at toll free no. 1800 22 55 33.

(ix) INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- 1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - 2) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
 - 3) Only those shareholders, who are present in the AGM through VC / OAVM facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - 4) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 - 5) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
21. Mr. Umesh Parikh, failing him Mr. Uday Dave, Partner of Parikh Dave & Associates, Practicing Company Secretaries, Ahmedabad (A Peer reviewed Firm) has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.
22. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the company and make, not later than two working days from conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, be submitted to the Chairman or a person authorized by him in writing who shall countersign the same.

23. The Results will be declared on receipt of Scrutinizer's Report at the Registered office of the Company at 9, GIDC Industrial Estate, Kadi - 382715. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cera-india.com and on the website of CDSL immediately and communicated to the NSE and BSE. The resolutions shall be deemed to have been passed on the date of the AGM, subject to the same being passed with requisite majority.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

The Board of Directors on the recommendation of the Audit Committee has appointed Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2025 and approved the payment of remuneration payable to them. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025. The Board of Directors recommends the ordinary resolution as per item No. 4 of the accompanying notice for approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, concerned or interested financially or otherwise in the said resolution as per item no. 4 of the Notice.

Item No. 5

Mr. Anupam Gupta is working as an Executive Director (Technical) of the Company. The Board of Directors at their meeting held on 31st August, 2021 had appointed him as an Executive Director (Technical) of the Company for period of Three (3) years w.e.f. 15th October, 2021 and his appointment was approved by the Members of the Company at their 24th the Annual General Meeting held on 30th June, 2022. His term as Executive Director (Technical) of the Company is expiring on 14th October, 2024.

Upon recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors at their meeting held on 13th May, 2024, re-appointed Mr. Anupam Gupta as an Executive Director (Technical) of the Company for the further term of Three (3) years effective from 15th October, 2024, subject to the approval of members of the Company at the ensuing Annual General Meeting.

Mr. Anupam Gupta is B.E. (Electrical) & MBA. He is highly experienced and looking after overall aspects of manufacturing activities at Cera.

During his tenure, Mr Gupta has been responsible for the operations of the Sanitaryware and Faucetware plants, Human Resources and Industrial Relations, Information Technology activities, Legal affairs, as well as commercial and sourcing activities.

During his three-year tenure, Mr. Gupta achieved the following milestones:

- Global Yield of Sanitaryware plant's production increased from 60% to 85%.
- Leveraging synergy of resources effectively in both sanitaryware and Faucet ware plants for cost benefits and skill development.

- Active collaboration between workers and staff in plants for industrial peace and productivity.
- Reduction in cost by formulation and implementation of high impact projects.
- Initiated new innovative products development in Plants for new SKU.
- Improvement in Products Quality and Delivery to remain competitive in the market.
- Increase in faucet ware production from 21.6 Lakhs pieces to 36 Lakhs pcs per annum through debottlenecking in the existing process.
- Completion of faucet ware brown field expansion with annual capacity from 36 Lakhs pieces to 48 Lakhs pieces per annum with cost effective Capex.
- Implementation of installing high technology machine in Faucet ware Plant for best Quality and efficiency.
- Utilization of more than 85% energy from green energy from solar and windfarm.
- Plant upgraded to achieve Zero Liquid discharge status for sustainability.

Priority of task for upcoming years;

- Capacity utilization of both the plants to 100% to meet the market requirements.
- To implement green field expansion of sanitaryware plant.
- To Increase capacity of Faucet ware plant from 48 Lakhs pieces to 72 Lakhs per annum.
- Increase production of high value products as well as lustre series in plants.
- Quality improvement initiatives to be strengthened in both plants.
- Continuous upgradation of technology to improve cost, quality and products.
- To improve supply chain management to delivery of products to customers on time.
- To improve service of cera care by new digital portal for customer delight.

He has wealth of experience and direct manufacturing expertise along with overall general management and industry experience of more than 33 years. Before joining the CERA, he was former Unit head of the Insulator Division, Aditya Birla Insulators, Halol (a unit of Grasim Industries Ltd). He has worked with various companies in cement, textiles, chemicals and ceramics industries, spending seventeen years in the Aditya Birla Group. He has wide experience in the initiation and development of large-scale greenfield manufacturing facilities.

He is designated as an Executive Director (Technical) and discharging duties and functions subject to the superintendence, direction and control of the Board of Directors and/or Chairman and Managing Director and/or Joint Managing Director of the Company.

He is 'Occupier' under the Factories Act and following all roles and responsibilities for the position under the said Act. He is nominated and in-charge of and be responsible for the conduct of business of the Company or any establishment / branch / unit thereof under The Legal Metrology Act, 2009.

He shall be liable to retire by rotation.

He shall not exercise the powers as an Executive Director (Technical) which are required to be exercised by the company in general meeting and / or by Board of Directors.

The principle terms and conditions of re-appointment of Mr. Anupam Gupta, Executive Director (Technical) are as follows:

1. **Period of Appointment:** Three (3) years w.e.f. 15th October, 2024.

2. **Remuneration:**

a) **Basic Salary:** In the range of ₹ 13,31,758/- per month with annual increase upto a maximum of 15% per annum after approval from the Board.

b) **Perquisites:**

Category – A

a) **Accommodation :** Free furnished housing accommodation and/or house rent allowance subject to 50% of Basic Salary.

b) **Leave Travel Concession :** For self and family once in year to and from any place in India in accordance with Rules of the Company.

c) **NPS :** Upto maximum of 10% of the basic

d) **Bonus :** As per rules of the Company as applicable to other executives / employees of the Company.

e) **Performance Incentive :** In the range of ₹ 83,00,000/- per annum on criteria which shall be decided by the Board of Directors and / or the Chairman and Managing director on a periodical basis. This amount may be increased upto maximum of 25% p.a. after approval of the Board.

f) **ESOS :** He shall be eligible for the Employees Stock Option as per Cera Sanitaryware - Employee Stock Option Scheme 2024 and this shall be in addition to his remuneration.

g) **Gratuity :** Gratuity payable in accordance with the Company's scheme thereof as applicable to other executives / employees of the company.

Category – B

a) **Contribution to Provident Fund or Annuity Fund:** As per the rules of the Company as applicable to other executives / employees of the Company.

Category – C

a) **Free telephone facility at residence and a mobile telephone.** Personal long distance calls on telephone will be billed by the Company to the appointee.

b) **Use of Company owned car with driver, fuel and maintenance expenses upto a maximum of ₹ 12 Lakhs per annum.**

Others:

a) **Executive Director (Technical)** is also entitled to the benefits as per the rules of the Company, which the other senior executives / employees of the Company are entitled to.

b) He will not be entitled to Sitting Fee for attending the meetings of the Board of Directors or Committee(s) thereof.

The Board or Committee thereof, in its absolute discretion will fix within the range stated above the remuneration payable to the Executive Director (Technical) depending on his performance.

However, total remuneration payable to Mr. Gupta shall not exceed 5% of the net profit of the Company and total remuneration payable to all working directors shall not exceed 10% of the net profit of the company in any financial year, calculated in accordance with the provisions of Section 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder or any amendment, modification or reenactment thereto from time to time. In the event of absence or inadequacy of profit in any financial year during the tenure of his appointment, total remuneration payable shall not exceed the maximum limit prescribed under Schedule V of the Companies Act, 2013, rules made thereunder or any amendment(s), modification(s) or replacement(s) or re-enactment(s) thereof from time to time, if any, to the extent with necessary approvals.

3. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, including the maximum remuneration payable to the Executive Director (Technical) in accordance with section 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder or any amendment(s), modification(s) or replacement(s) or re-enactment(s) thereof from time to time.
4. If at any time Mr. Gupta ceases to be a Director of the Company for any cause whatsoever, he will cease to be the Executive Director (Technical).
5. Mr. Gupta, Executive Director (Technical) may resign from the service of the Company by giving three months' notice in advance. Similarly, the Company has the right to terminate his service as Executive Director (Technical) at any time by giving three months' notice in writing or salary in lieu thereof.

Pursuant to the requirement of Section 203 of the Companies Act, 2013 and applicable rules in force, Mr. Anupam Gupta shall continue to be treated and designated as Key Managerial personnel of the Company. Mr. Gupta will also continue to be appointed as designated officer under any other Act, Regulations as may be required under the instruction of Chairman and Managing Director on time to time basis.

Pursuant to the provision of Sections 196, 197, 203 and Schedule V of the Companies Act, 2013 the approval of members by way of ordinary resolution shall be required for re-appointment and payment of remuneration to Whole Time Director/Executive Director of the Company. Hence necessary resolution has been proposed for the approval of members.

A copy of agreement with Mr. Anupam Gupta is open for inspection at the registered office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except, Saturday upto the date of this Annual General Meeting.

The Board of Directors recommends the Ordinary resolution as per item No. 5 of the accompanying notice for approval of the members of the Company.

Except, Mr. Anupam Gupta, none of your directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the said resolution as per item no. 5 of notice. The disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as notes to this notice.

This explanatory statement also be regarded as a disclosure under any other Acts, Rules and Regulations.

Item No. 6

The existing Articles of Association ("AOA") of the Company were framed in terms of the provisions of the Companies Act, 1956. In order to bring the existing AOA of the Company in line with the provisions of the Companies Act, 2013 ("the Act"), the Company will have to make numerous changes in the existing AOA. It is therefore considered desirable to adopt a comprehensive new set of Articles of Association of the Company, in substitution of and to the exclusion of the existing AOA.

Pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Act and the rules framed thereunder, amendment of Articles of Association of the Company requires approval of the members of the Company by way of passing a Special Resolution to that effect.

Accordingly, approval of the Members of the Company is hereby sought by way of Special Resolution as set out in Item No. 6 of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the resolution at Item No. 6 of the accompanying Notice.

A copy of the proposed set of new Articles of Association (AOA) of the Company is available on the website of the Company at <https://www.cera-india.com/investor-relations/shareholder-and-agm-information>. A copy of the proposed set of new AOA of the Company would be available for inspection at the Registered Office of the Company during the business hours on any working day during the e-voting period.

Your Directors are of the opinion that it will be in the Company's interest to adopt a new set of Articles of Association of the Company, as re-stated, and therefore, recommend to approve the resolution at Item No. 6 of the accompanying Notice for approval by the members of the Company as a Special Resolution.

Regd. Office :
9, GIDC Industrial Estate,
Kadi – 382 715
Dist. Mehsana, Gujarat.
CIN : L26910GJ1998PLC034400
13th May, 2024
Ahmedabad

By Order of the Board of Directors
For Cera Sanitaryware Limited

Hemal Sadiwala
Company Secretary
(ACS:20741)

Directors' Report

To
The Members,

The Directors have pleasure in submitting the 26th Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2024.

Performance

The summary of your Company's financial performance on standalone basis is given below:

Standalone	(₹ in Lakhs)	
	Yearended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations	1,87,123.47	1,80,318.40
Earnings before Interest, Taxes, Depreciation & Amortisation and Exceptional Item (EBITDA)	35,543.07	32,256.88
Interest	529.93	540.07
Depreciation	3,437.37	3,044.24
Profit before taxes and Exceptional Item	31,575.77	28,672.57
Exceptional Item	(155.57)	(500.00)
Profit before tax	31,420.20	28,172.57
Tax Expense:		
- Current Year	6,467.37	7,017.39
- Deferred Tax	1,035.93	189.60
Net Profit for the year	23,916.90	20,965.58

The summary of your Company's financial performance on consolidated basis is given below:

Consolidated	(₹ in Lakhs)	
	Yearended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations	1,87,941.18	1,81,049.48
Earnings before Interest, Taxes, Depreciation & Amortisation and Exceptional Item (EBITDA)	36,277.47	32,854.09
Interest	582.09	604.83
Depreciation	3,654.83	3,260.74
Profit before taxes and Exceptional Item	32,040.55	28,988.52
Exceptional Item	(155.57)	(500.00)
Profit before tax	31,884.98	28,488.52
Tax Expense :		
- Current Year	6,690.65	7,164.75
- Deferred Tax	1,062.60	218.68
Net Profit for the year	24,131.73	21,105.09

Transfer to Reserves

The Company has transferred a sum of ₹ 6,113.38 Lakhs to General Reserve in the current year (previous year ₹ 5,462.66 Lakhs).

Highlights / Performance of the Company

Revenue from Operations of the Company for the year increased by 3.8% (₹ 1,87,123.47 Lakhs in FY 2023-24 as compared to ₹ 1,80,318.40 Lakhs in FY 2022-23).

EBITDA for the year increased by 10.2% (₹ 35,543.07 Lakhs in FY 2023-24 as compared to ₹ 32,256.88 Lakhs in FY 2022-23).

Profit after Tax for the year increased by 14.1% (₹ 23,916.90 Lakhs in FY 2023-24 as compared to ₹ 20,965.58 Lakhs in FY 2022-23).

Exceptional Item :

The Company acquired share capital worth Rs 806 Lakhs for 26% stake in M/s Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo. As a matter of abundant caution, the Company has fully provided impairment of its investment in Milo (net of payables) to the tune of ₹ 655.57 Lakhs (₹ 500.00 Lakhs in FY 2022-23 and ₹ 155.57 Lakhs in FY 2023-24). The same is disclosed as an "Exceptional Item". Without prejudice to the above, the Company is taking all necessary steps for recovery of its Equity investment including legal recourse. Recently, the Hon'ble High Court of Gujarat has appointed an arbitrator to adjudicate the case and the first hearing in the matter is yet to be held.

Further, in view of the above ongoing dispute and in accordance with Ind AS 28 "Investment in Associates", the management has reclassified its Investment in Milo from "Investments in Associates" to "Other Investments".

Dividend

Your Directors recommended a dividend of ₹ 60/- per share (1200%) [Previous year Dividend of ₹ 50/- per share (1000%) on 1,30,05,874 Equity Shares of ₹ 5/- each fully paid for the year ended 31st March, 2024, to be paid subject to the approval of the members at the ensuing Annual General Meeting.

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Dividend Distribution Policy of the Company is available on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/dividend-distribution-policy>

During the year, the unclaimed dividend pertaining to the financial year ending 2015-16 were transferred to the Investor Education and Protection Fund.

Sanitaryware Unit

Your Company has aligned the production in response to the market demand, leveraging all available resources effectively.

The active collaboration between workers and staff in implementing new initiatives focused on safety, quality, delivery and cost has yielded significant improvements. This concerted effort has led to enhanced product yield and ensured timely delivery of products.

During the year a substantial portion of land parcel was acquired for our greenfield expansion Project of Sanitaryware unit.

Your Company is adhering to the best manufacturing practices to cultivate a culture of Continuous Improvement through activities such as waste elimination, small improvements like Kaizen, dedicated projects aimed at cost-saving and sustainability, there

has been a notable enhancement in the utilization of deployed resources.

Your company remains steadfast in its commitment to pioneering new and innovative product designs, such as the one-piece symphonic EWC, high-end rimless Wall Hung EWC, innovative colours and Lustre series products, through its dedicated New Product Development (NPD) team. By institutionalizing various knowledge-sharing forums, review mechanisms, process controls, and standard operating procedures, we have successfully achieved repeatability and reproducibility across new SKUs.

The active participation of workmen in diverse activities such as sports days, counselling sessions, reward and recognition programs, and various continuous improvement initiatives is fostering a culture of positivity and trust-building at the shop floor. This engagement not only promotes employee well-being but also enhances morale and strengthens the bond between the workforce and the Company.

Your company remains dedicated to delivering high-quality products to our valued customers in accordance with demand, while ensuring optimal utilization of resources. This commitment underscores our focus on meeting customer expectations while maximizing efficiency across our operations.

Faucet ware Unit

Your Company has shown growth, yet another year in terms of production and sales volume, which lead the company to reach to the higher level of achievements. Company has the culture of continual improvements and shall continue achieving the same through various debottlenecking projects and automation of the processes.

Your Company expects even higher growth in the coming times in its Faucets business. With this in view, as you know, company had launched new colour faucet designs in line with the changing customer preferences and market need. We have now launched 84 additional new products in 3 ranges which has come to total launch of more than 400 new colour SKUs. We have developed strong capability to supply the rising demand in less than 60 days.

Your company has completed expansion with consent from government authority to operate at the total capacity of 4.8 Million Pcs per annum. The factory holds strong Zero Liquid Discharge status which keep it separate and unique.

Your company remains dedicated to deliver high-quality products and has enhanced its world class manufacturing technology with new additions of Japanese CNC technology. Your company is adhering to the best manufacturing practices to cultivate a culture of Continuous Improvement by small improvements like Kaizen through small group activities. Your company is committed to focus on customer expectations while maximizing operational excellence.

Your company is committed to focus on conservation of natural resources. Company will also emphasis the development and sale of WATER saving products which are very crucial for the sustenance of environment and preservation of ecosystem. There are close to 48% of products offering in the portfolio which can also be offered as water saving products.

Bathware Unit

Your Company continued launches of new products and designs. New designer bathroom suites, wellness products, technology-based products like Smart electronic toilets, Tankless Wall Hung closets, and One Pc EWC's with Vibe sense touchless flushing

technology and modern design tabletop basins along with wall-hung closets for retail spaces were developed and launched.

Senator by CERA

As luxury segment is gaining traction, Senator is positioned as a high-end brand offering new designer sanitaryware, faucets, and wellness products targeting affluent Consumers, Architects, and Interior designers.

CERA Luxe

CERA Luxe offers premium SKUs across the diverse range of CERA Products.

Lustre by CERA

Lustre by Cera was yet another brilliant design innovation. With the market response and increase in demand, your company increased the product offering and introduced new stunning colours such as Dark Grey, Coffee, Beige, French Gold, Rose Gold, and Platinum.

Highest Share of voice in Media

Your company CERA used a high-impact media strategy to increase the brand reach and consumer exposure. A combination of GEC (General Entertainment Channels) – Impact properties and news programs used to expose our TV Campaign 'This is your space, Play it your way' on television to consumers and managed to be the most visible brand on TV.

Our media mix had high-frequency English / Hindi and Regional news channels. For HSM (Hindi Speaking Market) market, your company took "Khatron Ke Khiladi" and "Kaun Banega Crorepati" the biggest shows of Indian Television as Special Partner and associate sponsor respectively.

For Non-HSM market, Big Boss Season-7 Telugu version was sponsored for Telangana and Andhra Pradesh market, Big Boss Season – 10 Kannada as special partner sponsorship for Karnataka market, and your company advertised heavily in the News channels – Hindi, English, and Regional languages.

Brand CERA in Digital Media

Engaging with today's consumers through digital platforms is crucial, and your company is actively evolving by implementing various digital initiatives through social media to connect with consumers through engaging contests. Other initiatives i.e. Google display ads, remarketing & Sustenance campaigns, and SEO were also taken to enhance brand visibility and search presence. Additionally, your company is also supporting channel partners by introducing a Lead Management System, which helps them get online business leads through the company website.

Trade expansion and development with brand stores

A complete transformation of brand stores was undertaken to elevate the consumer experience and your company successfully opened 500 new stores in the last financial year.

CERA focused to support channel partners by helping them to build brand stores – Cera Style Galleries, Cera Style Hub, Cera Style Centre, Cera Tile Galleries and Cera Tile Centres. This initiative created a strong brand pull in the market and gave our consumers an experience to remember and facilitate better decision-making. CERA also opened a company-owned Studio in Bengaluru and is coming up with new studios in Mohali and Lucknow.

Core Business

Our efforts will remain consistent and true to build our core businesses - Sanitaryware, Faucets and Tiles.

Loyalty Program

After the huge success of the CERA Superstar Retailer loyalty program with a community of 19,500+ retailers, your company launched CERA Star Plumber. This program achieved remarkable success as well, with a community of over 20,000+ plumbers.

Skill development and Training

CERA rigorously conduct training sessions to upskill the knowledge of plumbers and masons. This enables them to get better wages, resolve customer query satisfactorily and install products hassle-free. CERA thrives to bring One Culture One Communication among all employees in the organisation, hence various training sessions organised for workers and employees on One culture.

Awards

CERA won the most affiliated awards such as “Super Brand 2023-24” and was also recognized by ET Now Best Realty Brands 2024 and Reader’s Digest Trusted Brand 2023.

Tiles Unit

Your Company made rapid strides in the Tiles segment by launching 500+ new designs.

Packaging Unit

CERA holds 51% stake in Joint Venture unit i.e. Packcart Packaging LLP for manufacture of corrugated boxes which has now achieved full utilisation of production. The products are now available on a just in time basis, built to the exact specifications for the Company.

Polymer Unit

The Joint venture for Polymer Products unit i.e. Race Polymer Arts LLP for manufacturing of seat covers and cisterns has reached optimum capacity of its production during the year. Cera holds 51% Stake. The quality products are available and capacity utilization has increased gradually during the year.

Green Energy Unit

As a part of national policy and green energy initiative, Cera has initiated renewable energy capabilities in 1995. The Company has energy security and stabilized power cost by generation of electricity through renewable sources for captive use through windfarms and solar. The current installed capacity of renewable energy through windfarms and solar stands to 10.325 M.W.

During the year the Company has produced 148.11 Lakhs KWH power through renewal sources for captive use.

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

Conservation of energy

The Company has two sources of its main energy, viz. Natural Gas- GAIL and Sabarmati Gas Ltd., for operating its Sanitaryware facility. The pricing of both sources differs, as GAIL sources gas from isolated wells in and around Cera’s manufacturing facility and is able to contract gas at a lower price over prevailing market pricing. Medium term contracts with these suppliers were renewed last financial year. For energy conservation, the company has installed fuel efficient burners to control gas consumption and in addition to this, every effort is made by the company to adapt any technological developments in energy conservation.

Energy Conservation Project in the Existing System

- Main thrust given to kiln waste heat utilizations for Greenware and mould dryers.

- Gas pipeline and pressure regulators standardizations to operate efficiently at lower gas pressure.
- Improvement plant efficiency led to lower consumption of energy.
- Reduction of casting drying energy consumption through area wise weekly off in place of staggered weekly off.
- Closed heating system in place of open heating system at casting initiative helped reduce drying time.

The second energy, viz. electricity, required for running the machineries, is supplied by the local Discom. To compensate the energy consumption by way of electricity, your Company has an installed capacity of Wind Turbines of 8.325 MW and Solar Plants of 2.00 MW which generates about most of the Company’s electricity requirement, and this gets offset against monthly consumption of the energy bill.

- Slip ring induction motors replaced with High efficiency motors (IE-3)
- Energy efficient ceiling fan replaced 100% across SW and FW plant.
- LED and Optimization sensor light across the plant (SW&FW).
- Timer controlled electrical equipment operations like HF Plant, Water coolers, ACs, Street light etc.
- Improvement in power factor (Installation of Automatic power factor Bank).
- Installation of energy efficient imported electric furnace in FW division
- Periodic audit of air and energy consumption. Basis the outcome of audit both plant took corrective actions in PW divisions
- Installation of energy efficient air compressor machines.
- Installation of new LED lights and replacement of All CFL lights

Technology absorption and foreign exchange earnings and outgo

The information on technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as a separate **Annexure- III**.

Environmental Social Governance (ESG)

Cera follows a holistic approach towards Environmental, Social and Governance matters. Cera values the trust reposed by its stakeholders including customers, the communities in which it operates and society at large and has strived hard to protect and preserve their interests.

Environment at Cera

Cera is highly committed to ensuring zero environmental impact due to its operations. The Company stringently adheres to norms governing reduction of emissions, pollution control and other environmental aspects. Some of the broad initiatives undertaken by the Company include:

- Installation of a rooftop solar power system (one of the largest in the Kadi region), which has gone a long way in substantially reducing the carbon footprint.
- Reduction in fresh water intake from 2.5 liter per Pc to less than one litre in the FW division.
- Reduction of hazardous solid waste generated from 45Mt to 33Mt in the last financial year IN FW division

- Substantial reduction in the use of Chemical in the treatment of wastewater at FW division
- Improved plant efficiency impacted lower waste generation in SW
- Safety culture through, Incident investigations, Safety training, near miss reporting and hazard identification.
- Cera has managed to stabilize power cost by generating electricity through non-conventional sources (wind and solar) for captive use; as of FY23, its total installed non-conventional energy capacity stood at 10.325 MW, which produced 124.82 lakh units. Maximum of its energy needs are met through renewable energy.
- In its initiative to conserve biodiversity, the Company has undertaken plantation of over 12,000 plus trees.
- By successfully developing a fully functional rainwater-harvesting system, Cera has managed to reduce dependence on ground water usage. Further, by recycling water used for the manufacturing process the Company has reduced the water intensity of its operations.
- Cera Faucet ware has upgraded the Zero Liquid discharge plant to meet the requirement of higher norms of the government.
- Under the initiative of 'Waste Minimization and Waste Utilization', the Company has been undertaking numerous measures. Some of these measures include recycling of solid and liquid and ZLD (zero liquid discharge), high energy efficient rated machines, compliance to pollution norms and awareness generation among employees etc. Majority of the waste generated in the Company's operations is recycled and the balance is disposed-off safely. The Company has also installed a Effluent Treatment Plant at both of its facilities.

Social dimension at Cera

Cera Sanitaryware Limited Company located at Kadi, aiming to provide sustainable development for Society with its Corporate Social Responsibility-CSR in Kadi, Gujarat and Kolkata, West Bengal and its surrounding areas.

During the financial year 2023-24, Cera had spent ₹ 387.14 Lakhs on various CSR initiatives in the areas of Education, Healthcare, Rural & Urban Development, Women empowerment & Poverty alleviation. Also aided promote sustainable development like: Environment Protection by plantation drive more than 12000 trees aiming to enriching Oxygen in air for healthy and clean environment to the next generation by launching Oxygen Park first time in Kadi city. This oxygen park is a natural dense forest developed on the base of Miyawaki method which is accepted in the world.

The district Collector of Mehsana & The Chief Election Officer - Govt. of Gujarat has specially appreciated Cera company for donating 300 Nos. of wheelchairs to the physically challenged voters for casting their valuable vote in Assembly election-2024. These wheelchairs is being used by physically challenged school students of Mehsana district after completion of election process. The Mehsana district has donated highest wheelchairs in Gujarat state.

Cera had been received accolades from the Deputy Chief Minister of Gujarat Government as well as Administration for implementing various CSR initiatives like : Developing of accident-free zones, Educational facilities for the society, Setting up Healthcare facilities in various hospitals, Kadi town development etc. Cera had given

strong financial support to ESIC Hospital, Government Hospital and Private Hospitals. Cera has always been providing necessary support to the local administration through actively association with society.

Governance at Cera

The Company believes in the values of transparency, professionalism and accountability. The best Corporate Governance practices has been a strong endeavor of the Company since its inception. The organization strongly believes that there is a direct association between good corporate governance practices and stakeholder value enhancement. The Company recognizes the accountability of the Board and the importance of its decisions on its customers, dealers, employees, shareholders and with every individual, who comes in contact with the Company.

Its policy relating to ethics, bribery and corruption serves as the guiding philosophy for its employees. The Company also has a whistle blower policy in place, which provides a platform to all employees, vendors and customers to report any suspected fraud or error or confirmed incident of fraud / misconduct. Through prudent strategies the Company has optimized asset utilization and preserved the collective funds at its disposal by avoiding unrelated diversification or over-ambitious expansion. By ensuring fair and ethical dealings with all stakeholders, the Company has a robust track record of Corporate Governance practices.

Going ahead, the Company aspires to continue deepening its focus towards the environmental social governance (ESG) aspect in the organization and create a sustainable future for all its stakeholders.

Subsidiary Company

The Company has two Subsidiary LLPs namely Packcart Packaging LLP & Race Polymer Arts LLP.

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Further there has been no material change in the nature of business of the subsidiary. The Company does not have any material subsidiary. The Policy on Material Subsidiary framed by the Board of Directors of the Company is available on Company's website at the link <https://www.cera-india.com/corporate/policy-for-determining-materialsubsidiary>

Those Shareholders who are interested in obtaining a copy of the audited annual financial statements of the subsidiary may write to the Company. The Audited financial statements of subsidiaries are available on the website of the Company www.cera-india.com

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 with rules made thereunder and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared consolidated financial statements of the Company and salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1 forming part of this Annual Report.

Particulars of contracts or arrangements with related parties

All transactions entered with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis, the details of which are included in the notes forming part of the financial statements.

There were no material related party transactions entered during the year. Accordingly, information in form AOC - 2 is not annexed. Further no materially significant related Party transactions were

made by the Company with Directors, Key Managerial Personnels or other Designated Persons, which may have a potential conflict with the interest of the Company at large. All related party transactions were placed before the Audit Committee and also the Board as applicable for approval. The Company has framed a policy on RPTs for the purpose of identification, approval and monitoring of such transactions. The policy on Related Party Transactions is hosted on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/related-party-transaction>

Corporate Social Responsibility

Your Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities.

CERA believes that real progress occurs when privileges are balanced with the responsibilities towards society. Following this principle, Late Shri Vidush Somany, our Company's Executive Director had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of surrounding communities. CERA CSR Policy focuses on six thrust areas in which CSR activities are planned – a) eradicating hunger and malnutrition b) promoting healthcare including preventive health care c) promoting education, including special education d) employment enhancing vocational skills among women e) empowering rural women f) Rural Development. Following this principle the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities. A brief Report on Corporate Social Responsibility (CSR) Activities alongwith Annexure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as a separate **Annexure– IV** and separate activity wise CSR Report has been annexed as **Annexure - II** to this report.

As required under Section 135 of the Companies Act, 2013 and to demonstrate the responsibilities towards Social upliftment in structured way, the Company has formed a Policy to conduct the task under CSR, during the year. The Board has approved a policy for Corporate Social Responsibility and same has been uploaded on the website i.e. <https://www.cera-india.com/policy-and-statutory-documents/corporate-social-responsibility-policy>

Directors and KMP

During the year under review, upon the recommendation of Nomination and Remuneration Committee Mr. Anandh Sundar has been appointed as an Independent Director of the Company w.e.f. 12th February, 2024 for the term of 3 years and subsequently his appointment was approved by the members of the Company through Postal ballot process on 5th April, 2024.

Mr. Sajan Kumar Pasari and Mr. Lalit Kumar Bohania, Non-Executive Independent Directors completed their second and final term as Independent Directors of the Company and consequently they ceased to be Directors of the Company with effect from the end of 31st March, 2024. The Board placed on record its deep sense of appreciation for the contribution made by them during their tenure as Independent Directors of the Company.

Accordingly, the Board is comprising of four Independent Directors namely, Mr. Surendra Singh Baid, Ms. Akriti Jain, Mr. Ravi Bhamidipaty and Mr. Anandh Sundar. They will not retire by rotation. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also

confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities.

Mr. Ayush Bagla, Executive Director resigned from the services of the Company to pursue new avenues, vide his letter dated 26th December, 2023. The Board of Directors has noted and accepted his resignation and he was relieved from the services of the Company with effect from the end of 31st March, 2024.

The Board of Directors at their meeting held on 13th May, 2024 re-appointed Mr. Anupam Gupta as an Executive Director (Technical) for further term of three (3) years w.e.f. 15th October, 2024, subject to the approval of the members at the ensuing Annual General Meeting.

The resolutions proposing the reappointment of the Directors are set out in the notice convening Annual General Meeting for approval of members. The Board recommends for approval of the same.

Brief resume of the director who is proposed to be reappointed at the ensuing Annual General meeting, as required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard is provided in the notice convening this Annual General Meeting of the Company.

Number of Meetings of the Board

The Board of Directors, during the financial year 2023-24 duly met 4 times on 10th May, 2023, 3rd August, 2023, 1st November, 2023 and 12th February, 2024, in respect of these meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

Audit Committee

The Company has constituted Audit Committee in terms of the requirements of the Act and rules framed thereunder and applicable listing regulations. For details please refer Corporate Governance Report attached as a separate **Annexure-VII**.

Directors' Responsibility Statement

In compliance of Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm:

- that in the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures;
- that such accounting policies have been selected and applied 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, 2024 and of the Profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;
- that internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively;

- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule - IV of the Act and SEBI (LODR) Regulations, 2015, the Board has carried the evaluation of its own performance, individual directors, its committees and Key Managerial Personnel, on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company.

The performance of Non-Independent Directors (including the chairperson) and the Board as whole was also evaluated by the Independent Directors at the separate meeting of Independent Directors of the Company. The Directors expressed their satisfaction with the evaluation process.

Policy on Directors appointment and remuneration

Criteria determining the qualifications, positive attributes and independence of Directors.

Independent Directors

- Qualifications of Independent Director.

An Independent director shall possess appropriate skills, qualifications, experience and knowledge in one or more fields of finance, law, management, marketing, administration, corporate governance, operations or other disciplines related to the Company's business.

- Positive attributes of Independent Directors.

An independent director shall be a person of integrity, who possesses knowledge, qualifications, experience, expertise in any specific area of business, integrity, level of independence from the Board and the Company etc. Independent Directors are appointed on the basis of requirement of the Company, qualifications & experience, expertise in any area of business, association with the Company etc. He / She should also devote sufficient time to his/her professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

- Independence of Independent Directors.

An Independent director should meet the requirements of Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and give declaration to the Board of Directors for the same every year.

Other Directors and Senior Management

The Nomination and Remuneration Committee shall identify and ascertain the qualifications, expertise and experience of the person for appointment as Director or at senior management level and recommend to the Board for his / her appointment.

The Company shall not appoint or continue the employment of any person as Whole-time Director or Senior Management Personnel if the evaluation of his / her performance is not satisfactory. Other details are disclosed in the Corporate Governance Report under the head Nomination and Remuneration Committee and details of Remuneration (Managing Director / Whole Time Director(s) and Non-Executive Directors) are attached as a separate **Annexure- VII** to this Report.

Familiarisation Programme for Independent Directors

The Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, manufacturing operations, regulatory updates and issues faced by the ceramic industry. The Directors when they are appointed are given a detailed orientation on the Company, industry, regulatory matters, business & financial matters, human resource matters and corporate social responsibility. The details of Familiarisation programmes provided to the Independent Directors of the Company are available on the Company's website <https://www.cera-india.com/policy-and-statutory-documents/familiarization-programme>

Remuneration / Commission from Holding or Subsidiary Company

Managing Director or Whole Time Director are not receiving any remuneration / commission from any Holding Company or Subsidiary Company.

Remuneration Policy

This Nomination and Remuneration Policy ("Policy") provides the framework and key guiding principles to be followed in for appointment and determination of remuneration of Directors, Key Managerial Personnel and Senior management personnel.

This Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The said Policy is available on the website of the Company <http://www.cera-india.com/sites/default/files/2022-05/Nomination-and-Remuneration-policy.pdf>

Managerial Remuneration and Employees

Details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are enclosed separate as an **Annexure V**.

Details of employees required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as a separate Annexure, however it is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013 and rules made there under. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

Employee Stock Option Scheme ("ESOS")

The Board of Directors believes that Equity-based compensation schemes are effective tools to attract, retain, motivate, and reward the critical talents working exclusively with the Company. With the objective to motivate key employees for their contribution to the corporate growth on sustained basis, to create an employee

ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives and based on the recommendation of Nomination and Remuneration Committee ('NRC'), the Board of Directors at their meeting held on 8th April, 2024 approved the introduction and implementation of 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024" or "Scheme") by the primary issuance/secondary acquisition of the shares through trust route or both in one or more tranches by Cera Sanitaryware Employees Welfare Trust, proposed to be settled and administered in accordance with the Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021 and other applicable laws and subject to the approval of the Shareholders.

The aforesaid ESOS 2024 is subject to the approval by the Members of the Company through Postal Ballot process. The evoting for the resolutions proposed in the Postal Ballot notice is opened from 17th April, 2024 to 16th May, 2024. The Results of Postal Ballot will be declared within 2 working days of the 16th May, 2024.

The Nomination and Remuneration Committee plays the role of the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). The CERA Sanitaryware Employees Welfare Trust is managed by KP Corporate Solutions Ltd, Independent Trustee.

The ESOS 2024 is for the benefit of Employee(s) working exclusively with the Company, whether in or outside India, including any director, whether whole-time or not [excluding the employees/directors who are promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (Ten percent) of the outstanding equity shares of the Company]] subject to their eligibility as may be determined under the ESOS Scheme

Disclosure required under regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are set out in **Annexure VI** to this report and are available on the Company's website at www.cera-india.com.

Company has not sanctioned loan to any of its employees for purchase of Company's shares under any scheme.

Corporate Governance and Management Discussion and Analysis

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance and Management discussion and Analysis have been included in this Annual Report per separate **Annexure-VII** and **Annexure-I** respectively.

Business Responsibility and Sustainability Report ("BRSR")

As required under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Business Responsibility and Sustainability Report forms part of the Directors' Report and is enclosed as separate **Annexure-VIII**.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the Copy of Annual Return of the Company for the financial year ended 31st March, 2024 will be placed on the Company's website at www.cera-india.com

Particulars of Loans, guarantees or investments u/s 186.

No loan, guarantee or security has been provided by the Company during the year under review. Details of Investments covered u/s 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Risk Management

The Board has approved and implemented Risk Management Policy of the Company including identification and element of risks. Pursuant to amendments in SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015, the Board of Directors of the Company has constituted the Risk Management Committee having its scope and functions as per Risk Management policy. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

The risk management system is designed to safeguard the organisation from various risks through adequate and timely action. It is designed to anticipate, evaluate and mitigate risks in order to minimise its impact on the business.

The Risk Management system is also overseen by the Audit Committee / Board of Directors of the Company on a continuous basis. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

Internal Control System and its adequacy

The Company has internal control system commensurate with the size, scale and complexity of its business operations. The scope and functions of Internal Auditor are defined and reviewed by the Audit committee. The Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor assesses opportunities for improvement of business processes, systems and controls, to provide recommendations, which can add value to the organization.

Share Capital

The paid up Equity Share Capital as on 31st March, 2024 was ₹ 650.29 Lakhs. During the year under review the Company has not issued any shares. No shares with differential voting rights, stock or sweat equity shares were issued by the Company during the year under review.

During the year the Company has transferred 4135 Equity Shares to Investor Education and Protection Fund, pursuant to the provisions of sections 124 & 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

Deposits

The Company has not accepted any deposits falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

Finance

During the year under review, the Company does not have any long term loans/debts from Financial Institutions and Banks. The Company is availing Working Capital facility from State Bank of India.

During the year there is no default in payment of loan facility availed from Bank or Financial Institution, therefore details of difference between amount of valuation done at the time of one time settlement

and valuation done while taking loan from bank or financial institutions is not applicable.

Statutory Auditors and their Observations

Singhi & Co., Chartered Accountants are the statutory auditors of the Company. They are appointed for a period of five years, from the conclusion of 24th AGM till the conclusion of the 29th AGM (AGM of financial year 2026-27).

The Auditors' Report to the members for the financial year under review does not contain any qualification, reservation or adverse remark or disclaimer.

Cost Records and Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company duly maintain the cost accounts and records. The Company has appointed K.G. Goyal & Co., as Cost Auditors for conducting cost audit for the year 2023-24.

As required by the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in General Meeting for their ratification. Accordingly, a resolution seeking ratification of the remuneration payable to M/s. K.G. Goyal & Co., as approved by the Audit Committee and Board is included in the Notice convening the Annual General Meeting of the Company.

Secretarial Audit

Pursuant to provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company had appointed Parikh Dave & Associates, Practicing Company Secretaries a peer reviewed firm to undertake the Secretarial Audit of the Company for the year 2023-24. The Secretarial Audit Report for the year 2023-24 given by Parikh Dave & Associates, Company Secretaries in practice is attached as a separate **Annexure IX**. The Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

Reporting of Frauds

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee and / or Board under section 143(12) of the Act.

Secretarial Standards

The Company is complying with the applicable Secretarial Standards.

Insurance

Your Company has adequately insured all its properties including Plant and Machinery, Building and Stocks.

Industrial Relations

The Company had executed bilateral agreement for duration of four year with workmen with detailed quantification of fixed and variable wages. A similar agreement on completion of the previous agreement's tenure was signed under section 2(p) 18(1) of Industrial Disputes Act, 1947, for 4 years with workers Union on 4th August, 2021 which became effective from 1st September, 2021. The new

wage agreement was executed in harmonious environment.

The Company has adequate skilled & trained workforce for its various areas of operations and the skills upgradation of which is being done on continuous basis for improving the plant operations and quality process.

The Company has taken sufficient measures to maintain Industrial Health and Safety at its workplace for employees as laid in the Gujarat State Factories Rules, 1963. The Company is also complying and maintaining all applicable Industrial and Labour laws / rules.

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees have been set up to redress complaints received regarding sexual harassment. The Company has not received any complaints during the year under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has organized 2 workshops under the said Act during the year under review.

Material changes affecting financial position of the Company

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate, i.e. 31st March, 2024 and the date of the Board's Report.

There is no application pending under the Insolvency and Bankruptcy Code 2016 against the Company.

Change in nature of business

No changes have been made in nature of business carried out by the Company during the financial year 2023-24.

Orders passed by Regulatory Bodies or Courts

No regulatory body or court or tribunal has passed any significant and material orders impacting the going concern status and operations of the Company.

Vigil Mechanism

The Company has implemented Vigil Mechanism. For details please refer Corporate Governance Report attached as a separate **Annexure-VII**.

Appreciation

Your Directors thanks the Bankers for extending timely assistance in meeting the financial requirements of the Company. They would also like to place on record their gratitude for the co-operation and assistance given by State Bank of India and various departments of both State and Central Governments.

For and on behalf of the Board of Directors,
For Cera Sanitaryware Limited
Vikram Somany
 Chairman and Managing Director
 (DIN:00048827)

Ahmedabad.
 13th May, 2024

Annexure - I to the Directors' Report

Management Discussion and Analysis

During the year your Company has made a steady progress and achieved positive results, by adapting new market practice, commitment to innovation and strategic planning.

1. Right product mix:

Your company has effectively introduced a new range of products to its portfolio, aiming to broaden our customer base and boost revenue. Substantial time and resources were dedicated to developing and launching these products, yielding promising results. Your Company attributes the success of our product mix to our dedication to understanding customer needs and delivering innovative, high-quality products. Additionally, we capitalized on our marketing strategies to enhance the visibility and availability of our products. Below are some of the product-led initiatives:

- a) Senator relaunched as a Premium Bathroom Brand offering new designer bathroom Suites, Faucets and Wellness products.
- b) CERA Luxe was introduced to promote the high-end SKU's within our diverse range of product offerings.
- c) In Lustre by Cera new colours such as Dark Grey, Coffee, Beige, French Gold, Rose Gold and Platinum were introduced.
- d) Introduced Sensor-based Tankless Wall hung closets.
- e) India's largest portfolio of One Piece EWC's launched with Vibe sense touchless flush technology.
- f) Introduced new portfolio of modern, stylish and aspirational drop in, free standing, back to wall and air-water massage bathtubs
- g) More than 500+ new designs launched in Tiles.

2. Marketing Campaigns:

Our TV campaign, "CERA, Play it your way," starring the stunning brand ambassadors Kiara Advani & Vijay Deverakonda, has significantly elevated our brand visibility and enhanced our brand imagery. The communication helped CERA to position as a dynamic, buzzy brand that cares about the unique personal style of the aspirational and discerning Indian millennials.

Your Brand took the biggest Indian Television impact properties such as Khatron Ke Khiladi, Kaun Banega Crorepati, Bigg Boss and advertised heavily in the News channels – Hindi, English, and regional languages.

We also engaged consumers through digital platforms with a lot of engaging social media content. Additionally, your company is also supporting channel partners by introducing a Lead Management System, which helps them get online business leads through the company website.

Our Campaign was also promoted on the ground at the premium outdoor touchpoints such as Mumbai, New Delhi T3, Goa, Indore, Kolkata, and Hyderabad Airports.

3. Awards and recognitions

CERA won the most affiliated awards such as "Super Brand 2023-24" and was also recognized by ET Now Best Realty Brands 2024 and Reader's Digest Trusted Brand 2023.

4. Retail Showrooms

To redefine customer experiences in your Company brand stores, we opened Cera Style Studio in Bengaluru and have plans for Mohali and Lucknow.

Furthermore, your company has successfully invested in expanding the number of retail showrooms. This strategic decision to enhance retail presence has resulted in significant growth and increased visibility of the brand. Last year, your company inaugurated 500 brand stores.

Ensuring product and brand visibility through retail outlets while connecting with customers and offering hands-on experiences has always been your company's motto and this approach has helped in establishing stronger consumer relationships while enhancing the trust in your brand. Your company conducts regular audits of its retail outlets to maintain the integrity of branding and product displays.

5. Exhibitions and Events

Your Company also participated in several large-scale exhibitions such as Vanitha Veedu and the Hindu Home Expo in Kerala. These exhibitions provided your company to showcase the latest products to a wider audience and your company was able to generate a significant amount of Business Leads. Participation in these exhibitions helps your brand to strengthen its reputation and increase its visibility in the market.

7. Loyalty Program

Following the success of the Cera Superstar loyalty Program for retailers, building a strong retailer community of over 19,500, your company introduced CERA Star Plumber. Within less than a year, over 20,000 plumbers have been enrolled in this program, benefiting from additional perks. This has resulted in a rise in brand recommendations from this community.

8. Industry Structure and Developments

Your Company is present in all segments: From affordable to luxury.

9. Risks and Concerns

Any drastic change in Government policy may affect your Company.

10. After-Sales Service:

Your Company's CERA Care team of technicians, with a 24-hour toll free call centre, and timely on-site service from the technicians to individual customers, has been one of its key strengths in generating customer loyalty and helping it garner word of mouth publicity.

11. Outlook

This year performance was marked by a challenging market-led slowdown characterized by subdued demand across key

markets. Despite these challenges, the Company remains confident in its strong fundamentals and maintains optimism in its overall growth outlook.

Our commitment to strategic initiatives, particularly the focus on premiumization, played a pivotal role in navigating this period. We remain dedicated to optimizing our operations and fostering growth in the face of varying market conditions. We are enthusiastic about this upcoming addition to our infrastructure, emphasizing our commitment to broadening our portfolio of value-added products. These products will be exclusively manufactured within our facility, leveraging advanced technical capabilities and adhering to rigorous quality standards. As we move forward, Cera is strategically positioned to capitalize on its strengths, ensuring they not only navigate macro-led challenges but also foster sustained growth for all stakeholders.

12. Internal Control Systems and their adequacy

The Company has an adequate system of internal financial controls with reference to the financial statements and also relating to the purchase of stores, raw materials, plant & machineries, equipment and various components and for the sale of goods commensurate with the size of the Company and the nature of business.

The system of internal control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness. The internal auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report on the internal audit function, necessary corrective actions in the respective areas are taken and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the audit committee of the board.

13. Key Financial Ratios: (in times / %)

S.N. Ratio	2023-24	2022-23
1. Inventory Turnover	5.09	5.43
2. Interest Coverage Ratio	60.58	54.09
3. Debtors Turnover	11.30	12.05
4. Current Ratio	3.72	3.23
5. Debt Equity Ratio	0.03	0.04
6. Operating Profit Margin %	17.16%	16.20%
7. Net Profit Margin %	12.78%	11.63%
8. Return on Net Worth %	19.04%	19.28%

14. Financial performance with respect to operational performance is discussed in the main part of the Report.

15. Material Developments in Human Resources, Industrial Relations, Environment, Health & Safety

The thrust of your Company has been on talent improvement through training programmes. Your Company continues to invest in training and development of its employees and has been organizing various training programmes from time to time. CERA's manpower strength as on 31st March, 2024 stands at 2510. The more details have been provided in the Business Responsibility and Sustainability Report forms part of the Directors' Report enclosed as **Annexure-VIII**.

The Company is ISO9001, 14001 and BS 18001 certified. Your Company is also a member of Indian Green Building Council (IGBC), promoted by Confederation of Indian Industry (CII). Your Company has been a preferred partner of CREDAI (Confederation of Real Estate Developers Associations of India), the apex body of developers, for the last seven years.

Your Company also works closely with influencers and their associations like IIA (Indian Institute of Architects), IIID (Institute of Indian Interior Designers) and IPA (Indian Plumbing Association).

Ahmedabad
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN : 00048827)

Annexure - II to the Directors' Report

Activity wise Corporate Social Responsibility (CSR) initiatives

Cera Sanitaryware: Building a Sustainable Future Through CSR

Cera Sanitaryware Limited is committed to creating a lasting positive impact on society through its robust Corporate Social Responsibility (CSR) initiatives. We believe in sustainable development that benefits not just our business, but also the communities we operate in.

Investing for the Future:

- Developing the Tier-3 Industrial Area in Kadi, fostering economic growth and creating local employment opportunities.

Empowering Communities:

- **Dedicated programs** for the underprivileged, including tuition classes and vocational training, equip individuals with valuable skills and pave the path for a brighter future.
- **Strict adherence** to ethical labour practices, ensuring fair treatment and prohibiting child or forced labour as per the Child Labour (Prohibition and Regulation) Act of 1986.

Financial Year 2023-24 Highlights:

Championing Sustainability:

- **Planted over 12,000 trees** to create an "Oxygen Park" in Kadi, the first of its kind in the city. This initiative, employing the Miyawaki method, promotes a denser natural forest for improved air quality and a healthier environment for generations to come.
- **Active participation in Swachh Bharat Abhiyan** by promoting cleanliness and sanitation practices for a sustainable ecosystem and improved quality of life.

Enabling Civic Participation:

- **Donation of 300 wheelchairs** to physically challenged voters in the 2024 Assembly elections. These wheelchairs are now being used by students with disabilities in Mehsana district, setting a new standard for accessibility. Mehsana boasts the highest number of donated wheelchairs in Gujarat.

Recognized Leadership:

- **Appreciation from the District Collector of Mehsana & Chief Election Officer** for facilitating voter participation.
- **Accolades from the Deputy Chief Minister and Administration** for various CSR initiatives, including:
 - o Developing accident-free zones
 - o Enhancing educational facilities
 - o Supporting healthcare facilities
 - o Contributing to Kadi town development

Education as the Cornerstone:

Cera strongly believes in the power of education. We provide financial support to ESIC Hospital, government hospitals, and private hospitals, while also actively collaborating with the local administration to ensure access to quality education for all.

Building a Better Tomorrow, Together

Cera Sanitaryware's commitment to CSR goes beyond financial contributions. We actively engage with communities to understand their needs and develop impactful initiatives that create lasting value. By working together, we can build a more sustainable and prosperous future for all.

Ahmedabad.
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Annexure - III to the Directors' Report

Disclosure of particulars with respect to Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Report of the Board of Directors for the year ended 31st March, 2024.

A. Energy Conservation

Discussed in main report

B. Technology Absorption

High pressure casting technology in Sanitaryware.

Research and Development (R & D)

1. Specific areas in which R & D is carried out :

The Company's Research & Development Unit recognized by the Department of Scientific and Industrial Research (DSIR), Government of India, since 1989 has been relentlessly working for the improvement in quality of sanitary ware products, cost reduction through the use of new and cheaper raw materials, waste materials, changes incorporated in their quality specifications, minimizing wastes and losses at different stages of production, recycling of unfired and fired wastes generated in production as well as pollution abatement to keep the company ahead of market competition. Some innovative R&D activities carried out and commenced commercial production during the year under report are:

- ❖ New state-of-the-art R&D centre developed at Kadi factory premises. The centre boasts of advanced test equipment for material science and ceramic technology. This Centre of Excellence is designed to keep the R&D activity as a strategic initiative. This will help us keep at the fore front of innovations in the Sanitaryware Industry worldwide. This centre is DSIR, Govt. of India, approved.
- ❖ Use of refire pitcher powder in production.
- ❖ Development of new Snow-white glaze with better glaze surface and also cost effective.
- ❖ Development of Alumina Body for thin rim TT Wash Basin.
- ❖ Development of indigenous Plaster of Paris which is equivalent to imported Plaster of Paris with cost effective.
- ❖ Developed 3 new matt colour glaze.
- ❖ Developed Grog Body for refire support which is cost effective.
- ❖ Installation of Casting Bay wise sliding Gates for battery drying of casted ware and waste heat recovery.
- ❖ Development of Refire glaze for recovery and Productivity.
- ❖ Development of Gold decorative pieces by electroplating process.
- ❖ Development of suitable pressure casting body.
- ❖ Development of Suitable pressure casting body slip with Domestic China clay.
- ❖ Ramp up Robotic Glazing System in production. This gives us more controlled and uniform glaze coating on the sanitary ware as compared to manual glazing. This type of uniform glaze coating provides better aesthetic look of final products. Robotic glazing reduces dependence on manual labour. These are the highly advanced robotic systems with sophisticated control mechanism.
- ❖ Development of chemicals (Deflocculants for slip) for casting quality improvement
- ❖ Development of Single Ball clay in place of multi ball clays for casting slip and this has helped ESG.
- ❖ Strengthening of ZLD through reuse of process water.
- ❖ Development of biscuit fired shrinkage plate tiles. These tiles reduce squat, undulation, foot crack of critical items by loading on it. Especially quality of wall hung products has improved significantly by using this.
- ❖ Siphonic new design one piece product development (first time in cera)
- ❖ Developed stick up casting method for new product development like Cliption.
- ❖ Designed and developed invisible waste out-clean reverse flow was basin.
- ❖ Also, in final product quality, Company has introduced automatic leakage detection test and overflow test. These tests help to improve functional quality of final products.
- ❖ Introduced different colours of silk glazes which enhance uniqueness as well as verity and versatility.
- ❖ Under the initiative of 'Waste Minimization and Waste Utilization', numerous measures have been taken. This includes recycling of solid and liquid, ZLD (zero liquid discharge) plant, high energy efficient rated machines, compliance to pollution norms, awareness-generation among employees etc.

- ❖ In keeping with eco-friendly tradition, the Company has developed 04 Liters flushing system with same effectiveness as 06 Liters flushing system. By 30% reduction in water consumption, this technology will help to save precious water. The company also reduced its water dependence on state supply by recycling full water requirement of manufacturing process. The company developed a fully functional rain-water-harvesting system.
- ❖ Product Certifications: All company's products are ITC (Institute for Testing and Certification, Czech Republic) certified. The company have completed IAPMO (USA Certification Agency) for almost half of company's products and are in process to get more products under this certification. The company have also started its product certification from SGS (Emirates Authority for standardization and Metrology).

Company's all products are CE (Conformité Européenne) certified from QVC Certification. company has completed IAPMO (USA Certification Agency) for almost half of the products and are in process to get more products under this certification. Company's Products have GRIHA (Green Rating for Integrated Habitat Assessment) Certification and company is getting more products under this certification. All the Qualified products are Green Pro certified from CII.

2. Benefit derived as a result :

With the introduction of new and cheaper raw materials from new sources and import substitution of raw materials, colours and other inputs, the cost of production is expected to reduce further.

3. Future plan of action :

- ❖ Under the Company's eco-friendly initiatives, Company will improve energy input from renewable sources, mainly Solar Energy, which is already installed. The Company also plan to redesign its Glaze Spray system for maximum recovery and recycle of glaze.
- ❖ With a focus on automation, Company will introduce more Robots in its manufacturing process. In the company's firing process company plan to introduce automatic gas pressure regulation system.
- ❖ The Company will build its capability and capacity to manufacture high value products. These products will have ergonomic and aesthetic designs, will be bigger in size and will have an attractive appearance. Stain-free, antimicrobial, and self-cleaning coatings can also be applied. Metallic and Copper glaze will be introduced further.
- ❖ The Company has added 360 Colour SKUs. There are 6 colours of various finishes under 4 product ranges that have been launched. The Company shall keep increasing product portfolio of the colour and keep adding new product as per increasing demand of the customers.
- ❖ The Company will develop its manufacturing ability for more complex designs. In this regard, Company has planned more Bench to Battery conversions where efficiency and productivity is improved. The Battery Casting method is much more ergonomic and will have positive impact on workmen health. Also, the Company has introduced more semi-automatic casting processes like pearl casting, vertical casting, and beam casting in production.
- ❖ The Company has set-up a new R&D facility. The Company expects to focus on consistent raw materials, less crack prone ceramic body, aesthetically appealing glazes, and better testing & analysing methods / tools.

4. Expenditure on R & D :

a) Capital	:	₹ 6.29 Lakhs
b) Recurring	:	₹ 149.95 Lakhs
Total	:	₹ 156.23 Lakhs
c) Total R & D Expenditure as a percentage of total turnover	:	0.08%

C. Foreign Exchange earnings and outgo

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. Foreign exchange used and earned by the Company during the year is as under:

Total foreign exchange used	:	₹ 2,042.90 Lakhs
Total foreign exchange earned	:	₹ 4,806.15 Lakhs

**Annexure - IV to the Directors' Report
Annual Report on Corporate Social Responsibility (CSR) Activities
for the financial year ended on 31st March, 2024**

1. Brief outline on CSR Policy of the Company.

We believe real progress occurs when privileges are balanced with the responsibilities towards society. Your Company has always laid emphasis on progress with a social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle, Late Shri Vidush Somany our Executive Director had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities. During the year Company undertook several CSR Activities in the field of Healthcare, Poverty, Education, Woman empowerments, Rural Development, Environment as per CSR policy of the Company.

2. Composition of CSR Committee.

Sr. 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
i	Mr. Vikram Somany (Chairman)	Chairman & Managing Director	2	2
ii	Mrs. Deepshikha Khaitan (Member)	Joint Managing Director	2	2
iii	Mr. Anupam Gupta (Member)	Executive Director (Technical)	2	2
iv	Mr. Surendra Singh Baid (Member)	Independent Director	2	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee: <https://www.cera-india.com/about-us/leadership-team>

CSR Policy: <https://www.cera-india.com/policy-and-statutory-documents/corporate-social-responsibility-policy>

CSR Projects: <https://www.cera-india.com/about-us/corporate-social-responsibility>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: **Not Applicable**

		(₹ in lakhs)
5.	(a) Average net profit of the company as per sub-section (5) of section 135.	19,039.62
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	380.79
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
	(d) Amount required to be set-off for the financial year, if any.	-
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	380.79
6.	(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects).	387.14
	(b) Amount spent in Administrative Overheads	NIL
	(c) Amount spent on Impact Assessment, if Applicable	NIL
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	387.14
	(e) CSR amount spent or unspent for the financial year:	

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
387.14	NIL	N.A.	N.A.	NIL	N.A.

(f) Excess amount for set-off, if any;

Sl. No.	Particular	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	380.79
(ii)	Total amount spent for the Financial Year	387.14
(iii)	Excess amount spent for the financial year [(ii)-(i)]	6.35
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	6.35

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years : **NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
Not Applicable								

8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No

If Yes, enter the number of Capital assets created / acquired : **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 :

Not ApplicableAhmedabad
13th May, 2024Anupam Gupta
Executive Director (Technical)
(DIN:09290890)Vikram Somany
Chairman and Managing Director
Chairman of CSR Committee
(DIN:00048827)

Annexure - V to the Directors' Report

Details as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr.No.	Particulars						
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	CMD		Wholetime Directors		ED*	
		34 X	JMD	14 X	ED (Technical)	15 X	15 X
ii.	The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year.	CMD	Wholetime Directors		ED*	KMPs	
		10%	JMD	15%	15%	15%	CFO CS
						18%	18%
iii.	The % increase in the median remuneration of employees in the financial year.	11.57%					
iv.	The number of permanent employees on the rolls of Company.	2510					
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial 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.	Average 9.71% increase in the salaries of the employees at all the levels across the organization.					
vi.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the remuneration policy of the Company.					

The Independent Directors of the Company are entitled to sitting fees and commission as per the statutory provisions and within the limits approved by the Board of Directors and Shareholders. The details of remuneration of Independent Directors are provided in the Corporate Governance Report.

* Mr. Ayush Bagla ceased to be the Executive Director as well as Director with effect from the end of 31st March, 2024.

Ahmedabad.
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Annexure - VI to the Directors' Report

[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and Section 62(1)(b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014]

All the relevant details of the Company's Employee Stock Option Scheme are provided below and are also available on website of the Company at: www.cera-india.com

- A. Relevant disclosures in terms of the Accounting Standards prescribed by the Central Government and Section 133 of the Companies Act, 2013 including the 'Guidance note on accounting for employee sharebased payments' issued in that regard from time to time:

Not Applicable at this stage

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the Regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by the Central Government or any other relevant Accounting Standards as issued from time to time:

Not Applicable at this stage

- C. Details related to "Cera Sanitaryware - Employee Stock Option Scheme 2024 (ESOS 2024)"

- (i) General terms and conditions of ESOS 2024

Particulars		Details
(a)	Date of shareholders' approval	ESOS 2024 is subject to the approval by the Members of the Company through Postal Ballot process. The evoting for the resolutions proposed in the Postal Ballot notice is opened from 17 th April, 2024 to 16 th May, 2024. The Results of Postal Ballot will be declared withing 2 working days of the 16 th May, 2024.
(b)	Total number of options approved under ESOS	Total number of shares covered under the Plan shall not exceed 2,60,000 (Two Lakhs Sixty Thousand) equity shares of the Company.
(c)	Vesting requirements	Upon a valid exercise of a vested option by a participant, each vested option will entitle the eligible employee to 1 (one) fully paid up equity share of the Company. There shall be minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date. Every grant of options shall be governed by a vesting schedule and such other terms and detailed in the letter of grant issued to the eligible employee(s) at the time of each grant.
(d)	Exercise price or pricing formula	The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.
(e)	Maximum term of options granted	Options granted under this ESOS 2024 would Vest not earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date.
(f)	Source of shares (primary, secondary or combination)	The Plan will be implemented and administered through trust route wherein a trust will acquire the equity shares of the Company by primary issuance/ secondary acquisition shares of the Company through trust or both in one or more tranches.
(g)	Variation in terms of options	Not applicable

- (ii) Method used to account for ESOS: Not applicable at this stage

- (iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. : Not Applicable at this stage

(iv) Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the period	Not applicable at this stage
Number of options granted during the year	
Number of options forfeited / lapsed during the year	
Number of options vested during the year	
Number of options exercised during the year	
Number of shares arising as a result of exercise of options	
Money realized by exercise of options (INR), if scheme is implemented directly by the company	
Loan repaid by the Trust during the year from exercise price received	
Number of options outstanding at the end of the year	
Number of options exercisable at the end of the year	

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. : Not applicable at this stage

(vi) Employee wise details of options granted during the Financial Year.

- (a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not applicable at this stage
- (b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year: Not applicable at this stage
- (c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.: Not applicable at this stage

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Particulars	Details
(a) Weighted-average values of share price,	Not applicable at this stage
Exercise price,	
Expected volatility,	
Expected option life,	
Expected dividends,	
Risk-free interest rate	
Any other inputs to the model	
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Not applicable at this stage
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	
(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	

Disclosures in respect of grants made in three years prior to IPO under each ESOS: Not Applicable

(D) Details related to Trust:**(i) General information on ESOP 2024 Scheme:**

Particulars		Details
1.	Name of the Trust	Cera Sanitaryware Employees Welfare Trust
2.	Details of the Trustee(s)	
	Name	KP Corporate Solutions Ltd.
	Address	IndiQube The Kode, 7 th Floor, S.No' 134, Hissa No. 1/38, Baner Pashan, Link Road, Pune - 471045
	Occupation	Service (In the field of ESOP Consulting)
	Nationality	Indian
3.	Amount of loan disbursed by company / any company in the group, during the year	Not applicable at this stage
4.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	
5.	Amount of loan, if any, taken from any other source for which company / any Company in the group has provided any security or guarantee	
6.	Any other contribution made to the Trust during the year	

(ii) Brief details of transactions in shares by the Trust:

Particulars		Details
(a)	Number of shares held at the beginning of the year	Not applicable at this stage
(b)	Number of shares acquired during the year through	
	(i) Primary issuance	
	- Percentage of paid up equity capital as at the end of the previous financial year	
	- Weighted average cost of acquisition per share;	
	(ii) Secondary acquisition	
	- Percentage of paid up equity capital as at the end of the previous financial year	
	- Weighted average cost of acquisition per share;	
(c)	Number of shares transferred to the employees / sold along with the purpose thereof;	
(d)	Number of shares held at the end of the year.	

(iii) In case of secondary acquisition of shares by the Trust:

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	Not applicable at this stage
Acquired during the year	
Sold during the year	
Transferred to the employees during the year	
Held at the end of the year	

Note: "Cera Sanitaryware - Employee Stock Option Scheme 2024" is proposed for Approval of the Members of the Company by passing Special Resolutions through Postal Ballot Notice dated 8th April, 2024. The Results of Postal Ballot will be declared withing 2 working days of the 16th May, 2024

Ahmedabad.
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Annexure - VII to the Directors' Report
CORPORATE GOVERNANCE REPORT
(As required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)
1) Company's Philosophy

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen.

The spirit of Corporate Governance has been prevailing in the Company. The Company believes in the values of transparency, professionalism, and accountability. The Company recognizes the accountability of the Board and the importance of its decisions on its customers, dealers, employees, shareholders and with every individual, who comes in contact with the Company. It is a well-accepted fact, both in India and world over that a good, governed organization results in maximizing its stakeholders' value in long run. CERA always seeks to ensure that it attains performance goals with integrity. For the company the adherence to the corporate governance is not only from the letter of law but to do the business in a right and legal way. Corporate Governance has indeed been an integral part of the way CERA has done business.

The Company is in compliance, in letter and spirit, with the requirements stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

("Listing Regulations") as applicable, with regards to corporate governance.

2) Board of Directors

The composition of the Board with reference to the number of Executive Director, Non-Executive Directors, Independent Directors and Woman Directors, meets the requirement of Regulation 17(1) of Listing Regulations and it consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The Board comprises of a Chairman & Managing Director, Joint Managing Director, 1 (One) Executive Director and 4 (Four) Independent Directors.

During the year under review, 4 (Four) Board Meetings were held on 10th May, 2023, 3rd August, 2023, 1st November, 2023 and 12th February, 2024.

None of the directors on the Board are members in more than ten committees and they do not act as Chairperson of more than five committees across all listed companies in which they are directors.

The composition of Board of Directors and category of directors, their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance At last AGM	No. of Other directorship	No. of Other Committee Membership@		Names of Listed entities where person is also director and category of Directorship^
						Member	Chairperson	
1.	Mr. Vikram Somany	Chairman and Managing Director Promoter Director	4	Yes	2	—	—	—
2.	Mrs. Deepshikha Khaitan	Joint Managing Director Promoter Director	4	Yes	2	—	—	—
3.	Mr. Anupam Gupta	Executive Director (Technical)	4	Yes	—	—	—	—
4	Mr. Surendra Singh Baid	Non-Executive Independent Director	4	Yes	—	—	—	—
5	Ms. Akriti Jain	Non-Executive Woman Independent Director	4	Yes	1	—	—	—
6	Mr. Ravi Bhamidipaty	Non-Executive Independent Director	4	Yes	2	—	—	—
7. #	Mr. Anandh Sundar	Non-Executive Independent Director	1	NA	1	—	—	—
8.\$	Mr. Sajjan Kumar Pasari	Non-Executive Independent Director	4	Yes	NA	NA	NA	NA
9.\$	Mr. Lalit Kumar Bohania	Non-Executive Independent Director	4	Yes	NA	NA	NA	NA
10.%	Mr. Ayush Bagla	Executive Director	4	Yes	NA	NA	NA	NA

Note:

Appointed as Non-Executive Independent Director w.e.f. 12th February, 2024 for the term of 3 Years.

\$ Non-Executive Independent Directors completed their second and final term as Independent Directors of the Company and consequently they ceased to be Directors of the Company w.e.f. the end of 31st March, 2024.

% Resigned as an Executive Director as well as a Director of the Company effective from the end of 31st March, 2024.

@ These numbers exclude the Committee membership held in Cera Sanitaryware Limited, Private Companies, high value debt listed entities, Section - 8 companies and foreign companies.

^ None of the Director is Director in any other Listed entity.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Mr. Vikram Somany, Chairman & Managing Director is a father of Mrs. Deepshikha Khaitan. Except this none of the other Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Companies Act, 2013.

All Independent Directors are experienced and competent in their respective fields. They actively participate in the Board and Committees which gives significant value addition in the decision-making process. The Independent Directors are familiarized by the management with respect to their roles and responsibilities, industrial scenario, Company's business model, risks, threats and opportunities initially at the time of joining and thereafter from time to time through various business presentations at meeting of the board of directors. The details of Familiarization programs imparted to independent directors is available on Company's website at: <https://www.cera-india.com/policy-and-statutory-documents/familiarization-programme>

During the year, none of the Independent Directors of the Company resigned before the expiry of their respective tenure(s).

Skills / Expertise / Competence of the Board:

The Board comprises of Directors with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contributions to the Board and its committees. The following list summarizes the key skills, competence and area of expertise that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess knowledge relating to:

Possessing knowledge relating to Ceramic Industry	Wide experience and expertise possessing knowledge relating to clay, sculptures, pottery items, sanitary ware, home-ware products, cookware, bathroom fittings etc. with innovative ideas innovative technology for enhancing the production.
Commercial	Ability to understand what makes business or organization successful through either buying or selling products, cost of goods and Services and taxes, commercial contracts etc.
Finance	Having knowledge in accounting, finance, treasury, tax, financial management of large-scale corporates, financial reporting process etc.
Sales and marketing	Having understanding of complex and large corporate structure supply and marketing chain, strategic planning, marketing skills. Understanding local and global trends in the business.

Technology and technical know how.	Having knowledge of emerging areas of digital technology, artificial intelligence, cyber technology etc. and having good understanding of technical knowhow and technologies specifically used in ceramic industry.
General Administration and Human Resources	Having understanding of organizational system, complex business and regulatory environment, strategic planning and handling routine affairs and Human resources of the Company.
Risk management and mitigation planning	Ability to understand and assess the key risks to the organization, legal compliances, and to ensure that appropriate procedures and policies are in place for effective managing the Company and mitigate risk.
Legal and Corporate Laws	Understanding the legal eco system in which the Company operates, experience and expertise in implementing good corporate governance, managing Stakeholders' interest, possessing the required skill and knowledge of laws and regulations applicable to the Company and ensuring its compliance in the best interest of the Company.

Chart / matrix setting out the skills/expertise/competence of the Board of Directors

Area of expertise/skills	Vikram Somany	Deepshikha Khaitan	Anupam Gupta	Surendra Singh Baid	Akriti Jain	Ravi Bhambidipaty	Anand Sundar
Possessing knowledge relating to Ceramic Industry	✓	✓	✓	✓			
Commercial	✓	✓	✓				
Finance	✓	✓		✓		✓	✓
Sales and marketing	✓	✓					
Technology and technical knowhow	✓		✓	✓			
General Administration and Human Resources	✓	✓	✓		✓	✓	
Risk Management and Mitigation Planning	✓	✓	✓	✓		✓	✓
Legal and Corporate Laws	✓	✓	✓		✓	✓	✓

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board's functioning

such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of the specific duties, obligations and governance were also evaluated.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Board also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Independent Directors' Meeting:

During the year under review, a separate meeting of Independent Directors was held on 19th March, 2024 inter alia, to discuss:

- Review of the performance of Non-Independent Directors, Executive Directors, Joint Managing Director and Board as whole;
- Review of the performance of the Chairman & Managing Director 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 Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

On the basis of the declarations made by the Independent Directors, the Board of Directors are of the opinion that the Independent Directors of the Company fulfill conditions specified in Companies Act, 2013 and under SEBI (LODR) Regulations, 2015 and are Independent of the management of the Company.

Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any Insider Trading and it is applicable to all the Directors, Promoters, Designated Persons and other connected persons of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company and cautions them of consequences of violations. The Company has updated and revised the Internal Code of Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in line with the amendments in SEBI (Prohibition of Insider Trading)

Regulations, 2015 from time to time. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Code of Conduct

The Company has implemented model code of conduct for the Board members and senior managerial personnel of the Company. The code of conduct is available on the website of the Company i.e.: <https://www.cera-india.com/policy-and-statutory-documents/code-of-conduct>

It is hereby confirmed that all the board Members and senior managerial personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year under review.

3) Audit Committee

The Audit Committee consists of 4 (Four) directors as its members, namely Mr. Surendra Singh Baid (Independent) – Chairman, Ms. Akriti Jain (Independent) – Member, Mr. Ravi Bhamidipaty (Independent) – Member and Mr. Anandh Sundar (Independent) - Member

Mr. Lalit Kumar Bohania ceased to be a member of the Audit Committee on account of retirement on completion of second & final term as an Independent Director and Mr. Anandh Sundar was appointed as a member of the Audit Committee w.e.f. 12th February, 2024.

During the year under review, 4 (Four) meetings of Audit Committee were held on 10th May, 2023, 3rd August, 2023, 1st November, 2023 and 12th February, 2024.

Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Surendra Singh Baid (Appointed as Chairman w.e.f. 12 th February, 2024)	4	4
Mr. Lalit Kumar Bohania (Chairman till 12 th February, 2024)	4	4
Ms. Akriti Jain	4	4
Mr. Ravi Bhamidipaty	4	4
Mr. Anandh Sundar	N.A.	N.A.

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and Company Secretary. If requires, the Audit Committee holds a separate meeting with Statutory Auditors in absence of the management representatives. The Company Secretary acts as Secretary to the Committee. Mr. Lalit Kumar Bohania, Chairman of the Audit Committee was present at the last 25th Annual General Meeting held on 6th July, 2023 to answer the shareholders' queries.

Terms of reference

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under regulation 18 and Part – C of Schedule - II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 inter-alia including the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

- Approval of payment to statutory auditors for any other services rendered by them;
 - Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices & reasons for the same - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - modified opinion (s) in the draft audit report;
 - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings & follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower Mechanism;
 - Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
 - consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Additionally, the Audit Committee shall mandatorily review the following information:
- Management discussion and analysis of financial condition and results of operations;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor.
 - Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).
- 4) Nomination and Remuneration Committee**
- The Nomination and Remuneration Committee, comprises of 3 (Three) directors as its members namely, Mr. Surendra Singh Baid (Independent) – Chairman, Ms. Akriti Jain (Independent) - Member and Mr. Anandh Sundar (Independent) - Member.
- Mr. Lalit Kumar Bohania and Mr. Ravi Bhamidipaty ceased to be members of the Nomination and Remuneration Committee and Ms. Akriti Jain and Mr. Anandh Sundar appointed as members of the Nomination and Remuneration Committee w.e.f. 12th February, 2024.
- During the year under review, 2 (Two) meetings of Nomination and Remuneration Committee were held on 9th May, 2023 and 12th February, 2024.

Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Surendra Singh Baid	2	2
Mr. Lalit Kumar Bohania	2	2
Mr. Ravi Bhamidipaty	2	2
Ms. Akriti Jain	N.A.	N.A.
Mr. Anandh Sundar	N.A.	N.A.

Terms of reference

The terms of reference of Nomination and Remuneration Committee have been formulated in line with the requirement of Section 178 of the Act, rules framed thereunder and the Listing Regulations. The Committee fixes the Remuneration of Executive Directors, which include all elements of remuneration package i.e. salary, benefits, commission, bonus, incentives, pension, retirement benefits and such other benefits. The Committee also decides the fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees etc. of the remuneration package of working directors, as may be necessary.

The role of the Nomination and Remuneration Committee inter-alia includes following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity,
 - c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Independent Directors are appointed, and their performance are evaluated based on the criteria such as knowledge, qualifications, experience, expertise in any area, integrity, level

of independence from the Board and the Company, number of meetings attended, familiarization programs attended, time devoted etc.

Executive Directors are appointed on the basis of requirement of the Company, qualifications & experience, association with the Company, loyalty etc.

The committee recommends the appointment of Directors to the Board.

5) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of 4 (Four) directors as its members namely, Mr. Vikram Somany-Chairman, Mr. Anupam Gupta - Member, Mrs. Deepshikha Khaitan - Member and Mr. Surendra Singh Baid (Independent)-Member.

During the year under review, 2 (Two) meetings of Corporate Social Responsibility Committee were held on 6th July, 2023 and 5th December, 2023.

Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Vikram Somany	2	2
Mrs. Deepshikha Khaitan	2	2
Mr. Surendra Singh Baid	2	1
Mr. Anupam Gupta	2	2

Terms of reference

The Committee formulates and recommends to the Board, a Corporate Social Responsibility Policy and monitor and review the same and determine implementation process / execution of CSR policy. The CSR Policy of the Company is available on the website of the Company at: <https://www.cera-india.com/policy-and-statutory-documents/corporate-social-responsibility-policy>

The Committee recommends to the Board the CSR Projects & Activities to be carried out by the Company for the financial year and Annual Action plan, timeline, implementation schedule and manner of execution of CSR activities.

Disclosures of contents of Corporate Social Responsibility as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as a separate annexure to the Directors' report.

6) Risk Management Committee:

The Board of Directors has framed, approved and implemented Risk Management policy of the Company to identify, monitor, mitigate and minimize the elements of risks. Pursuant to SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted the Risk Management Committee having its scope and functions as per Risk Management policy. The Committee has included in its scope cyber security and has reviewed the matters in its connection at various levels and also takes necessary actions from time to time to mitigate the cyber risk to the Company in accordance with SEBI (LODR) Regulations, 2015. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Risk management Committee's noting and observation was placed before the Board for information and necessary action of the Board/management.

Risk Management Committee comprises of Mr. Vikram Somany - Chairman, Mrs. Deepshikha Khaitan - Member, Mr. Anupam Gupta - Member, Mr. Surendra Singh Baid (Independent)-Member and Mr. Vikas Kothari, Chief Financial Officer – Member. Mr. Ayush Bagla ceased to be a member of the Risk Management Committee w.e.f. 31st March, 2024.

During the year 2 (Two) meetings of Risk Management Committee were held on 6th July, 2023 and 5th December, 2023.

Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Vikram Somany	2	2
Mrs. Deepshikha Khaitan	2	2
Mr. Ayush Bagla	2	-
Mr. Surendra Singh Baid	2	1
Mr. Anupam Gupta	2	2
Mr. Vikas Kothari	2	2

Terms of reference

The role of the Risk Management Committee as specified in Part D of the Schedule II of SEBI (LODR) Regulations, 2015, inter-alia includes following:

- To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

7) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

The component of the total remuneration varies for different grades and is governed by Industry pattern, qualifications and experience of the employee, responsibilities handled by him/her and his/her individual performance etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and to retain talent in the organization and accord merit.

Pursuant to the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee recommended the remuneration policy relating to appointment and payment of remuneration to Directors, KMPs and other senior management employees which was approved by the Board and is uploaded on the website of the Company at: <https://www.cera-india.com/sites/default/files/2022-05/Nomination-and-Remuneration-policy.pdf>

8) Details of remuneration for the year ended 31.03.2024.

(i) Managing Director / Whole-time Director(s)

Name and Designation	Remuneration	Perquisites and other benefits	Commission
			(₹ in Lakhs)
Mr. Vikram Somany Chairman and Managing Director	751.43	90.90	—
Mrs. Deepshikha Khaitan Joint Managing Director	335.79	23.93	—
Mr. Anupam Gupta Executive Director (Technical)	334.35	50.36	—
Mr. Ayush Bagla* Executive Director	361.58	23.32	—

*Ceased to be the director of the Company w.e.f. 31st March, 2024 upon resignation.

Performance incentive to the Managing and Executive Directors are based on the sales achieved and operating profit of the Company on the basis of the criteria decided by the Nomination and Remuneration Committee /Board of Directors / Chairman and Managing Director from time to time. Executive Directors' appointment is for the period of 3 years while that of Managing Director and Joint Managing Directors' appointment is for period of 5 years.

Managing Directors and Executive Directors may resign from the service of the Company by giving three months' notice in advance. The Company has the right to terminate the service of said Director/s except Chairman and Managing Director at any time by giving three months' notice in writing or salary in lieu thereof.

The Managing Directors and Executive Directors are also entitled to the benefits as per the Rules of the Company, which the other senior executives/employees of the Company are entitled to.

Managing Director, Joint Managing Director and the Executive Directors are not entitled to the sitting fees for attending the Board / Committee Meetings.

(ii) Non-Executive Directors & their Shareholding

Members of the Company at their 24th Annual General Meeting held on 30th June, 2022 have passed the resolution for payment of commission to Directors not in whole time employment of the Company not exceeding 1% of the net profit of the Company. The commission is to be distributed among Directors not in whole-time employment as may be decided by the Board of Directors.

Criteria for Remuneration to Non-Executive Directors:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The role of Non-Executive Directors is significant in achieving good performance and establishment of good governance. The responsibility of the Non-Executive Directors has increased considerably over the years. Details of remuneration to the non-executive Directors of the Company and their shareholding are as under:

Name of the Director	Sitting Fees (₹ in Lakhs)	Commission (₹ in Lakhs)	No. of Shares held	% of total shareholding
Mr. Sajan Kumar Pasari	0.40	5.00	236696	1.82%
Mr. Lalit Kumar Bohania	0.80	5.00	-	-
Mr. Surendra Singh Baid	0.80	5.00	-	-
Ms. Akriti Jain	0.80	5.00	-	-
Mr. Ravi Bhamidipaty	0.80	5.00	-	-
Mr. Anandh Sundar*	0.10	5.00	-	-
TOTAL	3.70	30.00	236696	1.82%

* Mr. Anandh Sundar appointed as Non-Executive Independent Director of the Company w.e.f. 12th February, 2024.

(iii) EMPLOYEE STOCK OPTION PLAN (“ESOP”)

Equity-based compensation schemes are effective tools to attract, retain, motivate and reward the talents working exclusively with the Company. With the objective to motivate key employees for their contribution to the corporate growth on sustained basis, to create an employee ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives, based on the recommendation of Nomination and Remuneration Committee ('NRC'), the Board of Directors at their meeting held on 8th April, 2024 approved the introduction and implementation of 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024" or "Scheme") through the primary issuance / secondary acquisition shares of the Company through trust or both in one or more tranches by an Employee Welfare Trust,

proposed to be settled and administered in accordance with the Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021 and other applicable laws and subject to the approval of the Shareholders.

The aforesaid ESOS 2024 is subject to the approval by the Members of the Company through Postal Ballot process. The evoting for the resolutions proposed in the Postal Ballot notice is available from 17th April, 2024 to 16th May, 2024. The Results of Postal Ballot will be declared withing 2 working days of the 16th May, 2024.

The Nomination and Remuneration Committee plays the role of the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). The CERA Sanitaryware Employees Welfare Trust is managed by KP Corporate Solutions Ltd, Independent Trustee.

The ESOS 2024 is for the benefit of Employee(s) working exclusively with the Company, whether in or outside India, including any director, whether whole-time or not (excluding the employees/directors who are promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (Ten percent) of the outstanding equity shares of the Company) subject to their eligibility as may be determined under the ESOS Scheme.

Information as required under the SEBI SBEB Regulations have been uploaded on the Company's website at www.cera-india.com. For further details, refer to the annexure to the Board's Report wherein detailed information has been provided.

9) Share Transfer Committee

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in order to expedite the process of Share Transfers / Duplicate/ Transmissions / Transposition/ Splits / Consolidation / Name Change / Name Deletion and all the matters in connection with the securities issued by the Company, frequently as and when the need arises, the Board had delegated the powers for dealing in all the matters relating to securities of the Company to the Share Transfer Committee.

The said Committee comprises of 3 (Three) directors as its members, namely, Mr. Anupam Gupta - Chairman, Mr. Surendra Singh Baid (Independent) - Member and Mr. Anandh Sundar (Independent) – Member.

Mr. Lalit Kumar Bohania ceased to be a member of the Share Transfer Committee and Mr. Anandh Sundar, appointed as a member of the Share Transfer Committee w.e.f. 12th February, 2024.

All requests for dematerialization and re-materialization of shares were confirmed / rejected into the NSDL / CDSL system within the stipulated time period.

10) Stakeholders Relationship Committee

In accordance with the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 the Company has constituted the Stakeholders Relationship Committee.

The Committee comprises of 3 (Three) directors as its members, namely Mr. Anandh Sundar (Independent)– Chairman, Mr. Ravi Bhamidipaty (Independent) – Member and

Mr. Surendra Singh Baid (Independent) – Member.

Mr. Lalit Kumar Bohania ceased to be a member of the Stakeholders Relationship Committee and Mr. Anandh Sundar was appointed as a member of the Stakeholders Relationship Committee w.e.f. 12th February, 2024.

During the year under review, 1 (One) meeting of Stakeholders Relationship Committee was held.

The Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting to answer the shareholders' queries. The Company Secretary acts as the Secretary to the Committee.

Mr. Hemal Sadiwala is Company Secretary and Compliance Officer of the Company.

Status of Complaints during the financial year ended on 31st March, 2024:

Complaints at the beginning of the year	0
Complaints received during the year	4
Complaints resolved during the year	3
Complaints remain unresolved at the end of the year	1

All the complaints received from the Shareholders were resolved to the satisfaction of shareholders. The unresolved Complaint on the closure of the financial year has been resolved on 12th April, 2024. The Company has not received any serious complaints during the year.

11) Senior Management

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the followings are the senior management personnel of the Company:

S.No.	Name	Designation
1.	Mr. Vikas Kothari	Chief Financial Officer
2.	Mr. Sandeep Abraham	President- Sales
3.	Mr. Rahul Jain	President- Marketing
4.	Mr. Hemal Sadiwala	Company Secretary

Mr. V. Krishnamurthy, President – Sourcing and Customer Care, retires from the Company w.e.f. end of 17th January, 2024.

12) General Body Meetings and Postal Ballot

The last three Annual General Meetings / Extra ordinary General Meeting were held as under:

Financial Year ended	Date	Time	Venue
31.03.2023	06.07.2023	11.30 a.m.	Held Through Video Conferencing / Other Audio Visual Means
31.03.2022	30.06.2022	11.30 a.m.	Held Through Video Conferencing / Other Audio Visual Means
31.03.2021	04.08.2021	11.30 a.m.	Held Through Video Conferencing / Other Audio Visual Means

Extra-Ordinary General Meeting:

Financial Year ended	Date	Time	Venue
			Nil

During last three Annual General Meetings, following special resolutions were passed:

- I. Re-appointment of Ms. Akriti Jain as an Independent Director for second term of 5 years. (Annual General meeting held on 6th July, 2023)
- II. Re-appointment of Mr. Vikram Somany as Chairman and Managing Director (Annual General meeting held on 30th June, 2022)
- III. Re-appointment of Mr. Ayush Bagla as an Executive Director (Annual General meeting held on 30th June, 2022)
- IV. Appointment of Shri Anupam Gupta as an Executive Director (Technical). (Annual General meeting held on 30th June, 2022)
- V. Re-appointment of Mr. Surendra Singh Baid as an Independent Director. (Annual General meeting held on 30th June, 2022)
- VI. Payment of Commission to Non- Executive Directors. (Annual General meeting held on 30th June, 2022)

Passing of Resolution through Postal Ballot:

- a) Appointment of Mr. Anandh Sundar as an Independent Director of the company. (Postal Ballot Notice dated 12th February, 2024).

The details of voting pattern are given below:

Particulars	% of Voting
Votes in favour of the Resolution	100.00 %
Votes against the Resolution	Negligible

- b) Appointment of Mr. Ravi Bhamidipaty as an Independent Director of the company. (Postal Ballot Notice dated 13th September, 2022)

The details of voting pattern are given below:

Particulars	% of Voting
Votes in favour of the Resolution	100.00 %
Votes against the Resolution	Negligible

- c) Introduction and implementation of 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024" or "Scheme") is subject to the approval by the Members of the Company through Postal Ballot process. The evoting for the resolutions proposed in the Postal Ballot notice is opened from 17th April, 2024 to 16th May, 2024. The Results of Postal Ballot will be declared withing 2 working days of the 16th May, 2024.

In aforesaid postal Ballots the Board of Directors had appointed Mr. Umesh Parikh, Partner of Parikh Dave & Associates, Practicing Company Secretaries, Ahmedabad, as Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

There is no special resolution proposed to be conducted through postal ballot in ensuing AGM.

12) Means of Communication

1. Quarterly results are published in leading daily newspapers viz. The Economic Times / Business Standard and a local language newspaper viz. Times of

India / Navgujarat Samay. The other Communication/ notices to the shareholders are published in Indian Express and Financial Express Gujarati both Ahmedabad Editions. The annual reports are circulated to all the members of the Company electronically, whose email ids are registered with depository participant and with the Registrar and Share Transfer Agent / Company only.

2. The official news releases/investor communication, if any, are given directly to the press and simultaneously submitted to the Stock Exchanges.
3. Quarterly and annual financial results, Shareholding pattern and other general information of the company are displayed on the company's website: www.cera-india.com.
4. Earnings Calls and Presentations at the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website of the Company thereafter also submitted to the stock exchanges.

13) General Shareholders' Information

1. Annual General Meeting

Date and Time : Thursday, 11th day of July, 2024 at 11.30 a.m.

Venue : The company is conducting meeting through VC/OAVM pursuant to the relevant MCA circulars in this regard and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

2. Financial Calendar 2024-25 (tentative)

Annual General Meeting: By 30th September, 2025

Results for quarter ending By 14th day of

June 30, 2024 August, 2024

September 30, 2024 November, 2024

December 31, 2024 February, 2025

March 31, 2025 (Audited) By 29th May, 2025

3. Dividend Payment

Dividend for the year ended 31st March, 2024 will be paid to the members whose names will appear in the register of members of the Company, on 3rd July, 2024 and in respect of shares held in Demat form, the members whose names appear on the statement of beneficial ownership furnished by NSDL and CDSL at the end of business hours on 25th June, 2024.

Dividend will be paid within 30 days from the date of approval by the members at the Annual General Meeting either by direct credit into the members' bank accounts or by posting of dividend warrants / demand draft cases where proper bank details are not available with Company/ R&T agent.

In accordance with the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors has adopted Dividend Distribution Policy and the same is placed on the website of the Company at: <https://www.cera-india.com/policy-and-statutory-documents/dividend-distribution-policy>

4. Transfer of Shares to Investor Education and Protection Fund Authority (IEPF Authority)

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and its amendment made from time to time, all the shares on which dividend has not been paid or claimed for seven consecutive years or more, such shareholders' shares are required to be transferred to the Investor Education and Protection Fund. Company would be sending individual communications to all such shareholders whose dividend has not been paid or claimed for any year during the said seven consecutive years requesting them to claim their dividend before the due date of transfer failing which their shares would be transferred to the IEPF. Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the IEPF Authority at www.iepf.gov.in. Such shareholders are requested to update their KYC, claim their shares and unclaimed / unpaid dividend immediately.

5. Listing on Stock Exchanges

The Company's shares are listed at BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort Mumbai - 400001 and National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.

The company has paid listing fees for the year 2023-24 and 2024-25 to both the Stock Exchanges.

BSE Limited

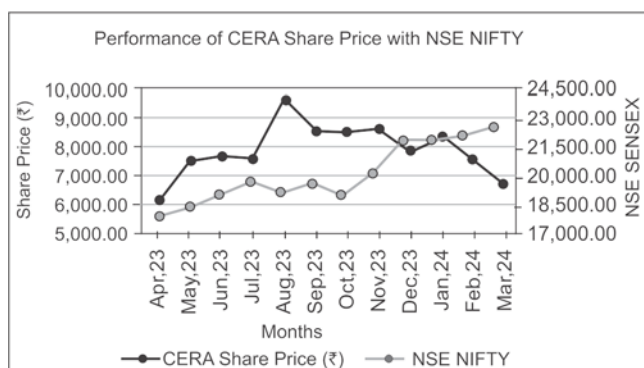
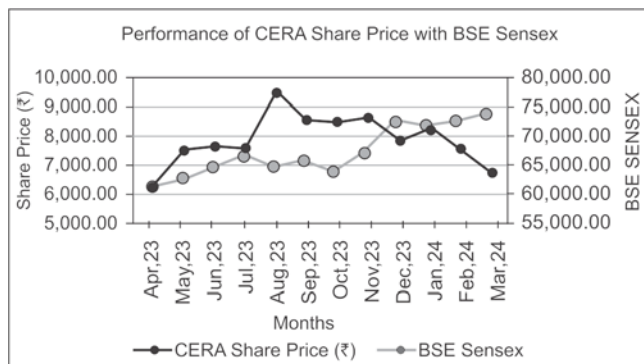
Scrip Code : 532443 Scrip ID : CERA

National Stock Exchange of India Limited

Trading Symbol : CERA.

6. Share price at BSE and NSE

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2023	6600.00	5988.80	6600.00	6030.00
May-2023	7845.30	6275.05	7847.50	6300.00
Jun-2023	8195.55	7450.05	8196.00	7521.95
Jul-2023	7938.00	6980.25	7948.90	6984.00
Aug-2023	9592.40	7552.60	9641.95	7515.55
Sep-2023	9782.25	8412.85	9740.00	8410.00
Oct-2023	9250.20	7978.90	9252.00	7976.00
Nov-2023	8947.90	8010.00	8988.40	8005.35
Dec-2023	8718.30	7837.65	8743.45	7830.00
Jan-2024	8322.25	7673.45	8340.35	7670.00
Feb-2024	8384.50	7331.05	8318.50	7330.00
Mar-2024	7746.70	6551.25	7715.00	6591.20



7. Registrar and Share Transfer Agent

Entire Share Transfer and dematerialization / rematerialization job is assigned to MCS Share Transfer Agent Limited, a SEBI registered Registrar and Share Transfer Agent. Request for Share transfer, dematerialization and re-materialization should be sent directly to MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380009 Contact No. 079-26580461/462, Email: mcsstaahmd@gmail.com. Shareholders have option to open their accounts with either NSDL or CDSL as the Company has entered into agreements with both of these depositories.

8. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition or re-lodgment of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Board has delegated the authority for approving transfer, transmission etc. to the Share Transfer Committee.

The Company obtains annually certificate from a Company Secretary in Practice confirming the issue of share certificates, sub-division, consolidation, transmission etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI (LODR) Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI (LODR) Regulations, 2015 confirming that all activities in relation to both physical and

electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on yearly basis.

As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with SEBI Press Release dated 3rd December, 2018, the requests for effecting transfer of securities (except in case of transmission, transposition or re-lodgment of securities) is not being processed after 31st March, 2019, unless the securities are held in the dematerialized form with the depositories.

9. Information for Physical Shareholders

SEBI Master circular no. SEBI/HO/MIRSD/POD-1/P/ CIR/ 2023/70 dated 17th May, 2023 provides simplified norms for processing investor's service request, shareholders holding shares in physical form need to furnish the following documents to the Company/ Registrar & Share Transfer Agent (RTA) for updation for their KYC and other details:

- 1) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details, Bank Account details like Bank Name, Branch, Bank Account No, IFSC Code and MICR code, Address with Pin code, Email ID and Mobile Number (Form ISR-1)
- 2) Specimen Signature (Form ISR-2)
- 3) Registration of Nominee (Form No. SH-13) or Declaration for opting-out of Nomination (Form ISR-3)

Soft copy of the above forms are available on the website of the Company as well as website of the Registrar and Share Transfer Agent of the Company. Further all the shareholders who have not dematerialized their shares, are also advised to get their shares converted into Demat/electronic form to get inherent benefits of dematerialization. CERA SANITARYWARE LIMITED'S ISIN is INE739E01017.

For queries, you can approach to our Registrar and Share Transfer Agent (RTA) at: MCS Share Transfer Agent Limited (Unit: Cera Sanitaryware Limited), 101, 1st Floor, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009, Email: mcsstaahmd@gmail.com, Tel.: +91 79 26580461/62.

10. Distribution of Shareholding as on 31.03.2024

Shares	No. of Shareholders	Total No. of Shares
1 – 500	35,164	10,86,788
501 – 1000	215	1,58,530
1001 – 2000	92	1,32,345
2001 – 3000	34	83,722
3001 – 4000	12	42,365
4001 – 5000	9	40,646
5001 – 10,000	30	2,17,053
10,001 – 50,000	49	10,39,589
50,001 – 1,00,000	9	6,81,464
1,00,001 And above	15	95,23,372
Total	35,629	1,30,05,874

11. Shareholding Pattern as on 31st March, 2024.

Sr. No.	Category	No. of Shares	(%)
1.	Promoters & Promoter Group	70,85,139	54.48
2.	Mutual Funds	8,23,644	6.33
3.	FPIs	28,51,167	21.92
4.	Financial Institutions / Banks / Trusts / Insurance Co.	37,703	0.29
5.	IEPF	1,06,061	0.82
6.	NRIs	83,741	0.64
7.	Bodies Corporate	4,17,727	3.21
8.	Indian Public / HUFs / Firms	16,00,692	12.31
Total		1,30,05,874	100.00

12. Dematerialisation of Shares as on 31.03.2024.

As on 31.03.2024, 99.09% of the Company's total shares representing 1,28,86,881 Shares were held in dematerialized form and the balance 0.91% representing 1,18,993 shares are in physical form.

The ISIN Number in NSDL and CDSL is "INE739E01017".

13. Secretarial Audit for Reconciliation of Capital pursuant to SEBI (Depositories and Participants) Regulations, 2018 : A practicing company secretary has carried out the aforesaid Secretarial Audit for all the quarters of Financial Year 2023-24. The Audit Reports confirms that there is no discrepancy in the issued, listed and admitted capital of the Company.

14. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or convertible instruments in the Company.

15. During the year the company has not granted any loans and advances in the nature of loans to firms/companies in which directors are interested.

16. Credit Rating:

During the year under review the Company has received following credit rating:

Facilities	Ratings	Remarks
Long -Term Bank Facilities	CARE AA; Stable [Double A; Outlook: Stable]	Reaffirmed
	CRISIL AA/ Stable (Upgraded from CRISIL AA-/ Positive)	Upgraded
Long -Term/ Short -Term Bank Facilities	CARE AA; Stable/ CARE A1+ [Double A; Outlook: Stable/ A One Plus]	Reaffirmed
Short - Term Bank Facilities	CRISIL A1+	Reaffirmed
Commercial Paper (₹ 30 Crores)	CRISIL A1+	Reaffirmed

17. Plant Locations

The Company's plants are located at the following places:

1. Sanitaryware and Faucetware Plants :
9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana, Gujarat.
2. Wind Farms :
 - a. Village & Tal. Kalyanpur, Dist. Devbhumi Dwarka, Gujarat.
 - b. Village Kadoli, Tal. Abdasa, Dist. Kutch, Gujarat.
 - c. Village Jivapar (Anandpar), Tal. Chotila, Dist. Surendranagar, Gujarat.
 - d. Village Mota Gunda, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.
 - e. Village Navagam, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.

18. Address for Correspondence

The Company's Registered Office is situated at 9, GIDC Industrial Estate, Kadi - 382715, District Mehsana, Gujarat. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above or Corporate Office at 7th & 8th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Cross roads, S G Highway, Ahmedabad - 380058 or to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009. Contact No. 079- 26580461/62, Email: mcsstaahmd@gmail.com

- 19.** The Company has received Certificate from Parikh Dave & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory Authority. Certificate forms part of this report.
- 20.** During the F.Y. 2023-24 the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- 21.** During the year, total fees of ₹ 26.50 Lakhs have been paid to Statutory Auditors, Singhi & Co. and total fees of ₹ 2.60 Lakhs paid to Statutory Auditors of Subsidiaries, N. M. Nagri & Co.
- 22.** Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - a. Number of Complaints filed during the financial year - Nil
 - b. Number of Complaints disposed of during the financial year - Nil
 - c. Number of Complaints pending as on end of the financial year - Nil
- 23.** Compliance certificate from Parikh Dave & Associates, practicing company secretary, regarding compliance of conditions of corporate governance is annexed with this report.

14) Other Disclosures

1. There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.

2. Disclosure of Accounting Treatment:

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Financial Statements up to and for the year ended 31st March, 2024 were prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The previous year's figures have been regrouped / reclassified or restated, so as to make the figures comparable with the figures of current year.

3. There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authority of any matter related to the capital market, during the last three years.

4. Vigil Mechanism (Whistle Blower Policy):

The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/vigil-mechanism-whistle-blower-policy> and no person is denied access to the Audit Committee. The Company is doing business with honesty and integrity over the years. The system is in place to report unethical conduct in order to promote professionalism, fairness, dignity, and ethical behaviour in its staff and stakeholders.

The said system also safeguards the employees who use the vigil mechanism from being victimized.

5. The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has partly adopted nonmandatory requirements. The Company is having

unmodified audit opinion and the Internal Auditor reports directly to the Audit Committee. The Company is complying with applicable Secretarial Standards.

6. The Company has no material subsidiary. The Policy on Material Subsidiary framed by the Board of Directors of the Company is available on Company's website at <https://www.cera-india.com/policy-and-statutory-documents/policy-for-determining-materiality-of-events>

7. Related Party Transactions:

All transactions entered into with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and approved by the Audit Committee and the Board of Directors, as applicable. There were no materially significant transactions with related parties during the financial year which were in conflict of interest of the Company. Considering the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Related Party transactions, the board review and revise the Related party Transaction policy of the Company, time to time and it has been uploaded on the website of the Company at <https://www.cera-india.com/policy-and-statutory-documents/related-party-transaction>

8. Commodity Risk or Foreign Exchange Risk:

The Company is not dealing in any activity which may have commodity price risk or Foreign Exchange risk or undertaken hedging activities.

9. There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2023-24.

10. CEO and CFO certification

As per Regulation 17(8) and Part - B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Managing Director / CEO and CFO has been obtained.

Ahmedabad.
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors,
Cera Sanitaryware Ltd.

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2024 and that 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.
- b) There are, to the best of 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.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year.
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) that there is no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Ahmedabad
13th May, 2024

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Vikas Kothari
Chief Financial Officer

CERTIFICATE

To,
The Members,
Cera Sanitaryware Limited
CIN: L26910GJ1998PLC034400

We have examined relevant registers, records, forms, returns and disclosures in respect of the Directors of Cera Sanitaryware Limited (the Company) having its registered office situated at 9, G.I.D.C. Industrial Estate, Kadi, Mehsana – 382715, Gujarat which were produced before us by the Company for the purpose of issuing a certificate as stipulated in Regulation 34 (3) read with Clause (10) (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number - DIN on the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as a Director of the Company by the Board i.e. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such statutory authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the basis of verification of documents produced before us and made available to us.

FOR PARIKH DAVE & ASSOCIATES
Company Secretaries
Umesh G Parikh
Partner
Practicing Company Secretary
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No. 4152
C P No.: 2413
UDIN: F004152F000356009

Ahmedabad
13th May, 2024

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Cera Sanitaryware Limited
CIN: L26910GJ1998PLC034400

We have examined all relevant records of **CERA SANITARYWARE LIMITED** for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under para C and D of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2024.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has complied with the mandatory conditions of the Corporate Governance as stipulated in para C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

FOR PARIKH DAVE & ASSOCIATES
Company Secretaries
Umesh Parikh
Partner
Practicing Company Secretary
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No. 4152
C P No.: 2413
UDIN: F004152F000356011

Ahmedabad
10th May, 2023

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
WITH THE COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for Board Members and Senior Management of the Company.

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2024.

Ahmedabad
13th May, 2024

For **Cera Sanitaryware Limited**
Vikram Somany
Chairman and Managing Director
(DIN : 00048827)

Annexure VIII to the Directors' Report
BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

The Directors present the Business Responsibility and Sustainability Reporting for the financial year ended on 31st March, 2024

SECTION A : GENERAL DISCLOSURE:
I. DETAILS OF LISTED ENTITY

1	Corporate Identity Number (CIN) of the Company	L26910GJ1998PLC034400
2	Name of the Company	Cera Sanitaryware Limited
3	Year of Incorporation	1998
4	Registered Office address	9, GIDC Industrial Estate, Kadi-382715, Dist. Mehsana, Gujarat, India.
5	Corporate Address	7 th & 8 th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Cross Roads, Ahmedabad 380059
6	Email ID	kadi@cera-india.com
7	Telephone	2764-243000, 242329, 079-49112222
8	Website	www.cera-india.com
9	Financial year of which Reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid Up Capital	₹ 650.29 Lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Hemal Sadiwala 2764-243000, 242329 hemal.sadiwala@cera-india.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Name of assurance provider	-
15	Type of assurance obtained	

II. PRODUCTS / SERVICES
16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Trading	Manufacturing and Trading of Sanitaryware, Faucetsware, Tiles, Bathroom accessories & Allied products.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S.No.	Product / Service	NIC Code	% of Total Turnover contributed
1	Manufacturing and Trading of Sanitaryware	23922	47%
2	Manufacturing and Trading of Faucetsware	28132	36%
3	Manufacturing and Trading of Bathroom accessories & Allied products	28132	7%
4	Trading of Tiles	23912	10%

* NIC -2008

III. OPERATIONS
18. Number of locations where plants and/or operations/offices of the entity are situated:

Location.	Number of Plants	Number of Offices*	Total
National	2	33	35
International	-	-	-

* Including Depots

19. Markets served by the entity:
a. Number of locations

Location.	Number
National (No. of states)	28 States 08 Union Territories
International (No. of countries)	35

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute 1.1% to the total turnover.

c. A brief on types of customers:

Customer Segment	Distribution Channel	Customer Type
Individual Segment	Dealers and sub-dealers' network	Individual homeowners, small-scale buyers
Institutional Customers	Direct engagement	Construction companies, real estate developers, government bodies, large entities

IV. EMPLOYEES

20. Details as at the end of Financial Year :

a. Employees and workers (including differently abled) :

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	1231	1148	93.3%	83	6.7%
2.	Other than Permanent (E)	132	130	98.5%	2	1.5%
3.	Total employees (D+E)	1363	1278	93.8%	85	6.2%
	WORKERS					
4.	Permanent (F)	1279	1277	99.8%	2	0.2%
5.	Other than Permanent (G)	2704	2508	92.8%	196	7.2%
6.	Total workers (F+G)	3983	3785	95.0%	198	5.0%

b. Differently abled Employees and workers :

S.No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	4	4	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D+E)	4	4	100%	-	-
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	10	10	100%	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F+G)	10	10	100%	-	-

21. Participation/Inclusion/Representation of women (As on 31st March, 2024)

	Total(A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	10	2	20%
Key Management Personnel#	2	-	-

* Out of total Ten Directors- two Independent Director retired on the end of 31st March, 2024 and one Executive Director ceased to be Director from the end of 31st March, 2024 due to resignation.

Excludes Directors

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23%	13%	22%	19%	19%	19%	21%	24%	21%
Permanent Workers	3%	-	3%	4%	-	4%	7%	-	7%

Note : In FY-2022-23 BRSR report we have used a different calculation methodology; in this report our calculations are based on SEBI guidance.

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)
23.(a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ JointVenture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Packcart Packaging LLP	Subsidiary	51	No
2	Race Polymer Arts LLP	Subsidiary	51	No

VI. CSR DETAILS

24.(i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No) - Yes

(ii) Turnover (in ₹) 1,87,123.47 Lakhs

(iii) Net worth (in ₹) 1,34,254.10 Lakhs

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES
25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Cera has implemented a Vigil Mechanism (whistleblower mechanism) to address grievances. Vigil Mechanism Policy link: https://www.cera-india.com/policy-and-statutory-documents/vigil-mechanism-whistle-blower-policy Additionally, the Company has also implemented a Vishwaas Setu established for daily shop floor grievances and support management tool as a redressal mechanism for its workers. For shareholders and investors, there is a dedicated email ID along with Contact details for their queries/grievances, the same is placed on the website of the Company Grievance Redressal Mechanism Policy link: https://www.cera-india.com/sites/default/files/2022-05/Discipline-and-Grievance-Policy.pdf	-	-	-	-	-	-
Investors (other than shareholders)		-	-	-	-	-	-
Shareholders		4	1	-	3	-	-
Employees and workers		-	-	-	-	-	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

26. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications
1	GHG and Energy Management	Risk and Opportunity	<p>Risk The manufacturing processes of sanitaryware, faucetware, bathroom accessories involve the consumption of electricity and natural gas for operating kilns which results in greenhouse gases emissions (GHGs).</p> <p>Opportunity Adopting energy efficiency initiatives and integrating renewables into the energy mix, Cera can reduce operational costs and strengthen its position as a responsible brand.</p>	<p>Cera has set up solar and wind plants with a combined capacity of 10.325 MW, generating 51,112 gigajoules. This setup sufficiently meets the majority of its energy requirements, thus reducing its dependency on grid electricity.</p> <p>Further, the Company has also installed a waste heat recovery system, which reduces its dependency on fossil fuels.</p> <p>Our R&D unit explores various alternatives aimed at reducing fuel consumption including using fuel-efficient burners and incorporating newer energy-saving technologies.</p>	Positive & Negative
2	Water management	Risk & Opportunity	<p>Risk Water is crucial in the mixing and moulding stages of production. Improper water management poses risks to operations, increases costs, and could result in non-compliance which affects the business continuity.</p> <p>Opportunity Implementing water management practices that optimize water usage is critical to reduce the dependency on freshwater sources. Additionally, incorporating water-efficient product designs and manufacturing fosters resilience and encourages innovation within our business model.</p>	<p>The Company recognises the importance of the water and it has installed state-of-the-art ETPs and STPs in its manufacturing facility to treat its influents.</p> <p>Further, the company reuses the treated water in the production process, gardening and other applications. This has enabled us to achieve Zero Liquid Discharge (ZLD) in our operations.</p> <p>Additionally, we have developed a fully functional rainwater-harvesting system by maintaining over 10 wells within the premises. This water is further treated and reused in production which reduces the dependency on ground water.</p> <p>As a socially responsible corporate citizen, Cera prioritizes water-efficient product design, with 49% of its portfolio consisting of water-saving products.</p>	Positive & Negative

S. No.	Material issue identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications
3	Waste Management	Opportunity	The majority of the waste generated in the Company's operations is recyclable. Through 'Waste Minimization and Waste Utilization' initiative, the company has undertaken several measures to reduce, reuse, and recycle its waste. Repurposing waste at various production stages (including both unfired and fired waste) and implementing stringent pollution control measures reduces environmental impact and provides a competitive edge in the market.		Positive
4	Community (CSR)	Opportunity	The Company demonstrates its commitment to social responsibility through the implementation of strategic and trust-based community development interventions. The Company actively engages with local communities and participates in various social welfare activities. These programs enhance the company's engagement with surrounding communities and contribute to strengthening its social commitments.		Positive
5	Human Rights	Risk & Opportunity	<p>Risk Adhering to human rights principles is a fundamental responsibility of the company. It is essential to prioritize compliance with laws and regulations related to human rights. Failure to do so can lead to legal consequences and negatively affect the Company's reputation and brand perception.</p> <p>Opportunity Adhering to ethical labour practices and promoting diversity, equity and inclusion through stakeholder engagement reinforces our position as a responsible and preferred employer.</p>	At Cera, we are dedicated to safeguarding the human rights of our employees and workers. We have adopted various policies including Code of Conduct, Anti-Corruption Policy, Business Ethics & Labour Policy, Policy on Child Labour & Forced Labour, Policy on Sexual Harassment, Whistle-blower Policy. These policies serve as guiding principles for us to establish and implement processes and procedures aimed at eliminating all forms of human rights violations.	Positive & Negative
6	Employee Safety and Well-being	Opportunity	At Cera, we consider our employees as our most valuable asset. Cera is ISO 45001:2018 certified, which ensures our compliance with health and safety practices. This along with our focus on employee engagement initiatives play a crucial role in enhancing the productivity of the Company.		Positive
7	Product quality and Brand Image	Opportunity	To distinguish ourselves as a leading market player and the most preferred consumer brand in sanitaryware and bathroom allied products, Cera has established strong market connects and built legacy brands that ensure consumer satisfaction.		Positive

S. No.	Material issue identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications
8	Supply Chain Management	Opportunity	A resilient supply chain is key to optimizing operations, enhancing efficiency and gaining a competitive advantage. Establishing long-term relationships with our suppliers, dealers, and retailers fosters trust and reliability, leading to smoother operations and consistent product quality. Our business continuity plan and risk management plan comprehensively address all foreseeable risks within our supply chain, with necessary measures in place to mitigate any disruptions that may arise.		Positive

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c.	Web Link of the Policies, if available	https://www.cera-india.com/policy-and-statutory-documents								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	No, the Company encourages its value chain partners to adopt best practices to achieve responsible business operations.								
4	Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 Quality Management System ISO 45001:2018 Safety Management System ISO 14001:2018 Environment Management System Product confirmation to BIS (ISI) CE IAPMO								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our company is certified with ISO 14001:2018 for environmental management systems. We have established internal targets for energy and water consumption, as well as waste generation. These targets are established by taskforce and operation control teams led by HODs. Regular assessments and monitoring ensure alignment with our overarching goals, fostering a culture of continuous improvement and environmental stewardship across our operations.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons incase the same are not met.	The performance of these targets is integral to the company and is assessed by the respective HODs								
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)	At Cera, we are committed to integrating Environmental, Social, and Governance (ESG) principles into our businesses. We take a holistic approach to ESG matters, recognizing their interconnectedness and impact on sustainable development. Through innovation, we strive to minimize our environmental footprint and actively promote renewable energy. Our dedication to social responsibility extends to fostering a positive impact on stakeholders, including customers, employees and communities. We prioritize workplace safety, diversity, inclusion, and community engagement to enhance the quality of life for all. We believe in maintaining high standards of governance is fundamental to our corporate culture and long-term success. Upholding principles of transparency, integrity and accountability in all our business dealings ensures trust and confidence among our stakeholders.								

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	<ul style="list-style-type: none"> DIN Number : 09290890 Name : Mr. Anupam Gupta Designation : Executive Director (Technical) Telephone : (02764) 243000, 242329
9	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, the Company has appointed Mr. Anupam Gupta, Executive Director (Technical) to oversee implementation of the ESG principles, policies and report to the Board on its implementation strategy and progress.
10	Details of Review of NGRBCs by the Company:	
	Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board / Any other Committee
		Frequency (Annually / Half yearly / Quarterly / Any other – please specify)
		P1 P2 P3 P4 P5 P6 P7 P8 P9 P1 P2 P3 P4 P5 P6 P7 P8 P9
	Performance against above policies and follow up action	The review is undertaken by the Executive Director (Technical)
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	At Cera, we have implemented internal control measures to regularly check compliance requirements.
		Annually
		Quarterly
11.	Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The entity has not conducted any independent assessment or evaluation of its policies. However, we ensure that internal control procedures and periodic assessments of our operations are conducted to verify compliance with our policies.
12.	If, answer to question 1 about is no i.e. not all principles are covered by a policy, reasons to be stated; : Not Applicable	

SECTION C [PRINCIPLE-WISE PERFORMANCE DISCLOSURE] :
PRINCIPLE 1 : [BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE]
ESSENTIAL INDICATORS
1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
- Board of Directors	As part of the Board and Committee meetings, a total of 15 programs were held	<ul style="list-style-type: none"> Corporate Governance Companies Act, and rules made there under SEBI Regulations ESG related issues & updates CSR initiatives Risk Management Familiarization programmes 	100
- Key Managerial Personnel			
- Employees other than BoD and KMPs	59	<ul style="list-style-type: none"> Health and safety trainings Anti-corruption and bribery topics Prevention of Sexual Harassment (POSH) Code of Conduct Leadership Mental Health Skill upgradation training. 	52%
- Workers	60	<ul style="list-style-type: none"> Health and safety trainings Anti-corruption and bribery topics Prevention of Sexual Harassment (POSH) Mental Health - Skill upgradation training. 	100%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRNC Principle	Name of the Regulatory Enforcement Agencies / Judicial Institutions	Amount (In lakhs)	Brief of the Case	Has an Appeal been preferred ? (Yes/No)
Penalty/Punishment/ Fine Settlement			NIL		
Compounding Fees			NIL		
Non-Monetary					
	NGRNC Principle	Name of the Regulatory Enforcement Agencies / Judicial Institutions	Amount (In lakhs)	Brief of the Case	Has an Appeal been preferred ? (Yes/No)
Imprisonment			NIL		
Punishment			NIL		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.
Yes, Cera has implemented Anti-Corruption Policy, which prioritizes ethical business practices with zero-tolerance for bribery and corruption. This commitment is supported by leadership and implemented across the organisation through well-defined guidelines.
Policy Link: <https://www.cera-india.com/policy-and-statutory-documents>
5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption : No directors, key management personnel, employees, or workers have faced disciplinary actions by law enforcement agencies for allegations related to bribery or corruption.
6. Details of complaints with regard to conflict of interest : No complaints received in relation to issues of conflicts of interest of Directors / KMPs.
7. Provide details of any corrective action taken or under way on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest : Not Applicable
8. Number of days of accounts payables in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	66	64

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	6.61%	5.96%
	b. Number of trading houses where purchases are made from	14	14
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	71.42%	71.56%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	67%	68%
	b. Number of dealers / distributors to whom sales are made	3257	3274
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	14.68%	16.35%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	6.70%	8.00%
	b. Sales (Sales to related parties / Total Sales)	0.00%	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company has been encouraging its vendors to follow the path of sustainability. The Company has a strong emphasis on ESG factors in addition to general competencies, finances, and capacity.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same

Yes, Cera has implemented a comprehensive code of conduct for Directors, Key Management Personnel (KMPs) and Senior Management Persons (SMPs), aimed at addressing conflicts of interest among board members. This code requires all individuals to disclose any potential conflicts of interest related to board matters and to abstain from participating in discussions or voting on such matters. All members are required to declare that they do not have any conflicts of interest at the end of the financial year.

Policy link: <https://www.cera-india.com/policy-and-statutory-documents/code-of-conduct>.

PRINCIPLE 2 : BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE
ESSENTIAL INDICATORS

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of Improvements in environmental and social impacts
R&D	11%	10%	Expenditure incurred for energy efficiency, safety, waste management, water consumption reduction etc., more details are mentioned in Annexure III of the Directors Report.
Capex	38%	1.6%	

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
 Yes, the primary raw material in our operations is clay. We prioritize sourcing from suppliers who are reputed and adhere to environmental standards. We procure the majority of our raw materials from neighbouring states and within the same state of our manufacturing facility, thereby reducing emissions involved in the transportation of raw materials. Our vendor selection process emphasizes responsible business conduct and we prioritize establishing long-term partnerships with suppliers who align with our values.
 - If yes, what percentage of inputs were sourced sustainably?**
 Raw material purchase from neighbouring states 82%
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**
 - Plastics (including packaging):** We collaborate with certified recyclers approved by the Central Pollution Control Board (CPCB) to dispose plastic materials.
 - E-waste:** For the disposal of E-waste, we partner with and authorized CPCB / SPCB vendors.
 - Hazardous waste:** The hazardous waste generated from our operations is disposed through authorized CPCB/SPCB vendor per the compliance.
 - Other waste:** For waste materials that do not fall into the above categories, we evaluate the possibility of recycling or reusing them within our production processes before sending it for disposal.
 - Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
 Yes, Extended Producer Responsibility (EPR) norms are applicable to our entity's activities, and we adhere to these regulations as mandated by the Central pollution control boards.

LEADERSHIP INDICATORS

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? : Not Applicable**
- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**
 Not Applicable
- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Green waste	12%	15%
Fired waste	10%	12%

- Of the products and packaging reclaimed at end of life of products, amount (in metrictonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	We do not reclaim any of our products at the end of their life cycle due to their long lifespan. However, for plastic packaging waste, we adhere to Extended Producer Responsibility (EPR) compliance norms. All rejected ceramic products are grinded, with a portion reused in the production process.					
E-waste						
Hazardous waste						
Other waste						

- Reclaimed products and their packaging materials (as percentage of products sold) foreach product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
At Cera, we do not reclaim our sold products at the end of their life cycle due to their long lifespan. The cardboard used in our packaging material is recyclable.	

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**ESSENTIAL INDICATORS**

1. a. Details of measures for the well-being of employees :

% of Employees covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1148	685	60%	1148	100%	-	-	-	-	-	0%
Female	83	38	46%	83	100%	83	100%	-	-	13	16%
Total	1231	723	59%	1231	100%	83	7%	-	-	13	1%
Other than Permanent employees											
Male	130	130	100%	-	-	-	-	-	0%	-	0%
Female	2	2	100%	-	-	2	100%	-	0%	2	100%
Total	132	132	51%	-	-	2	2%	-	0%	2	2%

- b. Details of measures for the well-being of workers :

% of Workers covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1277	1277	100%	1277	100%	-	-	-	-	0	0%
Female	2	2	100%	2	100%	2	100%	-	-	2	100%
Total	1279	1279	100%	1279	100%	2	100%	-	-	2	100%
Other than Permanent Workers											
Male	2508	2508	100%	2508	100%	0	0%	-	-	-	-
Female	196	196	100%	196	100%	196	100%	-	-	196	100%
Total	2704	2704	100%	2704	100%	196	7%	-	-	196	7%

- c. Spending on measure towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.11%	0.07%

2. Details of retirement benefits, for Current FY and Previous Financial Year :

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	5.67%	91.02%	Yes	9.00%	94%	Yes
Others—please specify	-	-	N.A.	-	-	N.A.

- 3.
- Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

While the accessibility of our workplace may not fully comply with the Rights of Persons with Disabilities Act, 2016, we are committed to ensuring accessibility for all our employees. We take all necessary steps to ensure that our premises do not cause any inconvenience for differently-abled employees. We conduct employee sensitization programs to raise awareness of the needs and requirements of differently-abled individuals, enabling our employees to offer appropriate assistance when needed.

- 4.
- Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company has the BRS policy which outlines its commitment to providing equal opportunities to all individuals, irrespective of their caste, creed, gender, country, colour, race, religion, disability, or sexual orientation.

Policy link: <https://www.cera-india.com/policy-and-statutory-documents>

- 5.
- Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	NA	NA	NA
Total	100%	NA	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No(If Yes, then give details of the mechanism in brief)
Permanent Workers	At Cera, we have established a robust grievance mechanism for our workforce, derived from our grievance policy.
Other than Permanent Workers	We have established daily shop floor grievance mechanisms Vishwaas Setu where VP of HR, the DGM of IR and the Head of Security conduct shop floor visits to address any grievances of the workforce. This approach ensures prompt resolution of issues and fosters a supportive work environment.
Permanent Employees	We have established a whistleblower mechanism for our employees to disclose concerns about unethical behaviour, improper practices, and wrongful conduct.
Other than Permanent Employees	We provide safeguards to whistleblowers and stakeholders assisting investigations. We also hold monthly meetings with union representatives, these meetings are attended by the DGM (IR) and AM (IR).

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity :**

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers i respective category (A)	No. of employees/ workers in Respective category, who are part of association(s) or Union (B)	% (B/ A)	Total employees/ workers i respective category (C)	No. of employees/ workers in Respective category, who are part of association(s) or Union (D)	% (D/ C) (D)
Total Permanent Employees	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	1279	1274	99.6%	1318	1313	99.6%
- Male	1277	1272	99.6%	1316	1311	99.6%
- Female	2	2	100%	2	2	100%

8. **Details of training given to employees and workers :**

Category	Total(A)	FY 2023-24				Total(D)	FY 2022-23			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill Upgradation	
		No. (B)	%(B/ A)	No. (C)	%(C/ A)		No. (E)	%(E/ D)	No.(F)	%(F/ D)
Employees										
Male	1148	415	36%	425	37%	1133	41	4%	44	4%
Female	83	8	10%	8	10%	72	12	15%	13	18%
Total	1231	423	35%	433	36%	1205	53	4%	57	5%
Workers										
Male	1277	971	76%	1277	100%	1308*	500	38%	808	62%
Female	2	2	100%	2	100%	264*	160	61%	104	39.39%
Total	1279	973	76%	1279	100%	1572	660	42%	912	58.02%

Note: We have trained all the workers and employees on health and safety measures who are working on the shopfloor.

*In previous year BRSR report we have mentioned contractual workers in current financial year we have report permanent workers.

9. **Details of performance and career development reviews of employees and worker :**

Category	Total (A)	FY 2023-24		Total(C)	FY 2022-23	
		No. (B)	%(B/ A)		No. (D)	%(D/C)
Employees						
Male	1148	1148	100%	1133	1133	100%
Female	83	83	100%	72	72	100%
Total	1231	1231	100%	1205	1205	100%
Workers						
Male	1277	1277	100%	1316	1316	100%
Female	2	2	100%	2	2	100%
Total	1279	1279	100%	1318	1318	100%

10. Health and safety management system :

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, Cera has implemented a comprehensive health and safety management system, ISO 45001: 2018, across all our operating units and offices. We uphold an Occupational Health & Safety Policy that underscores our dedication to the well-being and safety of our employees as our top priority and fundamental objective. We adhere to compliance of health and safety regulations, as per the Gujarat State Factories Rules, which is integral to ensuring a safe workplace environment for all employees.

We are committed to fostering an atmosphere where every employee and worker representative assumes self-responsibility, actively participates, and offers their fullest cooperation in maintaining and enhancing health and safety standards. We recognize our responsibility to create, uphold, and guarantee a secure and productive workplace. We aim to minimize health and safety risks by leveraging technology and implementing safe work practices, all in the pursuit of sustainable development.

Policy Link: <https://www.cera-india.com/sites/default/files/2022-05/Occupational-Health-Safety-Policy.pdf>

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At Cera, we have implemented Hazard Identification and Risk Assessment (HIRA) process to identify work-related hazards. Our dedicated health and safety team conducts regular audits and inspections to identify potential hazards, incorporating feedback from employees and workers. Identified hazards are mitigated with the assistance of Plant Engineering team and Department Heads. Additionally, we conduct third-party safety audits and ensure compliance. We promote a safety culture by encouraging prompt reporting of unsafe acts, hazardous conditions, near misses, or work-related risks to the health and safety team.

Further, we have integrated a Kaizen system focused on safety to identify and mitigate work-related hazards. To encourage active participation from our workforce, we have introduced Kaizen coupons for participants in this program. These coupons serve as tokens of encouragement for our workforce and helps us to identify the work-related hazards.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

At Cera, we actively encourage our workers to report any work-related hazards to our safety team or supervisor. Upon receiving reports, the respective team investigates the hazards and implements necessary corrective actions, reinforcing our commitment to creating a safe and aware workplace environment. If employees feel unable to work in their current department due to health concerns, they can request assistance from the HODs. After reviewing their situation, HR assesses them for a suitable role and transfers them to another department that better accommodates their needs. This comprehensive approach reflects our dedication to creating a safe and supportive work environment for all employees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Cera's manufacturing facility is equipped with an Occupational Health Centre (OHC) to ensure prompt and efficient healthcare response for the workforce. Employees and workers are covered by health insurance. For those who are not covered under these insurance programs, access to the ESIC program is available. Additionally, we organize annual health checkup programs for our workforce at all operational sites. Awareness programs are conducted for the workforce to prevent tobacco, alcohol, and drug use, ensuring the well-being of the workforce.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	5.24	11.48
Total record ablework-related injuries	Employees	-	-
	Workers	19	36
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

At Cera, we are committed to health and safety of our employees by eliminating unsafe conditions and acts within the workplace. As a preventive measure, workers are permitted to work only after receiving a safety briefing on the activities to be performed. For all the safety related incidents, our safety team conducts a root cause analysis to identify underlying causes and corrective actions are implemented to eliminate the hazards. Additionally, to reduce the ergonomic impact on the workforce, we have implemented several initiatives. Some of these include stack lifters, forklift, trollies, designated pathways for the internal movement of materials. These initiatives help reduce the physical stress. We ensure that work environment is clean and hygienic. We have 60 trained first aiders and 651 trained firefighters. The dedicated safety committee, comprising 11 management representatives and 12 workers, facilitates discussions on all safety-related aspects, fostering collaboration between management and workers to maintain a safe work environment.

We ensure comprehensive training and awareness programs on health and safety practices, such as working at heights, firefighting, accident prevention, working at construction sites, and using PPEs, as well as road safety, for the workforce working on the shop floor. Toolbox talks are conducted for the workforce to reinforce safety procedures and promote a culture of awareness to mitigate workplace risks. Further, we have plans to provide appropriate training for our offsite employees. All these initiatives aim to foster a culture of safety, supported by continuous communication, education and engagement, reinforcing everyone's role in incident prevention.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company implements corrective actions based on the relevance and severity assessments, which helps prioritize corrective actions for the implementation.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, Cera has established an internal group policy to support the families of deceased employees, ensuring they receive financial assistance in the event of unfortunate loss. Through the Kamdar Kalyan Yagna Fund, we provide specified benefits for both natural and accidental deaths, reflecting our commitment to the well-being of our employees and their families. Additionally, we offer financial aid to cover funeral expenses, to the legal heirs of the deceased employees, as a small gesture of support during difficult times.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Cera is committed to maintaining transparent business practices across the value chain. We actively encourage our value chain partners to fulfil their obligations by deducting and depositing all statutory dues.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No) : No.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. Not applicable. : Not Applicable

PRINCIPLE 4 : BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has mapped its internal stakeholders, such as BODs, KMPs, employees, workers, and external stakeholders, including suppliers, consumers, dealers, investors, regulatory bodies, communities, and associations. We have prioritized all the stakeholders based on their level of influence and interest in the company. Additionally, we have established a feedback mechanism for these stakeholders which helps to integrate the stakeholder considerations into decision-making processes across the organization.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) others	Frequency of engagement (Annually/ Half yearly/Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	<ul style="list-style-type: none"> Quarterly financial results Annual report Investor presentations & meetings Annual General Meeting 	Annually, Quarterly, Periodically	<ul style="list-style-type: none"> Business Updates Financial information Market developments Non financial disclosures ESG
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> Regulatory filings Facility inspections Annual report 	As per applicable rules/ regulations	<ul style="list-style-type: none"> Audit and inspections requirements Policy requirements NVGRBC and BRSR compliances
Employees	No	<ul style="list-style-type: none"> Induction program Training programmes Intranet portals Performance appraisal reviews 	Periodically/ Regularly at the time of joining	<ul style="list-style-type: none"> Training requirements Employee well being, health and Safety Perks & remuneration Engagement Programme
Consumers or end users	No	<ul style="list-style-type: none"> Advertisement, exhibitions and events Digital and social media connect Dealer showrooms Brochures and catalogues Website Phone calls, e-mails & meetings 	Periodically/Regularly	<ul style="list-style-type: none"> Product details Product pricing Product feedback New product development Better service
Industry Bodies and Associations	No	<ul style="list-style-type: none"> Participation in industry forums 	Periodically Regularly	<ul style="list-style-type: none"> Discussions on the issues faced by the ceramic sector & housing & construction sector Knowledge exchange and latest trends in the ceramic industry
Communities	Yes	<ul style="list-style-type: none"> CSR projects through surveys and focused group discussions 	Periodically Regularly	<ul style="list-style-type: none"> Community needs Selection of new projects based on needs Monitoring and evaluation of on-going projects welfare of marginalized and vulnerable sections of the society.
Suppliers	No	<ul style="list-style-type: none"> E-mails and phone calls Meets 	Periodically Regularly	<ul style="list-style-type: none"> Pricing and quality issues Supply chain issues/ solutions Capacity development New material development
Dealers	No	<ul style="list-style-type: none"> Advertisement, exhibitions & events Company's Website Meetings Conferences & awards ceremony Emails and phone calls 	Periodically Regularly	<ul style="list-style-type: none"> New product launches Distribution channel issues/ solutions Showroom upgradation/ renovation Customer preferences-Incentive Scheme

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At Cera, Risk Management Committee is responsible for the internal and external ESG related risks. Additionally, the Committee ensures the implementation of appropriate methodologies, processes, and systems to monitor and evaluate ESG risks and to keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken. These steps ensure our alignment with sustainability objectives and regulatory requirements.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation plays a pivotal role in the identification and management of environmental and social topics. By engaging with our stakeholders, including customers, dealers, suppliers, investors, employees, communities, industry associations, and regulatory bodies, we discuss the key concerns of the stakeholders. This collaborative approach ensures that the stakeholder perspectives and concerns are considered in our business decisions, making our policies and activities more aligned with sustainable practices.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

At Cera, we firmly believe in empowering and improving the lives of not only our employees but also the communities within which we operate. We are committed to addressing the concerns of vulnerable and marginalized groups through targeted CSR initiatives. Our CSR policy focuses on six thrust areas where activities are planned and engagements take place in those focus areas.

- a) Eradicating hunger and malnutrition
 b) Promoting healthcare including preventive health care
 c) Promoting education, including special education
 d) Empowering women by enhancing vocational skills
 e) Rural Development
 f) Any other CSR Activities allowed as per Section 135 and Schedule VIII of the Act

PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Total (A)	FY 2023-24		Total(C)	FY 2022-23	
		No. of employees workers covered (B)	% (B / A)		No. of employees workers covered	%(D/C)
Employees						
Permanent	1231	131	11%	1205	250	21%
Other than permanent	132	-	-	110	-	-
Total Employees	1363	131	10%	1315	250	19%
Workers						
Permanent	1279	2	-	1318	2	-
Other than permanent	2704	162	6%	1866	150	8%
Total Employees	3983	164	4%	3184	152	5%

2. Details of Minimum wages paid to Employees and workers in the following format

Category	Total(A)	FY 2023-24				Total(D)	FY 2022-23			
		Equal to minimum wages		More than Minimum Wages			Equal to minimum wages		More than Minimum Wages	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent										
Male	1148	-	-	1148	100%	1127	-	-	1127	100%
Female	83	-	-	83	100%	78	-	-	78	100%
Total	1231	-	-	1231	100%	1205	-	-	1205	100%
Other than Permanent										
Male	130	-	-	130	100%	106	-	-	106	100%
Female	2	-	-	2	100%	4	-	-	4	100%
Total	132	-	-	132	100%	110	-	-	110	100%
Workers										
Permanent										
Male	1277	-	-	1277	100%	1316	-	-	1316	100%
Female	2	-	-	2	100%	2	-	-	2	100%
Total	1279	-	-	1279	100%	1318	-	-	1318	100%
Other than Permanent										
Male	2508	2508	100%	-	-	1716	1127	66%	589	34%
Female	196	196	100%	-	-	150	123	82%	27	18%
Total	2704	2704	100%	-	-	1866	1250	67%	616	33%

3. Details of remuneration/salary/wages.

a. Median remuneration/wages :

	Number	Male Median remuneration/ salary/wages of respective category (Amount ₹ in Lakhs / Per Annum)	Number	Female Median remuneration/ salary/wages of respective category (Amount ₹ in Lakhs / Per Annum)
Board of Directors (BoD)*	3	Refer Director's report	1	Refer Director's report
Key Managerial Personnel#	2	Refer Director's report	-	-
Employees other than BoD and KMP	1143	8.73	82	4.97
Workers	1277	2.85	2	2.70

* Managing Directors and Executive Directors

Excludes Directors

- b. Gross wages paid to females as % of total wages paid by the entity, in the following formats :

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages.	4.54%	4.33%

Note: The percentages are calculated only for the permanent employees and workers.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Human Resources (HR) function acts as a focal point addressing human rights impacts and issues arising from our operations. We encourage our employees and workers to report violations of human rights.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Cera has established policies such as Policy on Sexual Harassment of Employees, Policy on Child Labor & Forced Labor, Business Ethics & Labour Policy. These policies act as guidance mechanism to address grievances related to human rights issues and other internal grievances. Additionally, we engage in regular dialogue with worker union representatives to address concerns, promote welfare, and foster a collaborative work environment.

Employees and workers are encouraged to directly reach out to the Human Resource team regarding any concerns or grievances related to human rights issues. Cera has implemented a Whistle-Blower policy, which is designed to encourage employees, workers, and other stakeholders to report any human rights violations or concerns without fear of retaliation. This policy ensures confidentiality and provides the necessary safeguards for whistle-blowers, creating a secure channel for voicing concerns. Further, the employees and workers can report their grievances through the suggestion box. These initiatives foster a workplace that ensures the well-being and dignity of our employees.

6. **Number of Complaints on the following made by employees and workers :**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the End of year	Remarks	Filed during the year	Pending resolution at the End of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other humanrights related issues	-	-	NA	-	-	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format :**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013(POSH)	-	-
Complaints on POSH as a % of female employees/workers	-	-
Complaints on POSH upheld	-	-

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Cera is committed to fostering a respectful and safe workplace, where all employees can perform their roles free from discrimination and harassment. We have established internal mechanisms to safeguard against and address grievances related to discrimination and harassment, ensuring the protection of complainants from adverse consequences. Further, our internal compliance committee (ICC) is dedicated to addressing complaints related to sexual harassment and provides a confidential platform for employees to report issues without fear of retaliation. It ensures that the identities of both the complainant and the accused are protected throughout the investigation process.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

While our company's contracts may not explicitly include all human rights clauses, we actively engage with and encourage our business partners, suppliers, and dealersto uphold responsible and ethical standards, complying with all relevant laws and regulations.

10. **Assessments for the year :**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No significant hazards or issues were identified through the company's human rights evaluations, thus negating the need for corrective actions.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

There were no instances of human rights violations, and as a result, no business processes were modified.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

The company has not conducted human rights due diligence during the year.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

While the accessibility of our workplace may not fully comply with the Rights of Persons with Disabilities Act, 2016, we take all necessary steps to ensure that our premises do not cause any inconvenience for differently-abled visitors. we conduct employee sensitization programs to raise awareness on the needs of differently-abled individuals, enabling our employees to offer appropriate assistance when needed.

4. **Details on assessment of value chain partners :**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	-
Discrimination at workplace	-
Child labour	-
Forced Labour/Inventory Labour	-
Wages	-
Others – please specify	-

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable : Not Applicable

PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment**ESSENTIAL INDICATORS****1. Details of total energy consumption (Giga Joules) and energy intensity, in the following format :**

Parameter	FY 2023-24	FY2022-23
Total electricity consumption (A)	52,112	44,937
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	52,112	44,937
<i>From non-renewable sources</i>		
Total electricity consumption (D)	18,038	35,043
Total fuel consumption (E)	327,863	425,557
Energy consumption through other sources (F)	20,171	19,590
Total energy consumed from non-renewable sources (D+E+F)	3,66,072	4,80,190
Total energy consumed (A+B+C+D+E+F)	4,18,184	5,25,127
Energy intensity per rupee of turnover (Total energy consumed / Lakh of revenue from operations)	2.23	2.90
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Lakh of revenue from operations adjusted for PPP)	49.84	64.97
Energy intensity in terms of physical output per ton of production	14.95	15.28
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No independent assessment/ evaluation/assurance was carried out for the reporting period. However, CERA has engaged the Energy Management System, Ahmedabad for conducting Energy Audit.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. Not Applicable

3. Provide details of the following disclosures related to water, in the following format :

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	87,453	1,45,493
(iii) Third party water	73,228	63,434
(iv) Seawater/ desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii+ iii+ iv + v)	1,60,681	2,08,927
Total volume of water consumption (in kilolitres)	1,51,005	1,98,393
Water intensity per rupee of turnover (Total Water consumption / Lakh of revenue from operations)	0.80	1.10
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Lakh of revenue from operations adjusted for PPP)	18.00	24.55
Water intensity in terms of physical output per ton of production	5.40	5.77
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No independent assessment/ evaluation/assurance was carried out for the reporting period. However, CERA has engaged National Productivity Council Gandhinagar for conducting Water Audit Study.

4. Provide the following details related to water discharged :

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With Treatment – please Specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment.	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment.	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment.	-	-
(v) Others		
- No treatment	-	-
- With treatment – Please specify level of treatment.	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, Cera has implemented a Zero Liquid Discharge (ZLD) mechanism within our manufacturing facility. This comprehensive system ensures that all waste water generated is treated and recycled or reused, with no discharge into the environment. We have achieved ZLD by implementing:

- **Effluent Treatment Plant (ETP):** Initially treats the influent to remove contaminants.
- **Reverse Osmosis (RO):** Further purifies the wastewater by removing dissolved salts and impurities.
- **Multiple Effect Evaporator (MEE):** Concentrates or removes water from the effluent, leaving behind salts and solids.

We have implemented state-of-the-art technology, including two Effluent Treatment Plants (ETPs) with a combined capacity of 710 KLD and two Sewage Treatment Plants (STPs) with a combined capacity of 140 KLD at our manufacturing facilities. These play a vital role in treating wastewater. A certain portion of the treated water is reused in the production process for mould making, slip preparation, glaze preparation, casting, and chiller use, while the remaining water is directed for gardening purposes. We ensure that there is no external water discharge from our manufacturing processes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Ug/m3	8	16
Sox	ppm	18	19
Particulate matter (PM)	ppm	62	47
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company has engaged Happy Associate (Enviro-pious EHS Solution) as agency to carry out assessment.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format :

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	16,556	21,482
Total Scope2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,623	7,039
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions /Lakh of revenue from operations)	tCO ₂ e/Lakh	0.11	0.16
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Lakh of revenue from operations adjusted for PPP)	tCO ₂ e/Lakhs	2.41	3.53
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/ Ton of production	0.72	0.83
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company has appointed Kadam Enviro Consultant as an Independent Agency to carry out assessment of greenhouse gas emissions.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Cera has initiated Non-Conventional Energy generation project since 1995, harnessing wind and solar power to produce 10.325 MW of energy. Today, our manufacturing plants in Gujarat fulfil over 74% of electricity requirements through non-conventional captive generation. Additionally, we prioritize cleaner fuels like natural gas for our production processes. At our Kadi factory premises, we host a dedicated R&D unit recognized by the Department of Scientific and Industrial Research (DSIR). This unit spearheads initiatives to minimize fuel consumption, driving efficiency improvements throughout our operations.

Energy audits were conducted at our locations, which helped identify energy-saving opportunities for energy conservation and cost reduction. The recommendations from these audits are implemented based on priority. Some key initiatives implemented during this financial year include the installation of Variable Frequency Drives (VFDs) for critical equipment such as furnace blowers and the replacement of traditional lights with LEDs. Additionally, we have implemented automated controls and optimized equipment operation these timers ensure that equipment like ETP agitators and ball mills function only when needed, further minimizing energy consumption. Moreover, frequent monitoring of energy consumption enables us to swiftly identify inefficiencies and optimization opportunities. This approach aids in informed decision-making towards energy conservation and cost reduction.

9. Provide details related to waste management by the entity, in the following format :

Parameter	Units	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)			
Plastic waste (A)	Tons	22	13
	Nos	71,741	1,58,635
E-waste (B)	Tons	0.55	0.69
Bio-medical waste (C)	Tons	-	-
Construction and demolition waste (D)	Tons	-	-
Battery waste (E)	Nos	200	186
Radioactive waste (F)	Tons	-	-
Other Hazardous waste. Please specify, if any. (G)	Tons	1,335	1,181
	Nos*	478	405
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Tons	9,647	7,312
	Nos*	2,74,922	3,49,646
Total (A+B + C + D + E + F + G + H)	Tons	11,005	8,507
	Nos	3,47,338	5,08,736
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	Tons/Lakh	0.06	0.03
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Tons/Lakh	1.31	0.68
Waste intensity in terms of physical output per tons of production	Tons/Tons	0.36	0.16
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*Plastic bags, buckets, bottles, material bags, broken tiles, pitcher piece scrap, MS drums, PVC drums, tanks.

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	Parameter	FY 2023-24	FY 2022-23
(i) Recycled	Tons	185	196
(ii) Re-used	Tons	-	-
(iii) Other recovery operations	Tons	1,160	1,271
Total	Tons	1,345	1,467
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	-	-	-
(ii) Landfilling	Tons	31	45
(iii) Other disposal operations	Tons	9,630	6,996
	Nos	72,419	1,59,226
Total	Tons	9,661	7,041
	Nos	72,419	1,59,226

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Cera demonstrates its commitment to environmental responsibility by implementing ISO 14001:2018 at its manufacturing unit. We utilize earth-sourced inert materials to manufacture durable, safe, and stable products with minimal hazardous by-products. The waste generated from our operations is recycled wherever it is feasible. We have well-defined SOPs in place to handle the waste generated from our operations, employees and workers are trained on these SOPs. The necessary infrastructure is provided for the activities such as segregation, storage, and disposal of waste. All the hazardous waste such as used oil, empty carboys, is disposed of by authorized vendors.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format : Not Applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year :

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company has not conducted any environmental impact assessments in the current financial year.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format :

Yes, the Company is compliant with all the applicable environmental laws.

LEADERSHIP INDICATORS
1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres) :

For each facility / plant located in areas of water stress, provide the following information :

(i) Name of the area

(ii) Nature of operations

Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in Kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment –please specify level of treatment	Not Applicable	
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment	Not Applicable	
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Provide the details of total Scope 3 emissions & its intensity, in the following format : Not Applicable

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reuse and Recycling. Conserving natural resources by reusing and recycling of the waste	The Company reuses majority of the waste and has recycling process to reduce paper, plastic and other waste. The Company has also appointed waste management agencies.	Decrease in raw material cost and less waste is generated
2	Installing Rain Water Harvesting system	The Company has installed rain water harvesting system which helps conserve majority of water. About 49% of products in the portfolio are water-saving products.	Water is conserved. Lower groundwater dependency
3	Renewable resources	The Company's electricity needs are predominantly met by the wind turbines and solar plants, which collectively contribute to 74% of our total electricity requirement. This significant investment in renewable energy sources underscores our commitment to sustainability and reducing our environmental footprint.	Less emissions generated. Lower dependency on thermal energy.
4	Installation of energy-efficient equipment	Energy-efficient equipment such as imported electric furnaces, air compressors, motors, ceiling fans, and LEDs have been installed across the plants.	Reduces the energy consumption
5	Timer control	Timer controlled electrical equipment operations like HF Plant, water coolers, ACs, street light etc.	Reduces the unnecessary consumption of the electricity
6	Improvement in power factor	Installation of automatic power factor bank.	Enhances energy efficiency and reduces operational costs by improving the power factor of electrical systems

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

The Company has a plan for disaster management and business continuity. The Risk Management Committee plays a crucial role in formulating the Company's risk management plans for business continuity. We have location-based emergency response plans, which include periodic mock drills against events such as fire and earthquake. Regular drills and training sessions ensure our team is well-prepared to act swiftly and efficiently in the face of disasters. Our highly experienced team with the right mix of people, and frequent knowledge exchange sessions between leadership team and plant representatives, ensure the highest product quality, desired production levels and no disruptions in any business functions.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. Nil
7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. Nil

PRINCIPLE 7 : BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.

The company is affiliated with four trade and industry chambers and associations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers / associations (State / National)
1	Gujarat Chamber of Commerce & Industries	State
2	Indian Council of Sanitaryware Manufacturers	National
3	Indian Green Building Council Promoted by CII	National
4	Kadi Industrial Association	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities : Not Applicable

LEADERSHIP INDICATOR

1. Details of public policy positions advocated by the entity.

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others –please specify)	WebLink, if available
Issues relating to Ceramic Industries, evolving new standards for finished products and raw materials for human safety and environmental protection.	Through affiliations with industry associations such as IIA (Indian Institute of Architects), IID (Institute of Indian Interior Designers), IPA (Indian Plumbing Association), and direct participation in meetings with statutory agencies.	No	As and when required	Not Applicable

PRINCIPLE 8 : BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT
ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year :**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Weblink
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**
Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

Cera has established mechanism for receiving and addressing community grievances involving regular interaction between our Human Resources (HR) and Corporate Social Responsibility (CSR) teams with community members. This proactive approach is designed to identify and address any concerns that may arise within the communities in which we operate.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers :**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	52%	40%
Directly from within India	95%	97%

5. **Job creation in smaller towns-Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2023-24	FY 2022-23
Rural	0.00%	0.00%
Semi-Urban	49.56%	51.20%
Urban	16.63%	15.46%
Metropolitan	33.82%	33.34%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above) :** Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
We have not undertaken any CSR projects under any of the aspirational districts			

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** No

(b) **From which marginalized /vulnerable groups do you procure?** Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?** Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:** Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. :** Not applicable

6. **Details of beneficiaries of CSR Projects:**

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promoting healthcare including preventive health care & Eradicating hunger, malnutrition	20,137	Majority of the Company's CSR activities benefit individuals from vulnerable and marginalized groups.
2	Promoting education, including special education	7,700	
3	Environment sustainability	10,560*	
4	Rural development.		

* Approximate annual beneficiaries.

PRINCIPLE 9 : BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER
ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Our company has established several mechanisms to efficiently receive and respond to consumer complaints and feedback, ensuring high customer satisfaction and loyalty. These mechanisms include:

- **After-sales support** : A dedicated team of technicians provides timely on-site service to address any issues consumers may face, reinforcing our commitment to customer satisfaction.
- **24-Hour toll-free call centre** : We offer a toll-free call centre that operates around the clock, allowing consumers to easily reach out to us with their concerns and feedback at any time.
- **Consumer satisfaction surveys** : To gauge consumer satisfaction levels and identify emerging trends, we conduct periodic surveys. These surveys provide valuable insights that help us continuously improve our products and services.
- **Management review** : The survey system and consumer feedback mechanisms are periodically reviewed by our management team. This ensures that consumer insights are effectively integrated into our business strategies and operations.

Through these comprehensive approaches, our company maintains strong customer relationships, generates positive word-of-mouth publicity, and continually enhances our offerings based on consumer feedback.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant To the product	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not applicable

3. Number of consumers complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	
Advertising	-	-	-	-	-	
Cyber-security	-	-	-	-	-	
Delivery of essential services	-	-	-	-	-	
Restrictive Trade Practices	-	-	-	-	-	
Unfair Trade Practices	-	-	-	-	-	
Other*	31,131	-	-	22,239	346	All the pending complaints are resolved over the subsequent year

(*Consumer Complaints regarding products)

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

The Company maintains a robust information security management policy, encompassing data protection, and secure email, web, and network practices. To safeguard against unauthorized access, we implement an access control policy enhanced with two-factor authentication. Further bolstering our security measures, we employ multiple security controls including firewalls, endpoint protection, and web protection, aimed at mitigating data attacks and threats, ensuring the integrity and confidentiality of our data.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services : Not Applicable

7. Provide the following information relating to data breaches :

- Number of instances of data breaches Nil
- Percentage of data breaches involving personally identifiable information of customers Not Applicable
- Impact, if any, of the data breaches Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Customers can access detailed information on our products and services through various channels:

- Company's website** : Our main platform for providing comprehensive information about our products and services is our website, available at www.cera-india.com.
- Additionally, information is disseminated through:
 - Dealer network** : Our extensive dealer network across regions offers personalized assistance and information on our offerings.
 - Display boards and exhibitions** : We utilize display boards at strategic locations and participate in exhibitions to showcase our products and innovations.
 - Catalogues and advertisements** : Printed and digital catalogues, along with advertisements in various media, serve to inform and engage potential customers about our latest products and services.
 - Social media** : We leverage major social media platforms to showcase our products, engage with customers, and build a vibrant online community.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

To ensure the safe and responsible usage of our products, we employ various measures. Our product packaging is designed with clear instructions and information to inform consumers right from the moment of purchase. Additionally, each product is accompanied by a detailed user manual outlining safety precaution, usage instructions, and maintenance tips. Further, our dedicated customer support team is readily available to address any questions or concerns about product safety and responsible usage, offering personalized guidance to ensure consumer well-being.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

As none of our products are classified as essential services, the mechanism for informing consumers of any risk of disruption or discontinuation of services is not applicable to our operations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

The Company displays information as per applicable laws and regulations only. All its product packaging contains details in accordance with the requirements of the Legal Metrology Act and as per the requirements of ISO 15622 : 2017 specified by the Bureau of Indian Standards (BIS).

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Cera routinely conducts consumer surveys to gauge customer satisfaction.

Annexure - IX to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[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,
Cera Sanitaryware Limited
CIN:L26910GJ1998PLC034400
9, GIDC Industrial Estate,
Kadi, Mehsana - 382715

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CERA SANITARYWARE LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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; - Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events during the financial year under review;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the year under review;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable during the year under review;
- (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021-Not applicable during the year under review;
- (g) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review;
- (h) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the year under review;

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

- (i) Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- (ii) The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

During the Audit period under review, the Company has generally complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that :

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the manufacturing activities:

1. Factories Act, 1948;
2. Acts prescribed under prevention and control of pollution;
3. Acts prescribed under Environmental protection.

We further report that :

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

Adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors and Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meetings, 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 general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the audit period under review there were no instances of:

- a) Public / Right issue of shares/ debentures/sweat equity etc.
- b) Redemption / buy-back of securities.
- c) Obtaining the approval from shareholders under Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations.

For Parikh Dave & Associates
Company Secretaries
Umesh Parikh
Partner
Practicing Company Secretary
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No. 4152
C P No.: 2413
UDIN:F004152F000355987

Ahmedabad
13th May, 2023

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.

ANNEXURE - A

To,
The Members,
Cera Sanitaryware Limited
CIN:L26910GJ1998PLC034400

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

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

- 5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh Dave & Associates
Company Secretaries
Umesh Parikh
Partner
Practicing Company Secretary
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No. 4152
C P No.: 2413
UDIN:F004152F000355987

Ahmedabad
13th May, 2024

Independent Auditor's Report

To,
The Members of Cera Sanitaryware Limited

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying Standalone Financial Statements of **Cera Sanitaryware Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act 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 31st March, 2024, its profit including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>A) Allowance for Expected Credit Losses (ECL)</p> <p>As at 31st March, 2024, the carrying amount of Trade Receivables aggregated ₹ 20,134.19 Lakhs (net of Expected credit loss of ₹ 1,375.61 Lakhs) constituting a significant component of the Company's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.</p> <p>The Company has made provision for Expected Credit Losses in respect of trade receivables aggregating to ₹ 1,375.61 Lakhs up to 31st March, 2024 (including ₹ 442.43 Lakhs during the year). These are based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to entities the Company deals with. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgement in calculating the expected credit losses.</p> <p>Refer Notes No. 12, 37 and 41 to the Standalone Financial Statements.</p>	<p>Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others:</p> <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions; • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information. ➤ We carried out detailed analysis of balances of trade receivables and capital advances, (i) where no legal actions have been taken so far by the Company and the reasons therefore, (ii) where legal actions have been taken and the allowance for ECL has been partially / fully made and considered the reasons therefore and (iii) where legal actions have been taken but no allowance for ECL has been made, if any, and the reasons therefore. ➤ Assessed the adequacy of allowance for ECL recorded and evaluated disclosures in the Standalone Financial Statements in relation to these items.

	<ul style="list-style-type: none"> ➤ Verified Balance Confirmations directly received by us from few selected trade receivables of the Holding Company and also examined reconciliations / discrepancies, if any. ➤ We carried out analysis of those trade receivables where there is significant increase in credit risk and also reviewed the ageing of the trade receivables pertaining to current and immediately preceding years.
B) Revenue Recognition – Discounts, Incentives and Volume rebates	
<p>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on Company's sales. Due to Company's presence across different marketing zones within the country and the competitive nature of the business makes the assessment of various type of discounts, incentives and volume rebates as complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and volume rebates. Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is considered as a key audit matter.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and volume rebates. ➤ Reviewed Company's computation for accrual of discounts, incentives and volume rebates, on a test basis, and compared the accruals made with the approved schemes and underlying documents. ➤ Verified on test basis, the underlying documents for the various schemes for discounts, incentives and volume rebates recorded and disbursed during the year. ➤ Compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. ➤ Examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items, if any. ➤ Assessed disclosures in standalone financial statements in respect of revenue recognition as specified in Ind AS 115.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained 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 for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 Standalone Financial Statements for the financial year ended 31st March, 2024 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 the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, (hereinafter referred to as the "Order"), we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31st March, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 47(b) to the Standalone Financial Statements;
 - (ii) The Company has accounted for material foreseeable losses for long term contracts, if any. The Company did not have any long term derivative contracts.
 - (iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, if any, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and
 - c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - (v) The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Company are in compliance with Section 123 of the Act.
 - (vi) As per the information and explanations provided to us by the management and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

Place : Mumbai
Date : 13th May, 2024

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 24204936BKGEAJ9781

Annexure – A to the Independent Auditor’s Report of even date to the members of Cera Sanitaryware Limited on the Standalone Financial Statements as of and for the year ended 31st March, 2024

(Referred to in paragraph 1 of our Report on Other legal and regulatory requirements)

We report that:

- i. In respect of its Property Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As explained to us, the Company has a regular program of conducting physical verification of its property, plant and equipment in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
 - c) According to the information and explanations given to us and on the basis of our examination, title deeds of the immovable property (other than self - constructed immovable property (buildings), and where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in schedule of Property, Plant and Equipment to the standalone financial statements, are held in the name of the Company.
 - d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
 - e) According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- ii. In respect of its Inventories :
 - a) As per information and explanations provided to us, physical verification has been conducted by the management at reasonable intervals during the year in respect of inventory of raw materials, work in progress, finished goods, traded goods and by products (other than inventories lying with third parties), and no material discrepancies were noticed on such physical verification.
 - b) Based on our examination of the books of accounts of the Company, with respect to the sanctioned working capital limits availed in excess of ₹ 5 Crores from banks or financial institutions during the year on the basis of security of current assets of the Company, the Quarterly return / statements have been regularly submitted by the Company and no material discrepancies were noticed.
- iii.
 - a) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.
 - b) The investments made are, in our opinion, prima facie, not prejudicial to the company’s interest. The Company has not provided any guarantee or security or granted loans or advances in the nature of loans during the year.
 - c) As per the information and explanation provided to us, the Company has not granted any loans or advances in the nature of loans during the year therefore the provisions of clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 with respect to the investments made. The Company has not given any loans, provided any guarantee or security during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or amount which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) rules 2014 (as amended).
- vi. We have broadly reviewed the cost records maintained by the Company in respect of products for which maintenance of prescribed cost records is mandated by Government of India U/S 148 (1) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and the records of the Company examined by us:
 - a) the Company has been generally regular in depositing amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues, including Goods and Services Tax, provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable. There were no material undisputed outstanding statutory dues as at the year end, for a period of more than six months from the date they became payable.

- b) The particulars of dues of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory that have not been deposited on account of any dispute, are as follows:

Sr. No.	Name of Statute	Nature of Dues	Amount in dispute (Net of Advances Paid) (₹ in Lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	43.44	2015-16	CIT-Appeals
2		Income Tax	168.14	2016-17	CIT-Appeals
3		Income Tax	0.57	2017-18	CIT-Appeals
4		Income Tax	-*	2019-20	CIT-Appeals
5		Income Tax	14.62	2021-22	CIT-Appeals
6	Central Excise Act, 1944	Service Tax	84.25	2014-15, 2015-16 & 2016-17	CESTAT

* Disputed Demand of ₹ 28.62 Lakhs fully paid / adjusted.

Sr. No.	Name of Statute	Nature of Dues	Amount in dispute (Net of Advances Paid) (₹ in Lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is Pending
7	Goods & Services Tax Act, 2017	GST, Gujarat	10.82	2017-18	GST Commissioner (Appeals)
8		GST, Uttar Pradesh	154.56	2017-18 & 2018-19	GST Commissioner (Appeals)
9		GST, Telangana	7.81	2018-19	GST Commissioner (Appeals)*
10		GST, Karnataka	21.69	2018-19	GST Commissioner (Appeals)*
11		GST, Tamilnadu	7.26	2017-18	GST Commissioner (Appeals)

*In the process of filing an appeal.

- viii. According to the information and explanation given to us, there were no transactions which have not been recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.
- ix. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or debenture holders.
- b) Basis the information and explanation provided to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not have any term loans outstanding from banks and financial institutions. Further the Company has not availed any loans from Government or has not issued any debenture during the year.
- d) Based on the information and explanation given to us, and the books of account examined by us, short term funds raised during the year have not been utilized for long term purposes.
- e) Based on the information and explanation given to us, and the books of account examined by us, during the year, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Thus, the provisions of clause 3(x)(a) of the order are not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- xi. a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.

Standalone Financial Statements

- b) We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Companies Act, 2013 is not required to be filed by us in Form ADT 4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As reported to us by the management, there are no whistleblower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business; We have considered internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi)(a) of the Order is not applicable to the Company.
- b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company;
- c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company;
- d) According to the representations given by the management, the Company does not have any CIC. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company;
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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 respect of Corporate Social Responsibility Expenditure:
- a) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of CSR Expenditure other than ongoing CSR projects, there were no amount remaining unspent u/s 135 (5) of the Companies Act, hence no amount was required to be transferred to a Fund specified in Schedule VII to the Companies Act.
- b) In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

Place : Mumbai
Date : 13th May, 2024

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 24204936BKGAEJ9781

Annexure – B to the Independent Auditor's Report of even date to the members of Cera Sanitaryware Limited on the Standalone Financial Statements as of and for the year ended 31st March, 2024

(Referred to in paragraph 2 (f) of our Report on Other legal and regulatory requirements)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

1. We have audited the internal financial controls over financial reporting of **Cera Sanitaryware Limited** ('the Company') as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 ('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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Standalone Financial Statements, whether due to fraud or error.
5. 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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.

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E

Sudesh Choraria
Partner
Membership No : 204936
UDIN : 24204936BKGEAJ9781

Place : Mumbai
Date : 13th May, 2024

Standalone Balance Sheet as at 31st March, 2024

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	33,175.01	29,520.96
(b) Capital work-in-progress	4	1,296.39	1,693.48
(c) Investment Property	5	156.71	-
(d) Right-of-use assets	46(i)	2,137.97	2,468.13
(e) Other Intangible Assets	6	95.18	51.76
(f) Intangible Assets under development	6	-	3.22
(g) Financial Assets			
(i) Investments			
- Investments in Subsidiaries & Associates	7	600.78	906.78
- Other Investments	7	2,557.07	2,520.02
(ii) Other Financial Assets	8	150.19	794.56
(h) Other Non-current Assets	9	796.74	973.93
(2) Current Assets			
(a) Inventories	10	35,863.66	37,640.91
(b) Financial Assets			
(i) Investments	11	77,589.48	63,451.81
(ii) Trade Receivables	12	20,134.19	18,826.76
(iii) Cash and Cash Equivalents	13	1,792.42	1,041.69
(iv) Other Balances with Banks	14	1,619.81	1,490.05
(v) Other Financial Assets	15	275.87	283.83
(c) Other Current Assets	16	3,686.88	3,894.73
(d) Current Tax Assets (Net)	17	589.15	-
Total Assets		1,82,517.50	1,65,562.62
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	650.29	650.29
(b) Other Equity	19	1,33,603.81	1,16,271.25
Total Equity		1,34,254.10	1,16,921.54
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	46(iii)	1,683.36	2,007.98
(ii) Other Financial Liabilities	20	2,943.14	2,885.15
(b) Provisions	21	937.51	881.41
(c) Deferred Tax Liabilities (Net)	22	4,646.59	3,610.66
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	1,629.33	1,834.06
(ii) Lease Liabilities	46(iii)	696.73	718.22
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	24	7,444.83	4,330.09
- total outstanding dues of creditors other than micro enterprises and small enterprises	24	10,759.97	16,669.85
(iv) Other Financial Liabilities	25	12,524.93	10,904.26
(b) Other Current Liabilities	26	3,386.78	2,940.65
(c) Provisions	27	1,610.23	1,303.86
(d) Current Tax Liabilities (Net)	28	-	554.89
Total Equity and Liabilities		1,82,517.50	1,65,562.62
Material Accounting Policies	3		

The accompanying Notes are integral part of these Financial Statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants
(Firm Registration No. 302049E)

Sudesh Choraria

Partner
Membership No. 204936

Place : Ahmedabad
Date : 13th May, 2024

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827)
Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)
Joint Managing Director

Anupam Gupta (DIN:09290890)
Executive Director (Technical)

Standalone Statement of Profit and Loss for the year ended 31st March, 2024

(₹ in lakhs except for per equity share data)

Particulars	Note No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
INCOME			
Revenue from Operations	29	1,87,123.47	1,80,318.40
Other Income	30	6,114.59	3,023.26
Total Income		1,93,238.06	1,83,341.66
EXPENSES			
Cost of Materials Consumed	31	21,881.74	21,765.17
Purchases of Stock-in-Trade	32	65,719.07	67,243.21
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	33	618.09	(6,833.25)
Employee Benefits Expense	34	22,754.64	21,129.50
Finance Costs	35	529.93	540.07
Depreciation and Amortization Expense	36	3,437.37	3,044.24
Other Expenses	37	46,721.45	47,780.15
Total Expenses		1,61,662.29	1,54,669.09
Profit before exceptional items and tax		31,575.77	28,672.57
Exceptional Items	7.1(D)	(155.57)	(500.00)
Profit before tax		31,420.20	28,172.57
Tax Expense :	38		
(1) Current Tax		6,467.37	7,017.39
(2) Deferred Tax		1,035.93	189.60
Total Tax Expense		7,503.30	7,206.99
Profit for the year		23,916.90	20,965.58
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of Defined Benefit plan		(108.77)	(88.95)
(ii) Income tax relating to items that will not be reclassified to profit or loss		27.37	22.39
Total Other Comprehensive Income for the year (Net of Tax)		(81.40)	(66.56)
Total Comprehensive Income for the year		23,835.50	20,899.02
Earnings per equity share of face value of ₹ 5/- each			
(1) Basic	39	183.89	161.20
(2) Diluted	39	183.89	161.20
Material Accounting Policies	3		

The accompanying Notes are integral part of these Financial Statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

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Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)
Joint Managing Director

Anupam Gupta (DIN:09290890)
Executive Director (Technical)

Place : Ahmedabad
Date : 13th May, 2024

Standalone Statement of Changes in Equity for the year ended 31st March, 2024

(₹ in lakhs)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
A. EQUITY SHARE CAPITAL				
Equity shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital due to prior period items	-	-	-	-
Restated balance as the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital during the year	-	-	-	-
Equity shares outstanding at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

Particulars	Reserves and Surplus			Other Comprehensive Income (Actuarial Gain / (Loss))	Total
	Securities Premium	General Reserve	Retained Earnings		
B. OTHER EQUITY					
Balance as at 1 st April, 2023	8,095.94	56,823.98	51,965.58	(614.25)	1,16,271.25
Transferred from Retained Earnings	-	5,462.66	(5,462.66)	-	-
Dividend on Equity Shares	-	-	(6,502.94)	-	(6,502.94)
Remeasurement of Defined Benefit Plan	-	-	-	(108.77)	(108.77)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	27.37	27.37
Profit for the year	-	-	23,916.90	-	23,916.90
Balance as at 31st March, 2024	8,095.94	62,286.64	63,916.88	(695.65)	1,33,603.81
Balance as at 1 st April, 2022	8,095.94	52,440.05	39,935.98	(547.69)	99,924.28
Transferred from Retained Earnings	-	4,383.93	(4,383.93)	-	-
Dividend on Equity Shares	-	-	(4,552.05)	-	(4,552.05)
Remeasurement of Defined Benefit Plan	-	-	-	(88.95)	(88.95)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	22.39	22.39
Profit for the year	-	-	20,965.58	-	20,965.58
Balance as at 31 st March, 2023	8,095.94	56,823.98	51,965.58	(614.25)	1,16,271.25

The accompanying Notes are integral part of these Financial Statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Standalone Statement of Cash Flows for the year ended 31st March, 2024

(₹ in lakhs)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023	
A. Cash flows from Operating activities			
Net Profit before tax	31,420.20		28,172.57
Adjustments for :			
Depreciation & Amortization	3,437.37	3,044.24	
Allowance for / (Reversal of) expected credit loss - Trade Receivables	(922.43)	1,045.05	
Allowance for / (Reversal of) expected credit loss - Capital Advances	(468.91)	140.66	
Allowance for expected credit loss - Security Deposit	-	39.20	
Impairment Loss on Investment	155.57	500.00	
Amortization of Prepaid Rentals	19.91	12.47	
Bad Debts written off (Net)	1,141.23	548.61	
Capital Advance written off	468.91	-	
Finance Cost	529.93	540.07	
Interest on Security Deposit (Non Cash)	(20.20)	(12.85)	
Other Interest Received	(356.47)	(277.93)	
Foreign Exchange Fluctuations (Income) / Loss (Net)	21.41	29.60	
Profit on Sale of Investments	(51.84)	(120.31)	
Net Gain on Fair Valuation of Investments in Mutual Funds	(5,143.98)	(2,313.88)	
Liabilities & provisions no longer required, written back	(15.61)	(165.58)	
Credit Balances written back	(868.33)	(553.38)	
Loss / (Gain) on Foreign Currency Translation (Net)	(18.37)	(36.97)	
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(113.27)	(50.76)	
Loss / (Profit) on Discard of Property, Plant and Equipment	26.61	63.19	
Share of Profit on Investment in LLP	(237.71)	(188.15)	
Loss / (Gain) on Termination of Lease	(70.16)	(8.84)	2,234.44
Operating profit before working capital changes	28,933.86		30,407.01
Adjustments for changes in working capital			
(Increase) / Decrease in Inventories	1,777.25	(8,869.63)	
(Increase) / Decrease in Trade Receivables	(1,526.23)	(4,012.17)	
(Increase) / Decrease in Other Financial Assets	34.82	94.79	
(Increase) / Decrease in Other Assets	656.33	(1,024.46)	
Increase / (Decrease) in Trade Payable	(2,795.14)	1,651.30	
Increase / (Decrease) in Other Financial Liabilities	1,694.27	2,980.27	
Increase / (Decrease) in Provisions	294.20	961.46	
Increase / (Decrease) in Other Liabilities	1,314.46	514.25	(7,704.19)
Cash generated from operations	30,383.82		22,702.82
Income Taxes paid	(7,624.54)		(7,055.96)
Net cash generated by Operating activities (Total-A)	22,759.28		15,646.86
B. Cash flow from Investing activities			
Payments for Property, Plant and Equipments, Capital Work-in-progress, Investment Property & Capital Advances	(6,274.15)	(3,441.80)	
Payments for Intangible Assets	(70.91)	(34.69)	
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	248.40	115.72	
Proceeds / (Payments) from Debentures	100.37	(469.36)	
Proceeds / (Payments) from Fixed Deposit	512.53	(1,070.57)	
Payments for purchase of Mutual Funds	(19,710.00)	(38,628.24)	
Proceeds from sale of Mutual Funds	10,768.20	30,453.44	
Proceeds / (Payments) from Bonds	-	481.78	
Proceeds from Divestment in Subsidiary	-	2,226.20	
Payments for Investments in Subsidiaries & Associates	-	(62.45)	
Movement in Current Account of Subsidiaries & Associate	17.30	18.36	
Interest Received	369.48	293.64	
Net cash used in Investing activities (Total-B)	(14,038.78)		(10,117.97)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
C. Cash flow from Financing activities		
Payment of Lease Liabilities	(990.03)	(927.05)
Proceed / Repayment of Short Term Borrowings (Working Capital)	(204.73)	(86.09)
Dividend on Equity Shares paid	(6,502.94)	(4,552.05)
Finance Cost (Other than Non Cash)	(272.07)	(300.20)
Net cash used in Financing activities (Total-C)	(7,969.77)	(5,865.39)
Net increase / (decrease) in Cash & cash equivalents (A+B+C)	750.73	(336.50)
Cash & cash equivalent - Opening Balance	1,041.69	1,378.19
Cash & cash equivalent - Closing Balance	1,792.42	1,041.69
Components of Cash & cash equivalents		
Balances with banks	511.11	337.80
Cash on Hand	3.24	3.80
Bank FDs with original maturity of less than 3 months	600.15	700.09
Margin Money Deposits with Bank held as security with maturity of less than 3 months	677.92	-
Cash & cash equivalents considered in Cash Flow Statement	1,792.42	1,041.69

Notes to Cash Flow Statement

- The above cash flow statement has been provided under the 'Indirect method' as set out in Indian Accounting Standard - 7 Statement of Cash Flows.
- Reconciliation of Liabilities arising from Financing activities

(₹ in lakhs)

Particulars	Outstanding as at 1 st April, 2023	Cash Flows	Non-Cash Changes	Outstanding as at 31 st March, 2024
Short Term Borrowings	1,834.06	(204.73)	-	1,629.33
Lease Liabilities	2,726.20	(990.03)	643.92	2,380.09
Total Liabilities from Financing activities	4,560.26	(1,194.76)	643.92	4,009.42

The accompanying Notes are integral part of these Financial Statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Material Accounting Policies and other Explanatory Information to the Standalone Financial Statements for the Financial Year ended 31st March, 2024

1. Corporate Information

Cera Sanitaryware Limited (the "Company") is a public limited company domiciled in India having its registered office situated at 9, GIDC Industrial Estate, Kadi – 382 715, Dist. Mehsana, Gujarat, India. The Company was incorporated on 17th July, 1998, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Company is engaged in the business of manufacturing, selling and trading of building material products and is having non-conventional wind farm & solar power for captive use in the State of Gujarat.

2. Basis of Preparation

2.1 Statement of Compliance with IND AS

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

These Standalone Financial Statements of the Company as at and for the year ended 31st March, 2024 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 13th May, 2024.

2.2 Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (₹), which is also a functional currency. All the values have been rounded off to the nearest lakh, unless otherwise indicated.

2.3 Basis of Measurement

These Standalone Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value
Non-current Assets classified as held for sale	Lower of carrying amount and fair value less costs to sell

3. Significant Accounting Policies

3.1 Property, Plant and Equipment

(a) 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 (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[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 on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight-line method in respect of plant and machinery and electric plant and installation and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external / internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Company's plant and equipments are considered on the basis of continuous process plant.

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.

(b) **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 Group to Tangible Fixed Assets Group.

(c) **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 resulting from the specific asset to which it relates. All other expenditure are recognised in the Statement of Profit and Loss as and when incurred.

[iii] **Amortization**

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the written down value method and is included in Depreciation and Amortisation expense in the 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.

[v] **Intangible Assets under Development**

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

[vi] **Investment Property**

Investment properties are land and buildings that are held for long term lease rental yields and / or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 3.1(a)[iv] above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

(d) **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.

3.2 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. Borrowing costs are reported on an accrual basis using the effective interest method.

3.3 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Company has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 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.

3.5 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 cost 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.

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

3.6 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.

3.7 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 not recognised in the financial statements however, contingent assets, if any, are disclosed in the financial statements.

3.8 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.

3.9 Foreign Currency Transactions and Translations

Initial Recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts / payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.10 Revenue from Contracts with Customers

The Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Further, the Company evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue arises from sale of goods and rendering of services.

Sale of Goods

Most of the Company's revenue is derived from selling of goods with revenue recognised at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The Company recognises revenue from the sale of goods upon transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, in accordance with Ind AS 115 "Revenue from contract with customers". Amounts disclosed as revenue are net of returns and allowances, trade discounts, volume rebates and value added taxes / Goods and service tax.

As per Ind AS 115, the Company determines whether there is a significant financing component in its contracts. However, the Company has decided to use practical expedient provided in Ind AS 115 and not to adjust the promised amount of consideration for the effects of a significant financing components in the contracts, where the Company expects, at contract inception that the period of completion of contract terms are one year or less. Therefore, for short-term advances, the company does not account for a financing component. No long - term advances from customers are generally received by the Company.

The Company provides volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. To estimate the volume rebate, the Company considers that the most likely amount method better predicts the amount of volume rebate.

The Company provides for warranties for general repairs and replacement which will be assurance-type warranties under Ind AS 115, which will continue to be accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its current practice.

Rendering of Services

The Company is rendering after sales services for its sold products. The after sales services is rendered against independent contracts with customers or against assurance type warranty for goods sold. Revenue from sale of services is recognised at an amount entitled in exchange for transferring services at a point in time to a customer.

Interest and Dividends and Other Income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the unconditional right to receive payment is established. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.11 Exceptional Items

An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

3.12 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 46, classification of leases and other disclosures relating to leases.

Company as a lessor

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

3.13 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

The Company's contribution to provident fund and pension 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

The Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. 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 twelve 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.

3.14 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.

(a) 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.

(b) Deferred Tax

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

Deferred tax 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 recognised 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 and 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.

3.15 Fair Value Measurement

The Company measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

3.16 Financial Instruments**I. Financial Assets****(a) Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement**[i] Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[ii] Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[iii] Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) Impairment of Financial Assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Derecognition of Financial Assets

A financial asset is derecognised when:

- * The Company has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Company transfers substantially all the risks and rewards of ownership of the financial asset, the Company shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognise the financial asset.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial Liabilities**Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of Financial Instruments

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

V. Investment in Subsidiaries, Joint Ventures and Associates

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

3.17 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.

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.

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 standalone 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.

(a) **Impairment of Non-financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or 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. The calculations are corroborated by valuation multiples, quoted share prices for publicly traded securities or other available fair value indicators.

(b) **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.

(c) **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 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.

(d) **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 in the financial statements.

(e) **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.

(f) **Impairment of Investments in Subsidiaries, Joint Ventures and Associates**

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually. If the estimated recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(g) **Useful lives of property, plant and equipment and intangible assets**

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Notes to Standalone Financial Statements for the year ended 31st March, 2024

Note - 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in lakhs)

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Gross Carrying Amount								
	As at 1 st April, 2022	1,311.31	16,737.76	27,265.88	2,796.09	1,275.59	708.28	922.05	51,016.96
	Addition / Transfers	-	259.36	375.19	311.58	160.78	46.40	331.40	1,484.71
	Disposal / Adjustments	-	(95.42)	(135.99)	(62.89)	(66.28)	(22.67)	(204.22)	(587.47)
	As at 31 st March, 2023	1,311.31	16,901.70	27,505.08	3,044.78	1,370.09	732.01	1,049.23	51,914.20
	Addition / Transfers	2,317.46	1,881.94	1,173.06	562.33	246.36	91.88	159.86	6,432.89
	Disposal / Adjustments	-	(55.12)	(150.75)	(93.23)	(175.95)	(72.44)	(175.05)	(722.54)
	As at 31st March, 2024	3,628.77	18,728.52	28,527.39	3,513.88	1,440.50	751.45	1,034.04	57,624.55
2	Accumulated Depreciation / Amortisation								
	As at 1 st April, 2022	-	6,536.25	9,599.78	2,049.59	1,063.70	600.57	678.17	20,528.06
	Charge for the year	-	706.38	1,042.19	288.69	145.50	52.35	89.39	2,324.50
	Disposal / Adjustments	-	(61.79)	(89.02)	(51.94)	(54.56)	(20.98)	(181.03)	(459.32)
	As at 31 st March, 2023	-	7,180.84	10,552.95	2,286.34	1,154.64	631.94	586.53	22,393.24
	Charge for the year	-	728.54	1,060.22	452.26	148.47	54.51	173.10	2,617.10
	Disposal / Adjustments	-	(39.01)	(80.06)	(75.68)	(156.96)	(68.51)	(140.58)	(560.80)
	As at 31st March, 2024	-	7,870.37	11,533.11	2,662.92	1,146.15	617.94	619.05	24,449.54
3	Net Carrying Amount								
	As at 31 st March, 2023	1,311.31	9,720.86	16,952.13	758.44	215.45	100.07	462.70	29,520.96
	As at 31st March, 2024	3,628.77	10,858.15	16,994.28	850.96	294.35	133.51	414.99	33,175.01

(b) Capital work-in-progress (CWIP)

As at 1 st April, 2022	58.24
Additions	1,693.48
Capitalized / Adjustments	(58.24)
As at 31 st March, 2023	1,693.48
Additions	1,028.17
Capitalized / Adjustments	(1,425.26)
As at 31st March, 2024	1,296.39

(c) Capital work-in-progress (CWIP) ageing schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2024	1,079.71	216.68	-	-	1,296.39
Sanitaryware	1,005.77	216.68	-	-	1,222.45
Faucetware	73.94	-	-	-	73.94
As at 31st March, 2023	1,693.48	-	-	-	1,693.48
Sanitaryware	282.94	-	-	-	282.94
Faucetware	1,410.54	-	-	-	1,410.54

All the projects are executed as per rolling annual plan.

Notes:

- Previous period's figures have been re-grouped / re-classified wherever required to current year's classification.
- Cost of Buildings includes ownership offices in co-operative societies for ₹ 2,636.64 lakhs (Previous year ₹ 2,179.55 lakhs) including 60 shares of ₹ 50/- each in three Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is ₹ 538.06 lakhs as on 31st March, 2024 & ₹ 3,539.64 lakhs as on 31st March, 2023. [Refer Note No. 47(a)]

Note - 5. INVESTMENT PROPERTY

(₹ in lakhs)

Sr. No.	Particulars	Building
1	Gross Carrying Amount	
	As at 1 st April, 2022	-
	Additions / Transfers	-
	As at 31 st March, 2023	-
	Addition / Transfers	159.94
	As at 31st March, 2024	159.94
2	Accumulated Depreciation	
	As at 1 st April, 2022	-
	Charge for the year	-
	As at 31 st March, 2023	-
	Charge for the year	3.23
	As at 31st March, 2024	3.23
3	Net Carrying Amount	
	As at 31 st March, 2023	-
	As at 31st March, 2024	156.71

Notes :

- a. Fair value of the above investment property as at 31st March, 2024 is ₹ 161.02 lakhs (31st March, 2023 : ₹ Nil) based on external valuation. The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent in village Bhiwadi area. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- b. The Company has not earned any rental income on the above properties.

Note-6. OTHER INTANGIBLE ASSETS**(a) Other Intangible Assets** (₹ in lakhs)

Sr. No.	Particulars	Computer Softwares
1	Gross Carrying Amount	
	As at 1 st April, 2022	517.33
	Addition / Transfers	31.47
	Disposal / Adjustments	-
	As at 31 st March, 2023	548.80
	Addition / Transfers	74.13
	Disposal / Adjustments	(1.24)
	As at 31st March, 2024	621.69
2	Accumulated Amortization	
	As at 1 st April, 2022	470.98
	Charge for the year	26.06
	Disposal / Adjustments	-
	As at 31 st March, 2023	497.04
	Charge for the year	30.65
	Disposal / Adjustments	(1.18)
	As at 31st March, 2024	526.51
3	Net Carrying Amount	
	As at 31 st March, 2023	51.76
	As at 31st March, 2024	95.18

(b) Intangible Assets under development (IAUD)

	As at 1 st April, 2022	-
	Addition	3.22
	Capitalized / Adjustments	-
	As at 31 st March, 2023	3.22
	Addition	-
	Capitalized / Adjustments	(3.22)
	As at 31st March, 2024	-

(c) Intangible Assets under development (IAUD) ageing schedule

Projects in progress	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 st March, 2023	3.22	-	-	-	3.22
As at 31st March, 2024	-	-	-	-	-

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 7. INVESTMENTS - NON-CURRENT			
Non-Current Investments			
Trade Investments (valued at cost, net of impairment loss)			
Investments in Subsidiaries & Associates			
A	Investments in Limited Liability Partnership (Unquoted)		
	(a) Packcart Packaging LLP (Subsidiary)	90.78	90.78
	(b) Race Polymer Arts LLP (Subsidiary)	510.00	510.00
	(c) Milo Tile LLP (Associate entity)*	-	806.00
	Less: Provision for Impairment (Refer Note 7.1D)	-	(500.00)
		-	306.00
	Total (A)	600.78	906.78
	Total Trade Investments in Subsidiaries & Associates (A)	600.78	906.78
Non-Trade Investments			
B	Investments in Debentures (at amortised cost) (Unquoted)		
	(a) State Bank of India Series1 9.56% - NCD Perpetual 10 Units of face value of ₹ 10,00,000 per unit (10 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	-	100.37
	(b) State Bank of India Series1 7.74% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	500.50	500.75
	(c) State Bank of India Series1 7.73% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	503.62	505.43
	(d) State Bank of India SR III 7.55% - BD Perpetual FVRS1CR 7 Units of face value of ₹ 1,00,00,000 per unit (7 Units of face value of ₹ 1,00,00,000 per unit as at 31 st March, 2023)	694.96	693.28
	Total (B)	1,699.08	1,799.83
C	Investments in Bonds (at amortised cost) (Unquoted)		
	(a) Rural Electrification Corporation Limited SR-2 8.12 / 8.32 (Tax free) 28,000 Bonds of face value of ₹ 1,000 per Bond (28,000 Bonds of face value of ₹ 1,000 per Bond as at 31 st March, 2023)	300.91	306.50
	(b) Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of ₹ 1,00,000 per Bond (385 Bonds of face value of ₹ 1,00,000 per Bond as at 31 st March, 2023)	406.52	413.56
	Total (C)	707.43	720.06
D	Investments in Limited Liability Partnership (Unquoted)		
	(a) Milo Tile LLP (Associate entity)*	806.00	-
	Less: Provision for Impairment (Refer Note 7.1D)	(655.57)	-
	Total (D)	150.43	-
E	Investments in Government Securities (at cost) (Unquoted)		
	National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (E)	0.13	0.13
	Total Non-Trade Investments (B + C + D + E)	2,557.07	2,520.02
	Total Non-Current Investments (A + B + C + D + E)	3,157.85	3,426.80
	Aggregate amount of Unquoted Investments (A + B + C + D + E)	3,813.42	3,926.80
	Aggregate amount of Impairment in value of Investments	655.57	500.00

* Reclassified as Non-Trade Investments during the year. Refer Note 7.1(D)

Notes :

Sr. No.	Name of Partners	As at 31 st March, 2024		As at 31 st March, 2023	
		Capital (₹ in lakhs)	Share percentage	Capital (₹ in lakhs)	Share percentage
7.1(A)	Investment in Packcart Packaging LLP (subsidiary), their partners, total capital and shares of each partner are as under :				
1	Cera Sanitaryware Limited	90.78	51%	90.78	51%
2	Smt. Kinjal Bhatt	87.22	49%	87.22	49%
	Total	178.00	100%	178.00	100%
7.1(B)	Investment in Race Polymer Arts LLP (subsidiary), their partners, total capital and shares of each partner are as under :				
1	Cera Sanitaryware Limited	510.00	51%	510.00	51%
2	Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP)	490.00	49%	490.00	49%
	Total	1,000.00	100%	1,000.00	100%
7.1(C)	Investment in Milo Tile LLP (associate entity), their partners, total capital and shares of each partner are as under(*) :				
1	Cera Sanitaryware Limited	806.00	26%	806.00	26%
2	Shri Rameshbhai Vashrambhai Bhalodia	100.00	28%	100.00	28%
3	Smt. Ansoyaben Rameshbhai Bhalodia	80.00	12%	80.00	12%
4	Shri Milanbhai Rameshbhai Bhalodia	80.00	12%	80.00	12%
5	Shri Kevin Rameshbhai Bhalodia	70.00	12%	70.00	12%
6	Smt. Jalpaben Milanbhai Bhalodia	35.00	5%	35.00	5%
7	Smt. Sweta Kevin Bhalodia	35.00	5%	35.00	5%
	Total	1,206.00	100%	1,206.00	100%

(*) Refer Note 7.1 (D) below

7.1(D) The Company acquired share capital worth ₹ 806.00 Lakhs for 26% stake in M/s. Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo. As a matter of abundant caution, the Company has fully provided impairment of its investment in Milo (net of payables) to the tune of ₹ 655.57 Lakhs (₹ 500.00 Lakhs in FY 2022-23 and ₹ 155.57 Lakhs in FY 2023-24). The same is disclosed as an "Exceptional Item" in the Statement of Profit & Loss. Without prejudice to the above, the Company is taking all necessary steps for recovery of its Equity investment including legal recourse.

Recently, the Hon'ble High Court of Gujarat has appointed an arbitrator to adjudicate the case and the first hearing in the matter is yet to be held.

Further, in view of the above ongoing dispute and in accordance with Ind AS 28 "Investment in Associates", the management has reclassified its Investment in Milo from "Investments in Associates" to "Other Investments".

Sr. No.	Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
			As on 31 st March, 2024	As on 31 st March, 2023	
7.2	Ownership Interest in Subsidiaries :				
1	Investment in Limited Liability Partnership - Packcart Packaging LLP	India	51%	51%	} Manufacturing of Corrugated Boxes Manufacturing of Seat Cover, Cistren, Fitting
2	Investment in Limited Liability Partnership - Race Polymer Arts LLP	India	51%	51%	
7.3	Ownership Interest in Associate(*) :				
	Milo Tile LLP	India	26%	26%	} Manufacturing of Tiles

(*) Refer Note 7.1 (D) above

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 8. OTHER FINANCIAL ASSETS - NON-CURRENT			
At amortised cost			
1	Security Deposits	187.11	193.77
	Less: Allowance for Expected Credit Loss	(39.20)	(39.20)
	Net Security Deposits	<u>147.91</u>	<u>154.57</u>
Other Bank Balances			
2	Margin Money Deposits with a bank held as security with more than 12 months maturity	<u>2.28</u>	<u>639.99</u>
	Total	<u><u>150.19</u></u>	<u><u>794.56</u></u>
Note - 9. OTHER NON-CURRENT ASSETS			
1	Capital Advances	508.38	898.88
	Less: Allowance for Expected Credit Loss	-	(468.91)
	Net Capital Advances	<u>508.38</u>	<u>429.97</u>
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	31.44	284.51
	(b) Other Advances (Unsecured, considered good)		
	Advance Lease Rentals - Security Deposits	24.17	29.61
	(c) Income Tax of earlier years	<u>232.75</u>	<u>229.84</u>
	Total	<u><u>796.74</u></u>	<u><u>973.93</u></u>
Note - 10. INVENTORIES			
At lower of Cost and Net Realisable Value			
1	Raw Materials	4,069.14	4,655.03
2	Raw Materials in Transit	-	345.60
3	Work-in-progress	1,376.80	1,107.68
4	Finished Goods	16,298.70	16,056.06
5	Stock-in-trade	12,336.96	13,477.65
6	Stock-in-trade in Transit	53.62	42.78
7	Stores and Spares	1,726.25	1,855.89
8	Stores and Spares in Transit	<u>2.19</u>	<u>100.22</u>
	Total	<u><u>35,863.66</u></u>	<u><u>37,640.91</u></u>

Note :

10.1 Inventories are hypothecated to secure working capital facilities from State Bank of India.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 11. INVESTMENTS - CURRENT			
Current Investments			
Investments in Mutual Funds (Unquoted)			
Measured at fair Value through Profit & Loss (FVTPL)			
1	Bandhan Corporate Bond Fund - Regular Growth 4812489.6130 Units NAV of ₹ 17.3762 each (4812489.6130 Units NAV of ₹ 16.2370 each as at 31 st March, 2023)	836.23	781.40
2	HDFC Corporate Bond Fund - Regular Plan - Growth (Formerly HDFC Medium Term Opportunities Fund - Regular Plan - Growth) 5127446.6910 Units NAV of ₹ 29.3347 each (5127446.6910 Units NAV of ₹ 27.1800 each as at 31 st March, 2023)	1,504.12	1,393.64
3	Axis Banking & PSU Debt Fund - Direct Plan - Growth 23266.5560 Units NAV of ₹ 2453.8381 each (23266.5560 Units NAV of ₹ 2288.5724 each as at 31 st March, 2023)	570.92	532.47
4	Axis Short Term Fund - Regular Plan - Growth 1816802.2210 Units NAV of ₹ 27.8930 each (1816802.2210 Units NAV of ₹ 26.0068 each as at 31 st March, 2023)	506.76	472.49
5	Axis Banking & PSU Debt Fund - Regular Plan - Growth 10026.9320 Units NAV of ₹ 2388.0476 each (10026.9320 Units NAV of ₹ 2233.5915 each as at 31 st March, 2023)	239.45	223.96
6	Bandhan Banking & PSU Debt Fund - Regular Plan - Growth 4105987.9300 Units NAV of ₹ 22.3400 each (4105987.9300 Units NAV of ₹ 20.8893 each as at 31 st March, 2023)	917.28	857.71
7	HSBC Banking and PSU Debt Fund - Regular Growth 2566877.3220 Units NAV of ₹ 22.0337 each (2566877.3220 Units NAV of ₹ 20.6149 each as at 31 st March, 2023)	565.58	529.16
8	HSBC Banking and PSU Debt Fund - Direct Growth 4840052.4810 Units NAV of ₹ 23.0989 each (4840052.4810 Units NAV of ₹ 21.5296 each as at 31 st March, 2023)	1,117.99	1,042.05
9	ICICI Prudential Corporate Bond Fund - Growth 1477353.3180 Units NAV of ₹ 26.9465 each (1477353.3180 Units NAV of ₹ 24.9722 each as at 31 st March, 2023)	398.09	368.93
10	HSBC Short Duration Fund - Regular Growth 1519949.1080 Units NAV of ₹ 23.9400 each (1519949.1080 Units NAV of ₹ 22.4077 each as at 31 st March, 2023)	363.88	340.59
11	SBI Corporate Bond Fund - Regular Plan Growth 8848146.5610 Units NAV of ₹ 14.0027 each (8848146.5610 Units NAV of ₹ 13.0641 each as at 31 st March, 2023)	1,238.98	1,155.93
12	Bharat Bond ETF - April 2030 40000.0000 Units NAV of ₹ 1354.5721 each (40000.0000 Units NAV of ₹ 1249.9910 each as at 31 st March, 2023)	541.83	500.00
13	Kotak Banking and PSU Debt Fund - Regular Plan - Growth 412484.0420 Units NAV of ₹ 59.1583 each (412484.0420 Units NAV of ₹ 55.0793 each as at 31 st March, 2023)	244.02	227.19
14	Kotak Floating Rate Fund - Regular Plan - Growth 138304.2380 Units NAV of ₹ 1360.1725 each (138304.2380 Units NAV of ₹ 1265.2224 each as at 31 st March, 2023)	1,881.17	1,749.86
15	HSBC Corporate Bond Fund - Direct Growth 426193.2750 Units NAV of ₹ 69.9990 each (426193.2750 Units NAV of ₹ 65.0579 each as at 31 st March, 2023)	298.33	277.27
16	HSBC Corporate Bond Fund - Regular Growth 716573.7480 Units NAV of ₹ 65.9926 each (716573.7480 Units NAV of ₹ 61.5431 each as at 31 st March, 2023)	472.89	441.00
17	ICICI Prudential Banking and PSU Debt Fund - Growth 3439414.8080 Units NAV of ₹ 29.6561 each (3439414.8080 Units NAV of ₹ 27.5470 each as at 31 st March, 2023)	1,019.99	947.46

Sr. No.	Particulars As at 31 st March, 2024	As at 31 st March, 2023	
18	Bandhan Bond Fund - Short Term - Regular Plan - Growth 2076176.3730 Units NAV of ₹ 51.6046 each (2076176.3730 Units NAV of ₹ 48.1735 each as at 31 st March, 2023)	1,071.40	1,000.17
19	HDFC Corporate Bond Fund - Growth Option - Direct Plan 15143548.5460 Units NAV of ₹ 29.8835 each (15143548.5460 Units NAV of ₹ 27.6193 each as at 31 st March, 2023)	4,525.42	4,182.53
20	ICICI Prudential Short Term Fund - Growth Option 2371754.8990 Units NAV of ₹ 54.4366 each (2371754.8990 Units NAV of ₹ 50.5295 each as at 31 st March, 2023)	1,291.10	1,198.44
21	Kotak Floating Rate Fund - Direct Plan - Growth Option 13375.9980 Units NAV of ₹ 1385.3890 each (13375.9980 Units NAV of ₹ 1283.4124 each as at 31 st March, 2023)	185.31	171.67
22	SBI Dynamic Bond Fund - Direct Plan - Growth 709853.9780 Units NAV of ₹ 35.1644 each (709853.9780 Units NAV of ₹ 32.1842 each as at 31 st March, 2023)	249.61	228.46
23	Bharat Bond FOF - April 2025 - Direct Pan - Growth Option 23810152.9690 Units NAV of ₹ 11.9226 each (23810152.9690 Units NAV of ₹ 11.1021 each as at 31 st March, 2023)	2,838.80	2,643.43
24	Axis Corporate Debt Fund - Regular Plan Growth 8021457.6570 Units NAV of ₹ 15.3965 each (8021457.6570 Units NAV of ₹ 14.3435 each as at 31 st March, 2023)	1,235.02	1,150.56
25	DSP Bond Fund - Growth 791425.2720 Units NAV of ₹ 73.7850 each (791425.2720 Units NAV of ₹ 68.5960 each as at 31 st March, 2023)	583.95	542.88
26	SBI Floating Rate Debt Fund - Direct Plan - Growth 60529563.6120 Units NAV of ₹ 12.1390 each (60529563.6120 Units NAV of ₹ 11.1961 each as at 31 st March, 2023)	7,347.68	6,776.95
27	HDFC Banking & PSU Debt Fund - Growth Option - Direct Plan 1976743.8600 Units NAV of ₹ 21.5820 each (1976743.8600 Units NAV of ₹ 20.0223 each as at 31 st March, 2023)	426.62	395.79
28	Bandhan Bond Fund - Short Term - Direct Plan - Growth 2078625.8820 Units NAV of ₹ 54.9249 each (2078625.8820 Units NAV of ₹ 51.0320 each as at 31 st March, 2023)	1,141.68	1,060.76
29	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 16464710.6090 Units NAV of ₹ 28.1456 each (16464710.6090 Units NAV of ₹ 26.0278 each as at 31 st March, 2023)	4,634.09	4,285.40
30	DSP Bond Fund - Direct Plan Growth 1461851.0920 Units NAV of ₹ 77.9984 each (1461851.0920 Units NAV of ₹ 72.2633 each as at 31 st March, 2023)	1,140.22	1,056.38
31	ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth 1887260.7350 Units NAV of ₹ 30.7789 each (1887260.7350 Units NAV of ₹ 28.4957 each as at 31 st March, 2023)	580.88	537.79
32	ICICI Prudential short term fund - Direct Plan - Growth Option 5933470.6160 Units NAV of ₹ 58.9322 each (5933470.6160 Units NAV of ₹ 54.3683 each as at 31 st March, 2023)	3,496.72	3,225.93
33	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 17416655.9240 Units NAV of ₹ 11.7754 each (17416655.9240 Units NAV of ₹ 10.9493 each as at 31 st March, 2023)	2,050.88	1,907.00
34	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund - Direct Growth 20040969.4670 Units NAV of ₹ 11.2477 each (20040969.4670 Units NAV of ₹ 10.4880 each as at 31 st March, 2023)	2,254.15	2,101.90
35	Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan - Growth 16362429.2430 Units NAV of ₹ 11.8725 each (16362429.2430 Units NAV of ₹ 11.0703 each as at 31 st March, 2023)	1,942.64	1,811.37

(₹ in lakhs)

Sr. No.	Particulars As at 31 st March, 2024	As at 31 st March, 2023	
36	Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan 358222.8470 Units NAV of ₹ 340.7909 each (358222.8470 Units NAV of ₹ 316.1942 each as at 31 st March, 2023)	1,220.80	1,132.68
37	Aditya Birla Sun Life Corporate Bond Fund - Growth - Direct Plan 523558.7033 Units NAV of ₹ 103.2453 each (523558.7033 Units NAV of ₹ 95.6053 each as at 31 st March, 2023)	540.55	500.55
38	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 6986468.8800 Units NAV of ₹ 11.7754 each (6986468.8800 Units NAV of ₹ 10.9493 each as at 31 st March, 2023)	822.68	764.97
39	Bandhan Crisil IBX Gilt June 2027 Index Fund Direct Plan - Growth 9170151.5210 Units NAV of ₹ 11.7361 each (9170151.5210 Units NAV of ₹ 10.9205 each as at 31 st March, 2023)	1,076.22	1,001.43
40	Bharat Bond FOF - April 2030 - Direct Plan - Growth 6073406.8810 Units NAV of ₹ 13.5296 each (6073406.8810 Units NAV of ₹ 12.5113 each as at 31 st March, 2023)	821.71	759.86
41	DSP Corporate Bond Fund - Direct - Growth 12844054.4060 Units NAV of ₹ 14.6784 each (12844054.4060 Units NAV of ₹ 13.6583 each as at 31 st March, 2023)	1,885.30	1,754.28
42	DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund - Direct - Growth 10414446.1130 Units NAV of ₹ 11.2295 each (10414446.1130 Units NAV of ₹ 10.4387 each as at 31 st March, 2023)	1,169.49	1,087.13
43	Kotak Bond short term Plan - Growth - Direct 3084411.0010 Units NAV of ₹ 51.5232 each (3084411.0010 Units NAV of ₹ 47.7234 each as at 31 st March, 2023)	1,589.19	1,471.98
44	Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 16941895.2191 Units NAV of ₹ 11.1049 each (16941895.2191 Units NAV of ₹ 10.3678 each as at 31 st March, 2023)	1,881.39	1,756.50
45	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth 19351259.2560 Units NAV of ₹ 11.1675 each (19351259.2560 Units NAV of ₹ 10.4153 each as at 31 st March, 2023)	2,161.05	2,015.49
46	SBI Magnum Gilt Fund - Direct Plan - Growth 3502260.7340 Units NAV of ₹ 63.1318 each (1731983.0160 Units NAV of ₹ 57.7654 each as at 31 st March, 2023)	2,211.04	1,000.49
47	SBI Magnum Low Duration Fund - Direct Plan - Growth 170462.6010 Units NAV of ₹ 3297.4205 each (133346.8470 Units NAV of ₹ 3065.0878 each as at 31 st March, 2023)	5,620.87	4,087.20
48	SBI Savings Fund - Direct Plan - Growth 17001121.1260 Units NAV of ₹ 40.4415 each (Nil Unit as at 31 st March, 2023)	6,875.51	-
49	Franklin India Low Duration Fund - Segregated Portfolio 2 Nil Unit (202048.4720 Units NAV of ₹ 0.3609 each as at 31 st March, 2023)	-	0.73
	Total	77,589.48	63,451.81
	Aggregate Cost of Unquoted Investments	68,926.94	59,902.77
	Aggregate Fair Value of Unquoted Investments	77,589.48	63,451.81

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 12. TRADE RECEIVABLES - CURRENT			
(a)	Trade Receivables considered good - Secured	2,872.16	2,659.63
(b)	Trade Receivables considered good - Unsecured	16,750.15	15,576.01
(c)	Trade Receivables which have significant increase in Credit Risk	152.60	243.78
(d)	Trade Receivables - credit impaired	1,734.89	2,645.37
		21,509.80	21,124.79
	Less: Allowance for Expected Credit Losses	(1,375.61)	(2,298.03)
	Total	20,134.19	18,826.76
Movement in Allowance for Expected Credit Losses			
	Balance at the beginning of the year	2,298.03	1,279.88
	Allowance for Expected Credit Losses provided during the year (Refer Note No. 37)	442.43	1,064.76
	Amounts written back during the year	(266.75)	(19.71)
	Amounts of Trade Receivables written off during the year	(1,098.10)	(26.90)
	Balance at the end of the year	1,375.61	2,298.03

Notes :

12.1 Trade Receivables are hypothecated to secure working capital facilities from State Bank of India.

12.2 No Trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

12.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

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

12.5 Ageing for Trade Receivables as at 31st March, 2024 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	12,378.64	7,243.67	-	-	-	-	19,622.31
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	152.60	-	-	-	152.60
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	466.38	79.98	1,188.53	1,734.89
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	12,378.64	7,243.67	152.60	466.38	79.98	1,188.53	21,509.80

Ageing for Trade Receivables as at 31st March, 2023 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,490.14	7,249.65	25.28	39.53	376.79	54.25	18,235.64
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	243.78	-	-	-	243.78
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	365.46	335.37	1,944.54	2,645.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	10,490.14	7,249.65	269.06	404.99	712.16	1,998.79	21,124.79

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 13. CASH & CASH EQUIVALENTS			
1	Balances with banks in current accounts	511.11	337.80
2	Cash on hand	3.24	3.80
3	Bank FDs with original maturity of less than 3 months	600.15	700.09
4	Margin Money Deposits with Bank held as security with maturity of less than 3 months	677.92	-
	Total	1,792.42	1,041.69
Note - 14. OTHER BALANCES WITH BANKS			
1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,173.53	1,030.27
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	333.75	351.83
3	Earmarked Balances with Banks (Unpaid Dividend)*	112.53	107.95
	Total	1,619.81	1,490.05
	* Not due for deposit in the Investor Education and Protection Fund		
Note - 15. OTHER FINANCIAL ASSETS - CURRENT			
At amortised cost (Unsecured, considered good)			
1	Security Deposits*	109.49	98.35
2	Insurance claims receivable	63.04	74.95
3	Interest accrued and receivable	75.02	77.31
4	Advance to staff	28.32	33.22
	Total	275.87	283.83
	* including ₹ 20.29 Lakhs (PY ₹ 20.29 Lakhs) given to a related party		
Note - 16. OTHER CURRENT ASSETS			
Advances other than Capital Advances (Unsecured, considered good)			
(i)	Prepaid Expenses	914.92	1,260.97
(ii)	Balance with Govt. Authorities	244.35	56.67
(iii)	Advance Lease Rentals - Security Deposits	11.78	11.55
(iv)	Advance to Suppliers	1,444.80	1,744.79
(v)	Other Advances*	1,071.03	820.75
	Total	3,686.88	3,894.73
	* Amounts due from related parties amounting to ₹ 461.00 Lakhs (PY ₹ 240.59 Lakhs) Refer Note No. 40 and 48.		
Note - 17. CURRENT TAX ASSETS (NET)			
	Current Tax Assets (Net)	589.15	-
	Total	589.15	-

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2024	31 st March, 2023
Note - 18. SHARE CAPITAL			
1	Authorized Share Capital		
	2,00,00,000 Equity Shares of ₹ 5/- each	1,000.00	1,000.00
	(2,00,00,000 Equity Shares of ₹ 5/- each as at 31 st March, 2023)		
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,30,05,874 Equity Shares of ₹ 5/- each fully paid up	650.29	650.29
	(1,30,05,874 Equity Shares of ₹ 5/- each fully paid up as at 31 st March, 2023)		
	Total	650.29	650.29

Notes :**18.1 The reconciliation of Equity Shares outstanding at the beginning and at the end of the year is set out below :**

(₹ in lakhs)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Issued during the year	-	-	-	-
Balance at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

18.2 Terms / Rights attached to Equity Share :

The Company has only one class of Equity Shares having a par value of ₹ 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note No. 53 for the particulars of Dividend paid / proposed during the year.

18.3 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,98,143	9.98%	12,98,143	9.98%

18.4 Details of the shareholding of promoters are set out below :

Promoter Name	As at 31 st March, 2024		As at 31 st March, 2023		% change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%	-
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%	-
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%	-
Rekha Commercial Pvt. Ltd.	5,32,388	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,84,400	3.72%	4,84,400	3.72%	-
Deepshikha Khaitan	3,39,116	2.61%	3,39,116	2.61%	-
Suvinay Trading & Investment Co. Ltd.	3,22,808	2.48%	3,22,808	2.48%	-
Pooja Jain Somany	2,00,000	1.54%	2,00,000	1.54%	-
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,85,139	54.48%	70,85,139	54.48%	

18.5 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 19. OTHER EQUITY			
1	Other Reserves		
	(i) Securities Premium	8,095.94	8,095.94
	(ii) General Reserve		
	Balance as per last financial year	56,823.98	52,440.05
	Add : Transferred from Statement of Profit and Loss	5,462.66	4,383.93
		62,286.64	56,823.98
2	Retained Earnings		
	Balance as per last financial year	51,965.58	39,935.98
	Add : Profit for the year	23,916.90	20,965.58
	Less : Appropriations		
	Transferred to General Reserve	(5,462.66)	(4,383.93)
	Dividend on Equity Shares distributed for F.Y. 2022-23	(6,502.94)	-
	Dividend on Equity Shares distributed for F.Y. 2021-22	-	(4,552.05)
		63,916.88	51,965.58
3	Other Comprehensive Income		
	Remeasurements of Defined Benefit Plan		
	Balance as per last financial year	(614.25)	(547.69)
	Adjustments during the year		
	Add : Actuarial Gain / (Loss) on Remeasurement of Defined Benefit Plan	(108.77)	(88.95)
	Less : Current Tax effect on Gratuity	27.37	22.39
		(695.65)	(614.25)
	Total	1,33,603.81	1,16,271.25

Nature and purpose of Other Reserves**(a) Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b) General Reserve

General Reserve is created out of profit after tax earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 20. OTHER FINANCIAL LIABILITIES - NON-CURRENT			
1	Deposits by Dealers	2,920.91	2,862.92
2	Due to others	22.23	22.23
	Total	2,943.14	2,885.15
Note - 21. PROVISIONS - NON-CURRENT			
1	Provision for Employee Benefits		
	Provision for Leave Encashment	650.73	554.13
2	Provision for Tax		
	Provision for Income Tax of earlier years	286.78	327.28
	Total	937.51	881.41

Refer Note No. 44 for Movement of Provisions

(₹ in lakhs)

Sr. No.	Particulars	Balance Sheet		Statement of Profit and Loss	
		As at 31 st March, 2024	As at 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 22. DEFERRED TAX LIABILITIES (NET)					
(i)	Difference between Written down value of Property, Plant and Equipment and Intangible assets as per books of accounts and income tax	2,924.31	2,970.89	(46.58)	(47.96)
(ii)	Fair valuation of Investments	2,180.19	893.18	1,287.01	220.30
(iii)	Impact of Right-of-use Assets and Lease Liabilities	(60.94)	(64.95)	4.01	(0.59)
(iv)	Provision allowed under tax on payment basis	(211.32)	(188.46)	(22.86)	17.85
(v)	Unabsorbed Long term Capital Loss	(185.65)	-	(185.65)	-
Deferred Tax (Income) / Expense				1,035.93	189.60
Net Deferred Tax (Assets) / Liabilities				4,646.59	3,610.66

Reconciliation of Deferred Tax Liabilities (Net) :

Particulars	31 st March, 2024	31 st March, 2023
Opening Balance	3,610.66	3,421.06
Tax Expense / (Income) during the period recognised in Profit or Loss	1,035.93	189.60
Tax Expense / (Income) during the period recognised in Other Comprehensive Income	-	-
Tax Expense / (Income) during the period recognised directly in Other Equity	-	-
Closing balance	4,646.59	3,610.66

(₹ in lakhs)

Sr. No.	Particulars	As at	As at
		31 st March, 2024	31 st March, 2023
Note - 23. BORROWINGS - CURRENT			
Borrowings Repayable on Demand			
From State Bank of India (Secured)			
	Cash Credit	1,629.33	1,829.42
From HDFC Bank Ltd. (Unsecured)			
	Overdraft Working Capital	-	4.64
Total		1,629.33	1,834.06

Notes :

23.1 Primary Security

Cash Credit facilities from State Bank of India (SBI) are secured by exclusive hypothecation over entire Current Assets of the Company comprising stock of raw materials, work in process, finished goods, stock in trade, stores & spares and receivables, both present and future.

23.2 Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.15% above 6 months MCLR (Present effective rate 8.70% p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2 bps for 90 days.

23.3 Rate of interest on overdraft working capital facility from HDFC Bank Ltd. is 9.43% p.a..

23.4 Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 24. TRADE PAYABLES - CURRENT			
1	Total outstanding dues of micro enterprises and small enterprises*	7,444.83	4,330.09
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	10,759.97	16,669.85
	Total	18,204.80	20,999.94

* Disclosure with respect to amount due to MSME is given in Note No. 45 and due to related parties amounting to ₹ 765.16 Lakhs (PY ₹ 811.71 Lakhs) is given in Note No. 40.

24.1 Ageing for Trade Payables as at 31st March, 2024 is as follows: (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	7,444.83	-	-	-	-	7,444.83
(ii) Others	9,145.50	1,357.53	18.27	-	0.88	10,522.18
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	237.79	-	-	237.79
Total	16,590.33	1,357.53	256.06	-	0.88	18,204.80

Ageing for Trade Payables as at 31st March, 2023 is as follows: (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,330.09	-	-	-	-	4,330.09
(ii) Others	16,329.25	90.06	12.75	-	-	16,432.06
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	237.79	-	-	-	237.79
Total	20,659.34	327.85	12.75	-	-	20,999.94

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 25. OTHER FINANCIAL LIABILITIES - CURRENT			
1	Unpaid dividends*	112.53	107.95
2	Retention money payable	214.55	243.77
3	Employee related payable	3,176.82	4,121.62
4	Other payable	9,021.03	6,430.92
	Total	12,524.93	10,904.26

* Not due for deposit in the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at year end.

Note - 26. OTHER CURRENT LIABILITIES

1	Payable towards Statutory dues	2,159.65	1,688.80
2	Advances received from Customers	1,227.13	1,251.85
	Total	3,386.78	2,940.65

Note - 27. CURRENT PROVISIONS

1	Provision for Leave Encashment	178.91	184.64
2	Provision for Gratuity	0.49	19.22
3	Provision for Loyalty Program	1,430.83	1,100.00
	Total	1,610.23	1,303.86

Refer Note No. 44 for Movement of Provisions

Note - 28. CURRENT TAX LIABILITIES (NET)

	Provision for tax (Net)	-	554.89
	Total	-	554.89

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 29. REVENUE FROM OPERATIONS		
A Revenue from Contracts with Customers		
(a) Sale of products (Building Products)	1,85,777.32	1,79,265.07
(b) Sale of services	67.35	59.26
	<u>1,85,844.67</u>	<u>1,79,324.33</u>
B Other Operating Revenue		
(a) Exports Incentives	51.38	43.31
(b) Insurance Claims Received	11.71	23.11
(c) Credit Balances written back	871.19	718.96
(d) Miscellaneous Operating Income	344.52	208.69
	<u>1,278.80</u>	<u>994.07</u>
Total	<u>1,87,123.47</u>	<u>1,80,318.40</u>

Notes :**29.1 Disaggregation of Revenue**

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data :

(₹ in lakhs)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Product Type		
Goods	1,85,777.32	1,79,265.07
After Sales Services	67.35	59.26
Total	<u>1,85,844.67</u>	<u>1,79,324.33</u>
Contract Counterparties		
Dealers	1,85,777.32	1,79,265.07
Direct to Consumers	67.35	59.26
Total	<u>1,85,844.67</u>	<u>1,79,324.33</u>
Timing of Transfer of Goods and Services		
Point in time	1,85,844.67	1,79,324.33
Total	<u>1,85,844.67</u>	<u>1,79,324.33</u>

29.2 The expected credit loss recognised on receivables arising from the Company's contracts with customers is disclosed in Note No. 12.

29.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 12 and 26 respectively.

29.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 30. OTHER INCOME		
1 Interest Income from Financial Assets at Amortised Cost		
(a) On Security Deposits	20.20	12.85
(b) Others	356.47	277.93
2 Other Non-operating Income		
(a) Profit on Sale of Investments (Net)	51.84	120.31
(b) Net Gain on Fair Valuation of Investments	5,143.98	2,313.88
(c) Profit on Sale of Property, Plant and Equipment (Net)	113.27	50.76
(d) Share of Profit on Investment in LLP*	237.71	188.15
(e) Net Gain on foreign currency translation	18.37	36.97
(f) Gain on termination of Lease (Net)	70.16	8.84
(g) Miscellaneous Income	89.84	13.57
(h) Items pertaining to Previous year, unspent liabilities & Provisions no longer required written back (Net)	12.75	-
Total	<u>6,114.59</u>	<u>3,023.26</u>

* Refer Note No. 40

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 31. COST OF MATERIALS CONSUMED		
Opening Stock	5,000.63	3,524.20
Add : Purchases (Net)	<u>20,950.25</u>	<u>23,241.60</u>
Sub Total	25,950.88	26,765.80
Less : Closing Stock	<u>4,069.14</u>	<u>5,000.63</u>
Total	<u>21,881.74</u>	<u>21,765.17</u>
Note - 32. PURCHASES OF STOCK IN TRADE		
Sanitaryware and other allied products	<u>65,719.07</u>	<u>67,243.21</u>
Total	<u>65,719.07</u>	<u>67,243.21</u>
Note - 33. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
Inventories at the end of the year :		
Finished Goods	16,298.70	16,056.06
Work-in-progress	1,376.80	1,107.68
Stock-in-Trade	<u>12,390.58</u>	<u>13,520.43</u>
	<u>30,066.08</u>	<u>30,684.17</u>
Inventories at the beginning of the year :		
Finished Goods	16,056.06	8,657.42
Work-in-progress	1,107.68	1,198.69
Stock-in-Trade	<u>13,520.43</u>	<u>13,994.81</u>
	<u>30,684.17</u>	<u>23,850.92</u>
Change in Inventories	<u>618.09</u>	<u>(6,833.25)</u>
Note - 34. EMPLOYEE BENEFITS EXPENSE		
1 Salaries, Wages and Bonus	20,194.10	18,930.23
2 Contribution to Provident Fund and other Funds	1,101.57	774.49
3 Staff and Labour Welfare Expenses	<u>1,458.97</u>	<u>1,424.78</u>
Total	<u>22,754.64</u>	<u>21,129.50</u>

Note :

34.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

A. Defined Contribution Plan :

The Company's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

B. Defined Benefit Plan :

The Company operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognized as expense for the year.

(₹ in lakhs)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
(i) Actuarial Assumptions				
Discount Rate	7.25%	7.25%	7.50%	7.50%
Rate of escalation in Salary	6.00%	6.00%	6.00%	6.00%
Attrition Rate	6.10%	6.00%	6.00%	6.00%
Expected Average working Life of employees (years)	39.70	39.70	39.30	39.30
(ii) Changes in the Present value of Defined Benefit Obligation				
Present value of Obligation at beginning of the year	2,181.66	738.78	2,015.23	807.58
Current Service Cost	211.73	150.86	192.53	129.13
Interest Cost	163.62	55.41	146.11	58.55
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	39.62	11.18	0.48	0.14
Due to Experience adjustments (Loss)	62.11	148.21	76.69	184.73
Benefits paid	(298.25)	(274.80)	(249.38)	(441.35)
Present Value of Defined Benefit Obligation at year end	2,360.49	829.64	2,181.66	738.78
(iii) Present Value of Change in the Fair value of Plan assets				
Fair value of Plan Assets at beginning of the year	2,162.44	-	2,237.94	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	156.77	-	167.84	-
Actuarial Gain / (Loss)	(7.03)	-	(11.77)	-
Employer Contribution	346.07	-	17.81	-
Benefits paid	(298.25)	-	(249.38)	-
Fair Value of Plan Assets at year end	2,360.00	-	2,162.44	-
Return on Plan Assets recognised in				
Other Comprehensive Income (Gain) / Loss	108.77	-	88.95	-
Actual return on Plan Assets	149.74	-	156.07	-
(iv) Expense recognized in the Statement of Profit & Loss				
Current Service Cost	211.73	150.86	192.53	129.12
Interest Cost	163.62	55.41	146.11	58.55
Expenses Deducted from the fund	-	-	-	-
Expected return on Plan Assets	(156.78)	-	(167.85)	-
Net Cost	218.57	206.27	170.79	187.67

(v) Expense recognized in the Statement of Other Comprehensive Income

(₹ in lakhs)

Particulars	2023-24	2022-23
	Post Retirement Benefits	
Actuarial changes arising from changes in financial assumption	39.62	0.48
Changes in demographic assumption	-	-
Experience Adjustment (Gain) / Losses - Planned Liabilities	62.12	76.70
Experience Adjustment (Gain) / Losses - Planned Assets	7.03	11.77
OCI for the year	108.77	88.95

(₹ in lakhs)

Particulars	2023-24		2022-23	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
(vi) Assets & Liabilities Recognized in Balance Sheet				
Fair value of Plan Assets	2,360.00	-	2,162.44	-
Less : Present value of Obligation	2,360.49	829.64	2,181.66	738.78
(Liability) / Assets amount of Plans recognized in Balance Sheet	(0.49)	(829.64)	(19.22)	(738.78)

(vii) Expected Contribution to fund in the next year

(₹ in lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Gratuity	251.48	227.80

(viii) Sensitivity Analysis

Particulars	Changes in assumption	Increase in assumption		Decrease in assumption			
		Increase / Decrease by	31 st March, 2024	31 st March, 2023	Increase / Decrease by	31 st March, 2024	31 st March, 2023
Impact on Defined Benefit Obligation (Gratuity)							
Discount Rate	1%	Increase by	7%	7%	Decrease by	8%	8%
Salary Growth Rate	1%	Increase by	8%	8%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	0%	1%	Decrease by	1%	1%
Impact on Defined Benefit Obligation (Leave Encashment)							
Discount Rate	1%	Increase by	7%	6%	Decrease by	8%	7%
Salary Growth Rate	1%	Increase by	8%	7%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

(ix) Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1 st April, 2023 to 31 st March, 2024	-	309.89
1 st April, 2024 to 31 st March, 2025	262.12	147.50
1 st April, 2025 to 31 st March, 2026	138.40	114.03
1 st April, 2026 to 31 st March, 2027	180.04	151.56
1 st April, 2027 to 31 st March, 2028	147.37	119.16
1 st April, 2028 to 31 st March, 2029	133.80	-
1 st April, 2028 onwards	-	1,339.52
1 st April, 2029 onwards	1,498.75	-

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 35. FINANCE COSTS		
1 Interest Costs		
(a) Interest on Financial Liabilities	515.41	480.72
(b) For Income Tax	-	25.00
2 Other Borrowing Costs	14.52	34.35
Total	529.93	540.07
Note - 36. DEPRECIATION & AMORTIZATION EXPENSE		
1 Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,617.10	2,324.50
2 Depreciation of Investment Property (Refer Note No. 5)	3.23	-
3 Amortisation of Other Intangible Assets (Refer Note No. 6)	30.65	26.06
4 Depreciation on Right-of-use Assets (Refer Note No. 46(i))	786.39	693.68
Total	3,437.37	3,044.24
Note - 37. OTHER EXPENSES		
1 Stores, Spares, Chemicals and Packing Materials Consumed	6,081.28	6,771.58
2 Power and Fuel	3,428.51	5,938.11
3 Repairs and Maintenance		
- To Buildings	358.84	164.69
- To Plant and Equipment	497.73	415.29
- To Others	428.79	345.01
4 Auditors' Remuneration		
- As Audit Fees	15.50	15.50
- For Limited Review	7.50	7.50
- For Taxation Matter	3.50	3.50
- For Reimbursement of Expenses	0.98	1.03
5 Research & Development Expenses	149.95	145.59
6 Freight & Forwarding Expenses (Net)	10,673.55	10,168.50
7 Sales Promotion Expenses	11,633.38	9,826.65
8 Publicity & Advertisement Expenses	6,319.90	5,676.08
9 Bad Debts written off	1,141.23	548.61
10 Capital Advance written off	468.91	-
11 Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(922.43)	1,045.05
12 Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	(468.91)	140.66
13 Allowance for Expected Credit Loss - Security Deposits	-	39.20
14 Rent Expenses	690.83	444.25
15 Insurance	1,455.25	1,570.44
16 Rates and Taxes	30.52	25.73
17 Loss on Discard of Property, Plant and Equipment	26.61	63.19
18 Directors' Commission	30.00	25.00
19 Directors' Sitting Fees	3.70	3.50
20 Foreign Exchange Fluctuations (Net)	21.41	29.60
21 Donation	0.75	0.25
22 CSR Expenses (Refer Note No. 49)	387.14	300.03
23 Amortisation of Prepaid Rentals	19.91	12.47
24 Miscellaneous Expenses	4,237.12	4,053.14
Total	46,721.45	47,780.15

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 38. TAX EXPENSE		
38.1 Current Tax		
Current Tax	6,467.37	7,017.39
Total	6,467.37	7,017.39
38.2 Deferred Tax		
Deferred Tax	1,035.93	189.60
Total	1,035.93	189.60
38.3 Amounts recognised in Other Comprehensive Income		
Remeasurement of Defined Benefit Plans		
Before Tax	(108.77)	(88.95)
Tax (Expense) Benefit	27.37	22.39
Net of Tax	(81.40)	(66.56)

(₹ in lakhs)

Particulars	31 st March, 2024	31 st March, 2023
38.4 Reconciliation of Effective Tax Rate		
Accounting Profit before Income Tax	31,420.20	28,172.57
Add : Interest Expense on Income Tax (Refer Note No. 35)	-	25.00
Accounting Profit before Income Tax	31,420.20	28,197.57
India's Statutory Income Tax Rate of 25.168% (P.Y. 25.168%)	7,907.84	7,096.76
Due to Income exempt from Taxation	(10.10)	(14.69)
Non-Deductible Expenses for Tax purpose	1,249.99	1,625.12
Deductible Expenses for Tax purpose	(1,518.02)	(1,564.70)
Income not chargeable for Tax purpose	38.53	30.03
Effects of Unabsorbed Fiscal Losses	(185.65)	-
Effects of Excess / (Less) Tax for Tax purpose on Capital Gain / Loss	20.71	34.47
Income Tax expense reported in the Statement of Profit and Loss	7,503.30	7,206.99

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 39. EARNINGS PER SHARE		
1 Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	23,916.90	20,965.58
2 Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,30,05,874	1,30,05,874
3 Nominal value of Equity Shares (₹)	5	5
4 Basic / Diluted Earnings per Share (₹) (A/B)	183.89	161.20

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remains the same.

Note - 40. RELATED PARTY DISCLOSURE

40.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.

(A) Subsidiaries & Associate Entity :

Sr. No.	Name	Nature	Ownership Interest held by the Company directly or indirectly	
			As at 31 st March, 2024	As at 31 st March, 2023
1	Packcart Packaging LLP	Subsidiary	51%	51%
2	Race Polymer Arts LLP	Subsidiary	51%	51%
3	Milo Tile LLP*	Associate	26%	26%

*Refer Note 7.1(D)

(B) Key Management Personnel :

Sr. No.	Name	Designation
1	Shri Vikram Somany	Chairman and Managing Director
2	Smt. Deepshikha Khaitan	Joint Managing Director
3	Shri Anupam Gupta	Executive Director (Technical)
4	Shri Ayush Bagla	Executive Director (ceased w.e.f. 31.03.2024)
5	Shri Vikas Kothari	CFO (w.e.f. 01.04.2023)
6	Shri R.B.Shah	CFO & COO (Fin. & Comm.) (retired w.e.f. close of working hours of 31.03.2023)
7	Shri Hemal Sadiwala	Company Secretary
8	Shri Sajan Kumar Pasari	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
9	Shri Lalit Kumar Bohania	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
10	Shri Surendra Singh Baid	Non Executive Independent Director
11	Ms. Akriti Jain	Non Executive Independent Director
12	Shri Ravi Bhamidipaty	Non Executive Independent Director
13	Shri Anandh Sundar	Non Executive Independent Director (w.e.f. 12.02.2024)

(C) Other Related Parties :

Sr. No.	Particulars
(a)	Relatives of Key Management Personnel
1	Smt. Smiti Somany
2	Smt. Pooja Jain Somany
(b)	Enterprises significantly influenced by Key Management Personnel and / or their relatives
1	Madhusudan Industries Limited
2	Cera Foundation
3	Indian Council of Sanitaryware Manufacturers
(c)	Post Employment Benefit Plans
1	Madhusudan Gratuity Fund

40.2 Disclosures of Transactions during the year between the Company and Related Parties:

(₹ in lakhs)

Sr. No.	Nature of Transaction	Subsidiaries & Associate		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2024	Year ended 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Purchase of Goods	4,397.23	5,379.85	-	-	-	-
2	Sale of Goods	4.20	-	-	-	-	-
3	Investment in Shares	-	62.45	-	-	-	-
4	Donation	-	-	-	-	0.75	0.25
5	Remuneration	-	-	2,108.99	1,858.00	-	-
6	Directors Commission & Sitting Fees	-	-	33.70	28.50	-	-
7	Rent, Rates & Taxes	-	-	-	-	103.35	98.31
8	Other Service	-	-	-	-	19.12	18.13
9	Contribution to Gratuity Fund	-	-	-	-	310.16	17.81
10	Share of Profit distribution in LLP	237.71	188.15	-	-	-	-
11	Provision for Impairment Loss of Investment	155.57	500.00	-	-	-	-

40.3 The details of amounts due to or due from related parties as at 31st March, 2024 and 31st March, 2023 :

		(₹ in lakhs)	
Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1	Trade Payables		
	(a) Subsidiaries		
	Packcart Packaging LLP	41.60	99.89
	Race Polymer Arts LLP	485.77	474.03
	Sub Total (a)	527.37	573.92
	(b) Associate		
	Milo Tile LLP	237.79	237.79
	Sub Total (b)	237.79	237.79
	Total Trade Payable to Subsidiaries & Associate (a + b)	765.16	811.71
2	Other Financial Assets & Advances		
	Other Related Parties		
	Madhusudan Industries Limited	20.29	20.29
	Balances of advances to Related Parties	20.29	20.29
3	Other Current Assets		
	(a) Subsidiaries		
	Race Polymer Arts LLP	356.38	146.81
	Packcart Packaging LLP	17.26	6.42
	Sub Total (a)	373.64	153.23
	(b) Associate		
	Milo Tile LLP	87.36	87.36
	Sub Total (b)	87.36	87.36
	Balances of other current assets - Related Parties (a + b)	461.00	240.59

40.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

		(₹ in lakhs)	
Sr. No.	Nature of Transaction	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Investment in LLP	-	62.45
2	Donation	0.75	0.25
3	Remuneration	2,108.99	1,858.00
4	Directors Commission & Sitting Fees	33.70	28.50
5	Rent, Rates & Taxes	103.35	98.31
6	Other Services	19.00	18.00
7	Contribution to Gratuity Fund	310.16	17.81
8	Share of Profit distribution in LLP		
	Packcart Packaging LLP	28.14	24.78
	Race Polymers Arts LLP	209.57	146.81
	Milo Tile LLP	-	16.56
9	Provision for Impairment Loss of Investment	155.57	500.00

40.5 Breakup of compensation to Key Management Personnel

(₹ in lakhs)

Sr. No.	Particulars	Key Management Personnel	Year ended	Year ended
			31 st March, 2024	31 st March, 2023
1	Remuneration	Mr. Vikram Somany	842.34	755.13
		Mrs. Deepshikha Khaitan	359.72	306.83
		Mr. Anupam Gupta	384.71	324.77
		Mr. Ayush Bagla	384.90	286.76
		Mr. Vikas Kothari	108.41	-
		Mr. R.B.Shah	-	159.84
		Mr. Hemal Sadiwala	28.91	24.67
2	Commission	Mr. Sajjan Kumar Pasari	5.00	5.00
		Mr. Lalit Kumar Bohania	5.00	5.00
		Mr. Ravi Bhamidipaty	5.00	5.00
		Mr. Surendra Singh Baid	5.00	5.00
		Ms. Akriti Jain	5.00	5.00
		Mr. Anandh Sundar	5.00	-
3	Sitting Fees	Mr. Sajjan Kumar Pasari	0.40	0.60
		Mr. Lalit Kumar Bohania	0.80	0.80
		Mr. Ravi Bhamidipaty	0.80	0.50
		Mr. Surendra Singh Baid	0.80	0.80
		Ms. Akriti Jain	0.80	0.80
		Mr. Anandh Sundar	0.10	-
Total			2,142.69	1,886.50

Note – 41 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**Overview :**

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors and the Risk Management Committee. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit Risk :

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Company establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables, advances and investments.

(i) Trade Receivables :

The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdictions and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 5 per cent of total net revenue from operations.

The Company generally does not hold any collateral or other credit enhancements over any of its trade receivables excepting a small amount in the nature of security deposits from its dealers, nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected Credit Loss (ECL) :

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for internal and external information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the Company's provision matrix.

Period	(₹ in lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Ageing of past dues receivables :		
0-3 months	19,216.27	16,522.61
3-6 months	406.04	1,217.17
6-12 months	152.60	269.06
Beyond 12 months	1,734.89	3,115.94
Ageing of impaired trade receivables :		
0-3 months	-	-
3-6 months	-	-
6-12 months	3.30	6.09
Beyond 12 months	1,372.31	2,291.94

(ii) Cash and cash equivalents and short-term investments :

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

(B) Liquidity Risk :

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The details of the contractual maturities of significant liabilities are shown below :

Particulars	Note No.	As at 31 st March, 2024			Total
		Within 1 year	1 to 5 years	More than 5 years	
		(₹ in lakhs)			
Financial Liabilities					
Borrowings	23	1,629.33	-	-	1,629.33
Trade payables	24	17,947.86	256.94	-	18,204.80
Other Financial Liabilities	20, 25	12,524.93	2,943.14	-	15,468.07
Lease Liabilities	46(iii)	696.73	1,305.22	378.14	2,380.09
Total		32,798.85	4,505.30	378.14	37,682.29
(₹ in lakhs)					
Particulars	Note No.	As at 31 st March, 2023			Total
		Within 1 year	1 to 5 years	More than 5 years	
		(₹ in lakhs)			
Financial Liabilities					
Borrowings	23	1,834.06	-	-	1,834.06
Trade payables	24	20,987.19	12.75	-	20,999.94
Other Financial Liabilities	20, 25	10,904.26	2,885.15	-	13,789.41
Lease Liabilities	46(iii)	718.22	1,578.43	429.55	2,726.20
Total		34,443.73	4,476.33	429.55	39,349.61

(C) Market Risk :

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

(i) Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Company does not enter into financial instrument transactions for trading or speculative purpose.

The Company transacts business primarily in Indian Rupees, USD, Euro and NPR. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2024	As at 31 st March, 2023
Trade receivables	USD	3.08	0.97
	EUR	0.74	0.51
Trade payables	USD	0.57	0.32
	EUR	0.05	0.02
	NPR	6.36	3.39
Advance to suppliers	USD	0.84	1.46
	EUR	0.04	0.37
Advance from customers	USD	0.99	0.92
	EUR	0.19	0.38
Balance in EEFC account	USD	0.37	3.62

Currency Rate	(in ₹)	
	31 st March, 2024	31 st March, 2023
USD	83.3466	82.2212
EUR	90.0702	89.3463
AED	22.6948	22.3883
GBP	105.2266	101.7334
NPR	0.6250	0.6250

Of the above foreign currency exposures, following exposures are not hedged : (in lakhs)

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2024	As at 31 st March, 2023
Trade receivables	USD	3.08	0.97
	EUR	0.74	0.51
Trade payables	USD	0.57	0.32
	EUR	0.05	0.02
	NPR	6.36	3.39
Advance to suppliers	USD	0.84	1.46
	EUR	0.04	0.37
Advance from customers	USD	0.99	0.92
	EUR	0.19	0.38
Balance in EEFC account	USD	0.37	3.62

Sensitivity Analysis :

The following table demonstrates the sensitivity of profit and equity in USD, Euro and NPR to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

Particulars	Change in currency exchange rate	Effect on Profit before tax 31 st March, 2024		Effect on Profit before tax 31 st March, 2023
USD	5%	11.39	19.78	
	-5%	(11.39)	(19.78)	
EUR	5%	2.42	2.14	
	-5%	(2.42)	(2.14)	
NPR	5%	0.20	0.11	
	-5%	(0.20)	(0.11)	

(₹ in lakhs)

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

(ii) Interest Rate Risk :

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low due to negligible borrowings by the Company.

The Company's non-current borrowings from banks are Nil as at 31st March, 2024 and 31st March, 2023 respectively. Other non-current financial liabilities have fixed rate of interest where the risk of changes in the interest rates is almost nil. As a result, the sensitivity affecting the profit before tax due to the Company's exposure to the risk of changes in market interest rates is almost nil.

(iii) Commodity Risk :

The Company is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Company enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

Capital Management :

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. The capital structure consists of debt which includes the borrowings as disclosed in Note 23, cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total shareholders' equity as reported in balance sheet (A)	1,34,254.10	1,16,921.54
Net Debt		
Lease Liability (including current lease liability)	2,380.09	2,726.20
Current Financial Liabilities (Borrowings)	1,629.33	1,834.06
Gross Debt	4,009.42	4,560.26
Less: Cash & cash Equivalents	1,792.42	1,041.69
Net Debt (B)	2,217.00	3,518.57
Total Capital deployed (A-B)	1,32,037.10	1,13,402.97
Net debt to equity ratio (B/A)	0.02	0.03

Note - 42. ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	2023-24	2022-23	Variance
Current ratio (in times)	Total Current Assets	Total Current Liabilities	3.72	3.23	15.3%
Debt - Equity ratio	Debt = Borrowings + Lease Liabilities (Non-current + Current)	Total Equity	0.03	0.04	(23.4%)
Debt services coverage ratio (in times)	Earning available for debt service = Net Profit after taxes + Non cash operating expenses + Interest + Loss on sale of Fixed Assets + Impairment allowance + Allowances for Expected Credit Losses	Debt Service = Interest + Lease payments	15.08	16.33	(7.7%)
Return on equity ratio (in %)	Net Profits after taxes	Average Equity	19.04%	19.28%	(1.2%)
Inventory turnover ratio (in times)	Revenue from Operations excluding GST	Average Inventory	5.09	5.43	(6.2%)
Trade receivables turnover ratio (in times)	Revenue from Operations including GST	Average Trade Receivable	11.30	12.05	(6.2%)
Trade payable turnover ratio (in times)	Purchases including GST	Average Trade Payable	5.57	5.72	(2.7%)
Net capital turnover ratio (in times)	Revenue from Operations excluding GST	Working Capital = Total Current Assets - Total Current Liabilities	1.81	2.06	(12.4%)
Net profit ratio (in %)	Net Profits after taxes	Revenue from Operations excluding GST	12.78%	11.63%	9.9%
Return on capital employed (in %)	Profit before exceptional items, tax and finance cost	Capital employed = Total Equity + Non-Current Liabilities	22.22%	23.13%	(3.9%)
Return on investment (in %)*	Income generated from invested funds	Average invested funds in treasury investments	7.94%	4.52%	75.5%

* The increase in return of investment is on account of higher interest rates during the F.Y. 2022-23, resulting decrease in Bond prices which further impacted the NAVs of Mutual fund having lower mark to market gains as compared to F.Y. 2023-24

Note - 43. FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

(₹ in lakhs)

Particulars	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 24	As at 31 st March, 23	As at 31 st March, 24	As at 31 st March, 23	
Financial Assets					
Current					
Investments (measured at fair value)	77,589.48	63,451.81	77,589.48	63,451.81	Level 1
Financial assets measured at amortised cost					
Non-current					
Investments in Subsidiaries (LLP) & Associate	600.78	906.78	600.78	906.78	Level 3
Other Investments	2,557.07	2,520.02	2,557.07	2,520.02	Level 3
Margin Money Deposits with a bank held as security with more than 12 months maturity	2.28	639.99	2.28	639.99	Level 3
Security Deposit	147.91	154.57	147.91	154.57	Level 3
Current					
Security Deposit	109.49	98.35	109.49	98.35	Level 3
Trade receivables	20,134.19	18,826.76	19,774.91	18,479.42	Level 3
Cash and cash equivalents	1,792.42	1,041.69	1,792.42	1,041.69	Level 3
Other Balances with Banks	1,619.81	1,490.05	1,619.81	1,490.05	Level 3
Insurance claims receivables	63.04	74.95	63.04	74.95	Level 3
Advance to Staff	28.32	33.22	28.32	33.22	Level 3
Interest accrued and receivable	75.02	77.31	75.02	77.31	Level 3
Total	1,04,719.81	89,315.50	1,04,360.53	88,968.16	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-current					
Lease liabilities	1,683.36	2,007.98	1,683.36	2,007.98	Level 3
Deposits by Dealers	2,920.91	2,862.92	2,920.91	2,862.92	Level 3
Other financial liabilities	22.23	22.23	22.23	22.23	Level 3
Current					
Borrowings	1,629.33	1,834.06	1,629.33	1,834.06	Level 3
Lease liabilities	696.73	718.22	696.73	718.22	Level 3
Trade payables	18,204.80	20,999.94	18,204.80	20,999.94	Level 3
Unpaid dividends	112.53	107.95	112.53	107.95	Level 3
Retention money payable	214.55	243.77	214.55	243.77	Level 3
Employee related payables	3,176.82	4,121.62	3,176.82	4,121.62	Level 3
Other payables	9,021.03	6,430.92	9,021.03	6,430.92	Level 3
Total	37,682.29	39,349.61	37,682.29	39,349.61	

43.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

43.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

43.3 The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

43.4 The fair value of investments in mutual funds is determined using net assets value of the funds. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

43.5 The following methods and assumptions were used to estimate the fair values :

- The fair value of the Company's interest bearing borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

Note - 44. MOVEMENT IN PROVISIONS

Disclosure of Movement in Provisions during the year as per Ind AS-37, Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakhs)				
Particulars	Balance as on 1 st April, 2023	Provided/ Transferred during the year	Paid/Adjusted during the year	Balance as on 31 st March, 2024
Non-current Provisions				
Accumulated leaves	554.13	186.76	90.16	650.73
Income Tax of earlier years	327.28	-	40.50	286.78
Total	881.41	186.76	130.66	937.51
Current Provisions				
Accumulated leaves	184.64	178.91	184.64	178.91
Gratuity	19.22	327.34	346.07	0.49
Loyalty Program *	1,100.00	1,033.08	702.25	1,430.83
Total	1,303.86	1,539.33	1,232.96	1,610.23
Grand total	2,185.27	1,726.09	1,363.62	2,547.74

* Provision for Loyalty Program represents the liability w.r.t. the defined schemes offered to retailers / sub dealers of the Company with an option to avail it within a predefined timeframe.

Note - 45. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

(₹ in lakhs)		
Particulars	31 st March, 2024	31 st March, 2023
(a) The principal amount remaining unpaid to any supplier at the end of the year	7,444.83	4,330.09
(b) Interest due remaining unpaid to any supplier at the end of the year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note - 46. LEASES

(i) Changes in the carrying value of right-of-use assets.

(₹ in lakhs)

Particulars	Category of Right-of-use asset		
	Land	Buildings	Total
Balance as at 1 st April, 2022	8.06	1,511.30	1,519.36
Additions during the year	-	1,727.76	1,727.76
Termination during the year	-	(85.31)	(85.31)
Depreciation	(0.59)	(693.09)	(693.68)
Balance as at 31 st March, 2023	7.47	2,460.66	2,468.13
Additions during the year	-	801.56	801.56
Termination during the year	-	(345.33)	(345.33)
Depreciation	(0.59)	(785.80)	(786.39)
Balance as at 31st March, 2024	6.88	2,131.09	2,137.97

The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss. (Refer Note No. 36)

(ii) Movement in Lease Liabilities :

(₹ in lakhs)

Particulars	2023-24	2022-23
Opening Balance	2,726.20	1,779.77
Finance cost accrued during the year	257.85	239.87
Additions during the year	801.56	1,727.76
Termination during the year	(415.49)	(94.15)
Payment of lease liabilities	(990.03)	(927.05)
Closing Balance	2,380.09	2,726.20

(iii) Break-up of current and non-current lease liabilities :

(₹ in lakhs)

Particulars	2023-24	2022-23
Non-current lease liabilities	1,683.36	2,007.98
Current lease liabilities	696.73	718.22
Total	2,380.09	2,726.20

(iv) Contractual maturities of lease liabilities on undiscounted basis :

(₹ in lakhs)

Particulars	2023-24	2022-23
Not later than one year	892.23	935.53
Later than one year but not later than five years	1,652.02	1,982.78
Later than five years	441.83	526.82
Total	2,986.08	3,445.13

Note - 47. COMMITMENTS AND CONTINGENCIES

(₹ in lakhs)

Particulars	31 st March, 2024	31 st March, 2023
(a) Commitments		
Estimated Amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	538.06	3,539.64
(b) Contingent Liabilities		
Claims against the Company not acknowledged as debts (Net of Payments)	204.97	79.44
Letters of Credit (Foreign & Inland) opened and guarantees given (Net)	588.92	674.86

Note - 48. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 :
For Subsidiaries

(₹ in lakhs)

Particulars	Anjani Tiles Limited#		Packcart Packaging LLP		Race Polymer Arts LLP	
	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
Investments*						
At the beginning of the year	-	-	90.78	90.78	510.00	447.55
Addition during the year	-	-	-	-	-	62.45
Transferred during the year	-	-	-	-	-	-
Transferred to Non-current Assets classified as held for Sale during the year	-	-	-	-	-	-
At the end of the year	-	-	90.78	90.78	510.00	510.00
Loans & advances**						
At the beginning of the year	-	-	-	-	-	62.45
Addition during the year	-	-	-	-	-	-
Recovered / Transferred during the year	-	-	-	-	-	(62.45)
At the end of the year	-	-	-	-	-	-
Non-current Asset classified as held for Sale						
At the beginning of the year	-	2,226.20	-	-	-	-
Investment classified as held for Sale during the year	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
Sold during the year	-	(2,226.20)	-	-	-	-
At the end of the year	-	-	-	-	-	-
Other Current Assets***						
At the beginning of the year	-	-	6.42	-	146.81	-
Addition during the year	-	-	28.14	24.78	209.57	146.81
Recovered / Transferred during the year	-	-	(17.30)	(18.36)	-	-
At the end of the year	-	-	17.26	6.42	356.38	146.81

 # Anjani Tiles Limited ceased to be a subsidiary effective from 23rd March, 2023

For Associates

(₹ in lakhs)

Particulars	Milo Tile LLP	
	As at 31 st March, 2024	As at 31 st March, 2023
Investments*		
At the beginning of the year	306.00	806.00
Addition during the year	-	-
Provision for Impairment (Refer Note No. 7.1(D))	(155.57)	(500.00)
At the end of the year	150.43	306.00
Other Current Assets***		
At the beginning of the year	87.36	70.80
Addition during the year	-	16.56
Recovered during the year	-	-
At the end of the year	87.36	87.36

* The company has paid amounts towards its Capital Contribution.

** The company has given advances towards Capital Contribution.

*** Represents current account of the Company in respective LLP.

Note - 49. NOTE ON CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are community healthcare, free food, sanitation & hygiene, environmental sustainability and education. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Gross amount required to be spent by the Company during the year	380.79	298.36
2	Amount approved by the Board to be spent during the year	380.79	298.36
3	Amount spent during the year on :		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	387.14	300.03
4	Shortfall at the end of the year	-	-
5	Total of previous year shortfall	-	-
6	Reason for shortfall	NA	NA
7	Excess spent of previous year brought forward to current year	-	-
8	Excess spent of current year carried forward to next year	6.35	-
9	Contribution to section 8 companies, which are related parties, included in (3) above, in relation to CSR expenditure	NA	NA
10	Nature of CSR activities : Promoting Education and enhancing vocational skills, Eradicating hunger, poverty, Malnutrition, promoting health care and sanitation, Ensuring environmental sustainability, Rural Development, Disaster management, including relief, rehabilitation and reconstruction activities.		

49.1 The Company does not have any ongoing CSR projects for both the years.

49.2 No expenditure has been paid to a related party, in relation to CSR Expenditure.

49.3 There are no shortfalls at the end of the year.

Note - 50. RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development expenditure incurred is set out below :

(₹ in lakhs)

Sr. No.	Particulars	2023-24	2022-23
1	Capital expenditure	6.29	43.43
2	Revenue expenditure	149.95	145.59

Note - 51. OPERATING SEGMENTS

The Company operates mainly in manufacturing of Building Products and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under Ind AS 108 "Operating Segment". The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is Nil.

Note - 52.

In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

Note - 53. DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A.	Declared and paid during the year:		
	Final dividend for FY 2022-23 : ₹ 50 per share (FY 2021-22 : ₹ 20 per share)	6,502.94	2,601.17
	Special dividend for FY 2022-23 : ₹ Nil per share (FY 2021-22 : ₹ 15 per share)	-	1,950.88
B.	Proposed for approval at the ensuing annual general meeting (not recognised as a liability):		
	Final dividend for FY 2023-24 : ₹ 60 per share (FY 2022-23 : ₹ 50 per share)	7,803.52	6,502.94
Dividend Remittance to Foreign Investors (INR)			
	Number of non-resident shareholders	1,424	947
	Number of shares held by them on which dividend was paid	25,75,287	24,63,743
	Amount remitted - Net of Tax (₹ in lakhs)	1,016.55	681.04

Note - 54. ADDITIONAL REGULATORY INFORMATION

The following additional disclosures are made pursuant to notification of Ministry of Corporate Affairs dated 24th March, 2021.

1. Title deeds of Immovable Properties

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself.

2. Revaluation of Property, Plant & Equipment

The company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

3. Loans / Advances in the nature of loans to Promoters, Directors, KMP's and Related Parties

The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

4. Details of Benami Property held

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

5. Wilful Defaulter

None of the banks, financial institutions or other lenders from whom the company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.

6. Relationship with Struck off Companies

The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year or in previous year.

7. Registration of charges or satisfaction with Registrar of Companies (ROC)

All the charges or satisfaction of which is required to be registered with Registrar of Companies (ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act, 2013 and rules made thereunder.

8. Compliance with number of layers of companies

The company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

9. Compliance with Approved Scheme of Arrangements

No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the Companies Act, 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the act is not applicable.

10. Borrowing from Banks and Financial Institutions for Specific Purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

11. Utilisation of Borrowed funds and Share Premium

a) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- b) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12. Borrowings on the basis of security of Current Assets

The Company has working capital facilities from banks on the basis of security of current assets & are submitting periodically Financial Information as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between quarterly Financial Information and books of accounts.

13. There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

Note - 55.

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with relevant Indian Accounting Standard and Schedule III to the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue from Operations. Revenue for the year ended 31st March, 2024 and 31st March, 2023 are net of GST. The following additional information is being provided to facilitate such understanding.

Particulars	(₹ in lakhs)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations (Gross)	2,20,080.08	2,12,204.39
Less : GST Recovered	32,956.61	31,885.99
Revenue from Operations (Net)	1,87,123.47	1,80,318.40

Note - 56.

Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Independent Auditor's Report

To,
The Members of Cera Sanitaryware Limited

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the accompanying consolidated financial statements of **Cera Sanitaryware Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise of the consolidated balance sheet as at 31st March, 2024 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements and on the other financial information of the subsidiaries as was audited by them, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group as at 31st March, 2024, of its consolidated profit including other comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 obtained by us along with the consideration of audit report of the other auditor referred to "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>A) Allowance for Expected Credit Losses (ECL)</p> <p>As at 31st March, 2024 the carrying amount of Trade Receivables aggregated ₹ 20,260.88 Lakhs (net of Expected credit loss of ₹1,375.61 Lakhs) constituting a significant component of the Group's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.</p> <p>The Group has made provision for Expected Credit Losses in respect of trade receivables aggregating to ₹ 1,375.61 Lakhs up to 31st March, 2024 (including ₹ 442.43 Lakhs during the year). These are based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to entities the Group deals with. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgement in calculating the expected credit losses.</p>	<p>Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others:</p> <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions; • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information. ➤ We carried out detailed analysis of balances of trade receivables and capital advances, (i) where no legal actions have been taken so far by the Group and the reasons therefor, (ii) where legal actions have been taken and the allowance for ECL has been partially / fully made and considered the reasons therefor and (iii)

<p>Refer Notes No. 12, 39 and 43 to the consolidated financial statements.</p>	<p>where legal actions have been taken but no allowance for ECL has been made, if any, and the reasons therefor.</p> <ul style="list-style-type: none"> ➤ Assessed the adequacy of allowance for ECL recorded and evaluated disclosures in the consolidated financial statements in relation to these items. ➤ Verified Balance Confirmations directly received by us from few selected trade receivables of the Holding Company and also examined reconciliations / discrepancies, if any. ➤ We carried out analysis of those trade receivables where there is significant increase in credit risk and also reviewed the ageing of the trade receivables pertaining to current and immediately preceding years.
<p>B) Revenue Recognition – Discounts, Incentives and Volume rebates</p>	
<p>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on Group's sales. Due to Group's presence across different marketing zones within the country and the competitive nature of the business makes the assessment of various type of discounts, incentives and volume rebates as complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and volume rebates. Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is considered as a key audit matter.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Group's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Group's internal controls over the provisions, approvals and disbursements of discounts, incentives and volume rebates. ➤ Reviewed Group's computation for accrual of discounts, incentives and volume rebates, on a test basis, and compared the accruals made with the approved schemes and underlying documents. ➤ Verified on test basis, the underlying documents for the various schemes for discounts, incentives and volume rebates recorded and disbursed during the year. ➤ Compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. ➤ Examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items, if any. ➤ Assessed disclosures in consolidated financial statements in respect of revenue recognition as specified in Ind AS 115.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditor, 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 the Management for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Management and Board of Directors of the companies / entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the Company and of its subsidiaries included in the Group are responsible for assessing the ability of each company 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 respective management and Board of Directors of the Company and of its subsidiaries included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls. As none of the subsidiaries are a Company incorporated in India under the Act, the audit of internal financial controls over financial reporting is not applicable to these subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 Consolidated Financial Statements for the financial year ended 31st March, 2024 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.

Other Matters

We did not audit the financial statements and other financial information, of 2 subsidiaries, whose financial statements include total assets of ₹ 3,613.35 Lakhs as at 31st March, 2024, and total revenues of ₹ 5,486.82 Lakhs total net profit after tax of ₹ 472.55 Lakhs, total comprehensive income of ₹ 470.71 Lakhs and net cash inflow of ₹ 220.33 Lakhs for the year ended 31st March, 2024. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), to report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable, we report that there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in these Consolidated Financial Statements.
2. As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiaries as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company are disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164(2) of the Act. None of the subsidiaries are a Company incorporated in India under the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31st March, 2024 has been paid / provided by the Holding Company and its subsidiaries incorporated in India, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations as at 31st March, 2024 on the consolidated financial position of the Group - Refer Note 48 (b) to the Consolidated Financial Statements;
 - ii. The group has accounted for material foreseeable losses for long term contracts, if any. The group did not have any long term derivative contracts.
 - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31st March, 2024;
 - iv. The Management has represented that, to the best of its knowledge and belief :
 - (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India, if any, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the Consolidated Financial Statements, if any, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or any of such subsidiaries, to or

- in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India, if any, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the Consolidated Financial Statements, if any, no funds have been received by the respective Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India, if any, whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Holding Company are in compliance with Section 123 of the Act.
- vi. As per the information and explanations provided to us by the management and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

Place : Mumbai
Date : 13th May, 2024

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 24204936BKGEAK8831

Annexure – A to the Independent Auditor’s Report of even date to the members of Cera Sanitaryware Limited on the Consolidated Financial Statements as of and for the year ended 31st March, 2024

(Referred to in paragraph 2 (f) of our Report on Other Legal and Regulatory Requirements)

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

In conjunction with our audit of the Consolidated Financial Statements of **Cera Sanitaryware Limited** (‘the Holding Company’) as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, as of that date. None of the subsidiaries are a Company incorporated in India under the Act and hence the audit of internal financial controls over financial reporting are not applicable to these subsidiaries.

Management’s Responsibility for Internal Financial Controls

The respective Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31st March, 2024, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai
Date : 13th May, 2024

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 24204936BKGEAK8831

Consolidated Balance Sheet as at 31st March, 2024

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	34,990.36	31,383.13
(b) Capital work-in-progress	4	1,296.39	1,693.48
(c) Investment Property	5	156.71	-
(d) Right-of-use assets	47	2,153.83	2,507.78
(e) Other Intangible Assets	6	95.18	51.76
(f) Intangible Assets under development	6	-	3.22
(g) Financial Assets			
(i) Investments			
- Investments in Associates	7	-	306.00
- Other Investments	7	2,557.07	2,520.02
(ii) Other Financial Assets	8	176.71	820.74
(h) Other Non-current Assets	9	796.74	990.11
(2) Current Assets			
(a) Inventories	10	36,355.42	38,252.54
(b) Financial Assets			
(i) Investments	11	77,692.21	63,451.81
(ii) Trade Receivables	12	20,260.88	18,915.14
(iii) Cash and Cash Equivalents	13	2,099.90	1,128.86
(iv) Other Balances with Banks	14	1,619.81	1,490.05
(v) Other Financial Assets	15	361.01	399.50
(c) Other Current Assets	16	3,364.12	3,750.28
(d) Current Tax Assets (Net)	17	576.19	-
Total Assets		1,84,552.53	1,67,664.42
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	650.29	650.29
(b) Other Equity	19.1	1,33,928.39	1,16,613.48
Equity attributable to Owners of the Company		1,34,578.68	1,17,263.77
(c) Non-Controlling Interests	19.2	1,275.23	1,061.20
Total Equity		1,35,853.91	1,18,324.97
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	258.31	416.80
(ii) Lease Liabilities	47(a)	1,683.36	2,028.47
(iii) Other Financial Liabilities	21	2,943.14	2,885.15
(b) Provisions	22	946.04	891.68
(c) Deferred Tax Liabilities (Net)	23	4,822.46	3,760.72
(d) Other Non-current Liabilities	24	8.10	9.59
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	1,787.82	2,118.03
(ii) Lease Liabilities	47(a)	717.22	745.93
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	26	6,940.93	3,794.23
- total outstanding dues of creditors other than micro enterprises and small enterprises	26	10,956.15	16,899.09
(iv) Other Financial Liabilities	27	12,596.20	10,973.47
(b) Other Current Liabilities	28	3,425.24	2,952.70
(c) Provisions	29	1,613.65	1,308.70
(d) Current Tax Liabilities (Net)	30	-	554.89
Total Equity and Liabilities		1,84,552.53	1,67,664.42
Material Accounting Policies	3		

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For Singh & Co.

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

(₹ in lakhs except for per equity share data)

Particulars	Note No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
INCOME			
Revenue from Operations	31	1,87,941.18	1,81,049.48
Other Income	32	5,950.49	2,838.09
Total Income		1,93,891.67	1,83,887.57
EXPENSES			
Cost of Materials Consumed	33	25,159.00	25,915.13
Purchases of Stock-in-Trade	34	62,367.24	63,434.41
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	35	752.46	(6,885.71)
Employee Benefits Expense	36	23,093.96	21,466.07
Finance Costs	37	582.09	604.83
Depreciation and Amortization Expense	38	3,654.83	3,260.74
Other Expenses	39	46,241.54	47,103.58
Total Expenses		1,61,851.12	1,54,899.05
Profit before exceptional items and tax		32,040.55	28,988.52
Exceptional Items	7.1(A)	(155.57)	(500.00)
Profit before tax		31,884.98	28,488.52
Tax Expense :	40		
(1) Current Tax		6,690.65	7,164.75
(2) Deferred Tax		1,062.60	218.68
Total Tax Expense		7,753.25	7,383.43
Profit for the year		24,131.73	21,105.09
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of Defined Benefit plan		(111.45)	(87.45)
(ii) Income tax relating to items that will not be reclassified to profit or loss Other Comprehensive Income for the year (Net of Tax)		28.21	21.92
		(83.24)	(65.53)
Total Comprehensive Income for the year		24,048.49	21,039.56
Profit attributable to :			
- Owners of the Company		23,900.18	20,940.48
- Non-Controlling Interests		231.55	164.61
		24,131.73	21,105.09
Other Comprehensive Income attributable to :			
- Owners of the Company		(82.34)	(66.03)
- Non-Controlling Interests		(0.90)	0.50
		(83.24)	(65.53)
Total Comprehensive Income attributable to :			
- Owners of the Company		23,817.84	20,874.45
- Non-Controlling Interests		230.65	165.11
		24,048.49	21,039.56
Earnings per equity share of face value of ₹ 5/- each			
(1) Basic	41	183.76	161.01
(2) Diluted	41	183.76	161.01
Material Accounting Policies	3		

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **Singhi & Co.**Chartered Accountants
(Firm Registration No. 302049E)**Sudesh Choraria**

Partner

Membership No. 204936

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368**Hemal Sadiwala**
Company Secretary
Mem. No. ACS 20741**Vikram Somany** (DIN:00048827)
Chairman and Managing Director**Deepshikha Khaitan** (DIN:03365068)
Joint Managing Director**Anupam Gupta** (DIN:09290890)
Executive Director (Technical)Place : Ahmedabad
Date : 13th May, 2024

Consolidated Statement of Changes in Equity for the year ended 31st March, 2024

(₹ in lakhs)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
A. EQUITY SHARE CAPITAL				
Equity shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital due to prior period items	-	-	-	-
Restated balance as the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital during the year	-	-	-	-
Equity shares outstanding at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

Particulars	Reserves & Surplus			Other Comprehensive Income	Group's Share in Equity of Subsidiary Company (Classified as held for Sale)	Total attributable to the Owners of the Parents	Non-Controlling Interests	Total
	Securities Premium	General Reserve	Retained Earnings					
	A	B	C					
B. OTHER EQUITY								
Balance as at 1 st April, 2023	8,095.94	56,823.98	52,305.94	(612.38)	-	1,16,613.48	1,061.20	1,17,674.68
Profit for the Year (A)	-	-	23,900.18	-	-	23,900.18	231.55	24,131.73
Other Comprehensive Income (B)	-	-	-	(82.33)	-	(82.33)	(0.90)	(83.23)
Total Comprehensive Income for the Year (A + B)	-	-	23,900.18	(82.33)	-	23,817.85	230.65	24,048.50
Transferred from Retained Earnings	-	5,462.66	(5,462.66)	-	-	-	-	-
Dividend on Equity Shares	-	-	(6,502.94)	-	-	(6,502.94)	-	(6,502.94)
Net Increase / (Changes) in Non Controlling Interest	-	-	-	-	-	-	(16.62)	(16.62)
Balance as at 31st March, 2024	8,095.94	62,286.64	64,240.52	(694.71)	-	1,33,928.39	1,275.23	1,35,203.62
Balance as at 1 st April, 2022	8,095.94	52,440.05	39,855.24	(546.35)	1,020.00	1,00,864.88	1,423.25	1,02,288.13
Profit for the Year (C)	-	-	20,940.48	-	-	20,940.48	164.61	21,105.09
Other Comprehensive Income (D)	-	-	-	(66.03)	-	(66.03)	0.50	(65.53)
Total Comprehensive Income for the Year (C + D)	-	-	20,940.48	(66.03)	-	20,874.45	165.11	21,039.56
Transferred from Retained Earnings	-	4,383.93	(4,383.93)	-	-	-	-	-
Dividend on Equity Shares	-	-	(4,552.05)	-	-	(4,552.05)	-	(4,552.05)
Elimination of Loss of Stake in Subsidiary	-	-	446.20	-	-	446.20	-	446.20
Net Increase / (Changes) in Non Controlling Interest	-	-	-	-	-	-	(527.16)	(527.16)
Group's Share in Equity of Subsidiary Company	-	-	-	-	(1,020.00)	(1,020.00)	-	(1,020.00)
Balance as at 31 st March, 2023	8,095.94	56,823.98	52,305.94	(612.38)	-	1,16,613.48	1,061.20	1,17,674.68

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached
For **Singhi & Co.**
Chartered Accountants
(Firm Registration No. 302049E)
Sudesh Choraria
Partner
Membership No. 204936

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368
Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827)
Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068)
Joint Managing Director
Anupam Gupta (DIN:09290890)
Executive Director (Technical)

Place : Ahmedabad
Date : 13th May, 2024

Consolidated Statement of Cash Flows for the year ended 31st March, 2024

(₹ In lakhs)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A. Cash flows from Operating activities		
Net Profit before tax	31,884.98	28,488.52
Adjustments for :		
Depreciation & Amortization	3,654.83	3,260.73
Allowance for / (Reversal of) expected credit loss - Trade Receivables	(922.43)	1,045.05
Allowance for / (Reversal of) expected credit loss - Capital Advances	(468.91)	140.66
Allowance for expected credit loss - Security Deposit	-	39.20
Impairment Loss on Investment / Business Loss in Associate Entities	155.57	500.00
Amortisation of Prepaid Rentals	20.21	12.77
Bad Debts written off (Net)	1,141.23	548.61
Capital Advance written off	468.91	-
Finance Cost (Other than Loss on Foreign Exchange Fluctuations)	582.09	604.83
Interest on Security Deposit (Non Cash)	(21.50)	(14.01)
Other Interest Received	(356.47)	(277.93)
Foreign Exchange Variation (Income) / Loss (Net)	21.41	29.60
Profit on Sale of Investments	(51.84)	(120.31)
Net Gain on Fair Valuation of Investments in Mutual Funds	(5,146.72)	(2,313.88)
Liabilities & Provisions no longer required, written back	(17.84)	(165.91)
Loss / (Gain) on Foreign Currency Translation (Net)	(18.37)	(36.97)
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(116.11)	(50.76)
Loss / (Profit) on Discard of Property, Plant and Equipment	26.61	63.19
Deferred Income on Capital Subsidy	(1.49)	(1.49)
Loss / (Gain) on Termination of Lease	(70.16)	(8.84)
Credit Balance written back	(868.34)	(553.38)
	(1,989.32)	2,701.16
Operating profit before working capital changes	29,895.66	31,189.68
Adjustments for changes in working capital		
(Increase) / Decrease in Inventories	1,897.13	(8,877.70)
(Increase) / Decrease in Trade Receivables	(954.13)	(3,229.96)
(Increase) / Decrease in Other Financial Assets	66.24	79.98
(Increase) / Decrease in Other Assets	614.12	(1,009.70)
Increase / (Decrease) in Trade Payable	(3,406.67)	962.08
Increase / (Decrease) in Other Financial Liabilities	1,692.90	2,937.59
Increase / (Decrease) in Provisions	294.02	964.14
Increase / (Decrease) in Other Liabilities	1,340.95	489.03
	1,544.56	(7,684.54)
Cash generated from operations	31,440.22	23,505.14
Income Taxes paid	(7,834.86)	(7,265.58)
Net cash generated by Operating activities (Total-A)	23,605.36	16,239.56
B. Cash flow from Investing activities		
Payments for Property, Plant and Equipments, Capital Work-in-progress & Capital Advances	(6,408.27)	(3,908.30)
Payments for Intangible Assets	(70.91)	(34.69)
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	254.50	115.72
Proceeds / (Payments) from Debentures	100.37	(469.36)
Proceeds / (Payments) from Fixed Deposit	512.53	(1,070.57)
Payments for purchase of Mutual Funds	(19,810.00)	(38,628.24)
Proceeds from sale of Mutual Funds	10,768.20	30,453.44
Proceeds from redemption of Bonds	-	481.78
Proceeds from Divestment in Subsidiary	-	2,226.20
Interest Received	369.48	293.64
	(14,284.10)	(10,540.38)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
C. Cash flow from Financing activities		
Proceed from Issue of Share Capital / Partner Contribution	-	60.00
Payment of Lease Liabilities	(1,022.44)	(959.27)
Proceeds / (Repayment) of Long-Term Borrowings (Net)	(143.84)	(140.11)
Proceeds / (Repayment) of Short Term Borrowings (Net)	(344.86)	6.93
Dividend on Equity Shares paid	(6,502.94)	(4,552.05)
Distribution of Profit (Packart Packaging LLP)	(16.61)	(17.64)
Finance Cost (Other than Non Cash)	(319.53)	(357.81)
Net cash used in Financing activities (Total-C)	(8,350.22)	(5,959.95)
Net increase in Cash & cash Equivalents (A+B+C)	971.04	(260.77)
Cash & cash equivalent - Opening Balance	1,128.86	1,389.63
Cash & cash equivalent - Closing Balance (Notes 13)	2,099.90	1,128.86
Components of Cash & cash equivalents		
Balances with banks	818.23	423.92
Cash on Hand	3.60	4.85
Bank FDs with original maturity of less than 3 months	600.15	700.09
Margin Money Deposits with Bank held as security with maturity of less than 3 months	677.92	-
Cash & cash equivalents considered in Cash Flow Statement	2,099.90	1,128.86

Notes to Cash Flow Statement

- The above cash flow statement has been provided under the 'Indirect method' as set out in Indian Accounting Standard - 7 Statement of Cash Flows.
- Reconciliation of Liabilities arising from Financing activities

Particulars	Outstanding as at 1 st April, 2023	Cash Flows	Non-Cash changes	Outstanding as at 31 st March, 2024
Long Term Borrowings :				
Term Loan from Bank (Current + Non Current)	560.64	(143.84)	-	416.80
Short Term Borrowings	1,974.19	(344.86)	-	1,629.33
Lease Liabilities	2,774.41	(1,022.44)	648.61	2,400.58
Total Liabilities from Financing activities	5,309.24	(1,511.14)	648.61	4,446.71

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants

(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Material Accounting Policies and other Explanatory Information to the Consolidated Financial Statements for the Financial Year ended 31st March, 2024

1. Corporate Information

Cera Sanitaryware Limited (the "Parent Company") is a public limited company domiciled in India having its registered office situated at 9, GIDC Industrial Estate, Kadi – 382 715, Dist. Mehsana, Gujarat, India. The Company was incorporated on 17th July, 1998, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Group is primarily engaged in the business of manufacturing, selling and trading of building material products and is having non-conventional wind farm & solar power for captive use in the State of Gujarat.

The Consolidated Financial Statements include the consolidated Balance Sheet, consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and consolidated Cash Flow Statement of the Parent Company and its undermentioned subsidiaries (hereinafter referred as the 'Group')*.

Company / Firm	Date of shareholding / membership	Country of incorporation	% of shareholding
Packcart Packaging LLP	24 th June, 2016	India	51%
Race Polymer Arts LLP	09 th May, 2018	India	51%

* The financial information of Milo Tiles LLP (An Associate) has not been consolidated for the current year due to not receipt of its financial statements in view of the ongoing legal dispute (Refer Note 7.1(A) to the Consolidated Financial Statements)

2. Basis of Preparation

2.1 Statement of Compliance with Ind AS

The Consolidated Financial Statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These Consolidated Financial Statements of the Group as at and for the year ended 31st March, 2024 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 13th May, 2024.

2.2 Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values have been rounded off to the nearest lakh, unless otherwise indicated.

2.3 Basis of Measurement

These Consolidated Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value

2.4 Basis of Consolidation

(i) The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

(ii) The Consolidated Financial Statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profit / losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure consistency with the policies adopted by the Parent Company. The Consolidated Financial Statements have been presented to extent possible, in a same manner as Parent Company's Standalone Financial Statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Consolidated financial statements.

(iii) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

2.5 Investments in Joint Venture and Associates

When the Group has with other parties joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint venture. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant

influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in dilution of stake in the joint ventures and associates is recognised in the Consolidated Statement of Profit and Loss.

When the Group's share of losses of an associate or a joint venture exceed the Group's interest in that associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates or joint venture.

3. Material Accounting Policies

3.1 Property, Plant and Equipment

(a) 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 (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[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 Group.

[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 on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery, electric, plant & installation and dies & moulds and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external/internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Dies and Moulds	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Parent Company's Plant and Equipments are considered on the basis of continuous process plant.

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.

(b) 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 Group to Tangible Fixed Assets Group.

(c) Intangible Assets**[i] Initial Recognition and Classification**

Intangible assets including those acquired by the Group 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 resulting from the specific asset to which it relates. All other expenditure are recognised in statement of profit and loss as and when incurred.

[iii] Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the written down value method and is included in Depreciation and Amortisation expense 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.

[v] Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

[vi] Investment Property

Investment properties are land and buildings that are held for long term lease rental yields and / or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 3.1(a)[iv] above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

(d) Impairment of Non Financial Assets

The Group'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 Group 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.

3.2 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. Borrowing costs are reported on an accrual basis using the effective interest method.

3.3 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Group has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

The Group 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.

3.5 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 cost 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.

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

3.6 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.

3.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group 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 not recognised in the Consolidated financial statements however, contingent assets, if any, are disclosed in the Consolidated financial statements.

3.8 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 Group 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.

3.9 Foreign Currency Transactions and Translations

Initial Recognition

The Group financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts / payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Group, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Group monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.10 Revenue from Contracts with Customers

The Group recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Further, the Group evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue arises from sale of goods and rendering of services.

Sale of Goods

Most of the Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The Group recognises revenue from the sale of goods upon transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, in accordance with Ind AS 115 "Revenue from contract with customers". Amounts disclosed as revenue are net of returns and allowances, trade discounts, volume rebates and value added taxes / Goods and service tax.

As per Ind AS 115, the Group determines whether there is a significant financing component in its contracts. However, the Group has decided to use practical expedient provided in Ind AS 115 and not to adjust the promised amount of consideration for the effects of a significant financing components in the contracts, where the Group expects, at contract inception that the period of completion of contract terms are one year or less. Therefore, for short-term advances, the group does not account for a financing component. No long - term advances from customers are generally received by the Group.

The Group provides volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. To estimate the volume rebate, the group considers that the most likely amount method better predicts the amount of volume rebate.

The Group provides for warranties for general repairs and replacement which will be assurance-type warranties under Ind AS 115, which will continue to be accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its current practice.

Rendering of Services

The Parent Company is rendering after sales services for its sold products. The after sales services is rendered against independent contracts with customers or against assurance type warranty for goods sold. Revenue from sale of services is recognised at an amount entitled in exchange for transferring services at a point in time to a customer.

Interest, Dividends and Other Income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the unconditional right to receive payment is established. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.11 Exceptional Items

An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the consolidated financial statements.

3.12 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a Lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately

presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 47, classification of leases and other disclosures relating to leases.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.13 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

The Group contribution to provident fund and pension 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 Group has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined Benefit Plans

The Parent Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. 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.

3.14 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.

(a) 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 Consolidated 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.

(b) Deferred Tax

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

Deferred tax 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 recognised 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.

3.15 Government Grants

Government Grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Group will comply with the condition associated with the grant;

- In case of capital grants, they are then recognised in Statement of Profit and Loss on a systematic basis over the useful life of assets.
- In case of grants that compensate the Group for expenses incurred are recognised in Statement of Profit and Loss on systematic basis in the periods in which the expenses are recognized.

3.16 Fair Value Measurement

The Group measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

3.17 Financial Instruments

I. Financial Assets

(a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement

[i] Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[ii] Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[iii] Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) Impairment of Financial Assets

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Derecognition of Financial Assets

A financial asset is derecognised when :

- * The Group has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group shall continue to recognise the financial asset.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial assets. Where the Group retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial Liabilities**Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of Financial Instruments

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

V. Investment in Subsidiaries, Joint Ventures and Associates

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

3.18 Significant Judgments, Estimates and Assumptions

The preparation of the Group'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 Group 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 Consolidated financial statements. Changes in estimates are accounted for prospectively.

Judgments

In the process of applying the Group accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the Consolidated financial statements.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, 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.

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 Group based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of Non-financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's

recoverable amount is the higher of an asset's or 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. The calculations are corroborated by valuation multiples, quoted share prices for publicly traded securities or other available fair value indicators.

(b) **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.

(c) **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 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.

(d) **Estimation of Current Tax and Deferred Tax**

Management judgment is required for the calculation of provision for income tax and deferred tax assets and liabilities. The Group 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 in the Consolidated Financial Statements.

(e) **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 Group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(f) **Impairment of Investments in Subsidiaries, Joint Ventures and Associates**

The Group reviews its carrying value of investments carried at cost (net of impairment, if any) annually. If the estimated recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(g) **Useful lives of Property, Plant and Equipment, and Intangible Assets**

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Note - 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in lakhs)

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Gross Carrying Amount								
	As at 1 st April, 2022	1,449.33	17,325.78	28,542.96	2,800.67	1,277.85	710.83	932.39	53,039.81
	Addition / Transfers	-	316.44	794.65	311.76	160.78	46.40	331.40	1,961.43
	Disposal / Adjustments	-	(95.42)	(135.99)	(62.89)	(66.28)	(22.67)	(204.22)	(587.47)
	As at 31 st March, 2023	1,449.33	17,546.80	29,201.62	3,049.54	1,372.35	734.56	1,059.57	54,413.77
	Addition / Transfers	2,317.46	1,881.94	1,322.36	562.33	247.16	91.88	159.86	6,582.99
	Disposal / Adjustments	-	(55.12)	(156.85)	(93.23)	(175.95)	(72.44)	(175.05)	(728.64)
	As at 31st March, 2024	3,766.79	19,373.62	30,367.13	3,518.64	1,443.56	754.00	1,044.38	60,268.12
2	Accumulated Depreciation / Amortisation								
	As at 1 st April, 2022	-	6,651.34	9,915.02	2,052.47	1,065.74	602.76	685.42	20,972.75
	Charge for the year	-	753.34	1,186.30	289.16	145.57	52.48	90.36	2,517.21
	Disposal / Adjustments	-	(61.79)	(89.02)	(51.94)	(54.56)	(20.98)	(181.03)	(459.32)
	As at 31 st March, 2023	-	7,342.89	11,012.30	2,289.69	1,156.75	634.26	594.75	23,030.64
	Charge for the year	-	774.54	1,206.58	452.64	148.68	54.56	173.77	2,810.77
	Disposal / Adjustments	-	(39.01)	(82.91)	(75.68)	(156.96)	(68.51)	(140.58)	(563.65)
	As at 31st March, 2024	-	8,078.42	12,135.97	2,666.65	1,148.47	620.31	627.94	25,277.76
3	Net Carrying Amount								
	As at 31 st March, 2023	1,449.33	10,203.91	18,189.32	759.85	215.60	100.30	464.82	31,383.13
	As at 31st March, 2024	3,766.79	11,295.20	18,231.16	851.99	295.09	133.69	416.44	34,990.36

(b) Capital work-in-progress (CWIP)

As at 1 st April, 2022	68.46
Addition	1,693.48
Capitalized / Adjustments	(68.46)
As at 31 st March, 2023	1,693.48
Addition	1,028.17
Capitalized / Adjustments	(1,425.26)
As at 31st March, 2024	1,296.39

(c) Capital work-in-progress (CWIP) ageing schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2024	1,079.71	216.68	-	-	1,296.39
Sanitaryware	1,005.77	216.68	-	-	1,222.45
Faucetware	73.94	-	-	-	73.94
As at 31 st March, 2023	1,693.48	-	-	-	1,693.48
Sanitaryware	282.94	-	-	-	282.94
Faucetware	1,410.54	-	-	-	1,410.54

All the projects are executed as per rolling annual plan.

Notes:

- Previous period's figures have been re-grouped / re-classified wherever required to current year's classification.
- Refer Notes No. 20 and 25 for information on Property, Plant and Equipment pledged as security by the Group.
- Cost of Buildings includes ownership offices in co-operative societies for ₹ 2,636.64 Lakhs (Previous year ₹ 2,179.55 Lakhs) including 60 shares of ₹ 50/- each in three Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is ₹ 538.06 Lakhs as on 31st March, 2024 and ₹ 3,645.64 Lakhs as on 31st March, 2023. [Refer Note No 48(a)]

Note - 5. INVESTMENT PROPERTY

(₹ in lakhs)

Sr. No.	Particulars	Building
1	Gross Carrying Amount	
	As at 1 st April, 2022	-
	Addition / Transfers	-
	As at 31 st March, 2023	-
	Addition / Transfers	159.94
	As at 31st March, 2024	159.94
2	Accumulated Depreciation	
	As at 1 st April, 2022	-
	Charge for the year	-
	As at 31 st March, 2023	-
	Charge for the year	3.23
	As at 31st March, 2024	3.23
3	Net Carrying Amount	
	As at 31 st March, 2023	-
	As at 31st March, 2024	156.71

Notes :

- a. Fair value of the above investment property as at 31st March, 2024 is ₹ 161.02 lakhs (31st March, 2023 : ₹ Nil) based on external valuation. The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent in village Bhiwadi area. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- b. The Company has not earned any rental income on the above properties.

Note-6. OTHER INTANGIBLE ASSETS
(a) Other Intangible Assets (₹ in lakhs)

Sr. No.	Particulars	Computer Softwares															
1	Gross Carrying Amount																
	As at 1 st April, 2022	517.33															
	Addition / Transfers	31.47															
	Disposal / Adjustments	-															
	As at 31 st March, 2023	548.80															
	Addition / Transfers	74.13															
	Disposal / Adjustments	(1.24)															
	As at 31st March, 2024	621.69															
2	Accumulated Amortization																
	As at 1 st April, 2022	470.98															
	Charge for the year	26.06															
	Disposal / Adjustments	-															
	As at 31 st March, 2023	497.04															
	Charge for the year	30.65															
	Disposal / Adjustments	(1.18)															
	As at 31st March, 2024	526.51															
3	Net Carrying Amount																
	As at 31 st March, 2023	51.76															
	As at 31st March, 2024	95.18															
(b)	Intangible Assets under development (IAUD)																
	As at 1 st April, 2022	-															
	Addition	3.22															
	Capitalized / Adjustments	-															
	As at 31 st March, 2023	3.22															
	Addition	-															
	Capitalized / Adjustments	(3.22)															
	As at 31st March, 2024	-															
(c)	Intangible Assets under development (IAUD) ageing schedule																
	Projects in progress	Amount in IAUD for a period of															
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Less than 1 year</th> <th style="text-align: left;">1-2 years</th> <th style="text-align: left;">2-3 years</th> <th style="text-align: left;">More than 3 years</th> <th style="text-align: left;">Total</th> </tr> </thead> <tbody> <tr> <td>As at 31st March, 2023</td> <td style="text-align: right;">3.22</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">3.22</td> </tr> <tr> <td>As at 31st March, 2024</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> </tbody> </table>	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	As at 31 st March, 2023	3.22	-	-	3.22	As at 31st March, 2024	-	-	-	-
Less than 1 year	1-2 years	2-3 years	More than 3 years	Total													
As at 31 st March, 2023	3.22	-	-	3.22													
As at 31st March, 2024	-	-	-	-													
		Total															
	As at 31 st March, 2023	3.22															
	As at 31st March, 2024	-															

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 7. INVESTMENTS - NON-CURRENT			
Non-Current Investments			
Trade Investments (valued at cost unless otherwise specified)			
A	Investments in Associate (Unquoted)		
	Milo Tile LLP (Associate Entity) (Refer Note 7.1(A) below)*	-	306.00
	Add / (Less) : Share of Profit / (Loss) from Associate	-	-
	Total Trade Investments in Associate (A)	-	306.00
Non-Trade Investments			
B	Investments in Debentures (at amortised cost) (Unquoted)		
(a)	State Bank of India Series1 9.56% - NCD Perpetual 10 Units of face value of ₹ 10,00,000 per unit (10 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	-	100.37
(b)	State Bank of India Series1 7.74% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	500.50	500.75
(c)	State Bank of India Series1 7.73% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2023)	503.62	505.43
(d)	State Bank of India SR III 7.55% - BD Perpetual FVRS1CR 7 Units of face value of ₹ 1,00,00,000 per unit (7 Units of face value of ₹ 1,00,00,000 per unit as at 31 st March, 2023)	694.96	693.28
	Total (B)	1,699.08	1,799.83
C	Investments in Bonds (at amortised cost) (Unquoted)		
(a)	Rural Electrification Corporation Limited SR-2 8.12 / 8.32 (Tax free) 28,000 Bonds of face value of ₹ 1,000 per Bond (28,000 Bonds of face value of ₹ 1,000 per Bond as at 31 st March, 2023)	300.91	306.50
(b)	Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of ₹ 1,00,000 per Bond (385 Bonds of face value of ₹ 1,00,000 per Bond as at 31 st March, 2023)	406.52	413.56
	Total (C)	707.43	720.06
D	Investments in Limited Liability Partnership (Unquoted)		
(a)	Milo Tile LLP (Associate entity) (Refer Note 7.1A below)*	150.43	-
	Add / (Less) : Share of Profit / (Loss) from Associate	-	-
	Total (D)	150.43	-
E	Investments in Government Securities (at cost) (Unquoted)		
	National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (E)	0.13	0.13
	Total Non-Trade Investments (B + C + D + E)	2,557.07	2,520.02
	Aggregate amount of Unquoted Investments (A + B + C + D + E)	2,557.07	2,826.02
	Aggregate amount of Impairment in value of Investments	-	-

* Reclassified as Non-Trade Investments during the year. Refer Note 7.1(A)

7.1 Ownership interest in Associate* :

Name	Country of Incorporation	Ownership Interest at Cera Sanitaryware Limited (%) As on 31 st March, 2023	Activities
Milo Tile LLP*	India	26%	Manufacturing of Tiles

(*) Refer Note 7.1(A) below

7.1(A) The Parent Company acquired share capital worth ₹ 806.00 Lakhs for 26% stake in M/s Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo. As a matter of abundant caution, the Parent Company has fully provided impairment of its investment in Milo (net of payables) to the tune of ₹ 655.57 Lakhs (₹ 500.00 Lakhs in FY 2022-23 and ₹ 155.57 Lakhs in FY 2023-24). The same is disclosed as an "Exceptional Item". Without prejudice to the above, the Company is taking all necessary steps for recovery of its Equity investment including legal recourse. Recently, the Hon'ble High Court of Gujarat has appointed an arbitrator to adjudicate the case and the first hearing in the matter is yet to be held. Further, in view of the above ongoing dispute, the management is of the view that the criteria for consolidation as prescribed under Ind AS 110 "Consolidated Financial Statements" are no longer being met and hence the Company is not required to consolidate the financial results of Milo. The Investments in Milo have accordingly been reclassified.

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 8. OTHER FINANCIAL ASSETS - NON-CURRENT			
At amortized cost			
1	Security Deposits	213.63	219.95
	Less: Allowance for Expected Credit Loss	(39.20)	(39.20)
	Net Security Deposit	<u>174.43</u>	<u>180.75</u>
Other Bank Balances			
2	Margin Money Deposits with bank held as security with more than 12 months maturity	2.28	639.99
	Total	<u><u>176.71</u></u>	<u><u>820.74</u></u>
Note - 9. OTHER NON-CURRENT ASSETS			
1	Capital Advances	508.38	914.86
	Less: Allowance for Expected Credit Loss	-	(468.91)
	Net Capital Advances	<u>508.38</u>	<u>445.95</u>
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	31.44	284.51
	(b) Others Advances (Unsecured, considered good)		
	(i) Advance Lease Rentals - Security Deposits	24.17	29.81
	(c) Advance Income tax for earlier years	232.75	229.84
	Total	<u><u>796.74</u></u>	<u><u>990.11</u></u>
Note - 10. INVENTORIES			
At lower of Cost and Net Realisable Value			
1	Raw Materials	4,278.59	4,843.52
2	Raw Materials in Transit	-	345.60
3	Work-in-progress	1,440.44	1,200.62
4	Finished Goods	16,489.64	16,331.61
5	Stock-in-trade	12,308.89	13,470.04
6	Stock-in-trade in Transit	53.62	42.78
7	Stores and Spares	1,782.05	1,918.15
8	Stores and Spares in Transit	2.19	100.22
	Total	<u><u>36,355.42</u></u>	<u><u>38,252.54</u></u>
Note :			
10.1 Refer Note No. 25 for information on inventory pledged as security by the Group.			
Note - 11. INVESTMENTS - CURRENT			
Current Investments			
Investments in Mutual Funds (Unquoted)			
Measured at fair Value through Profit & Loss (FVTPL)			
1	Bandhan Corporate Bond Fund - Regular Growth 4812489.6130 Units NAV of ₹ 17.3762 each (4812489.6130 Units NAV of ₹ 16.2370 each as at 31 st March, 2023)	836.23	781.40
2	HDFC Corporate Bond Fund - Regular Plan - Growth (Formerly HDFC Medium Term Opportunities Fund -Regular Plan - Growth) 5127446.6910 Units NAV of ₹ 29.3347 each (5127446.6910 Units NAV of ₹ 27.1800 each as at 31 st March, 2023)	1,504.12	1,393.64
3	Axis Banking & PSU Debt Fund - Direct Plan - Growth 23266.5560 Units NAV of ₹ 2453.8381 each (23266.5560 Units NAV of ₹ 2288.5724 each as at 31 st March, 2023)	570.92	532.47
4	Axis Short Term Fund - Regular Plan - Growth 1816802.2210 Units NAV of ₹ 27.8930 each (1816802.2210 Units NAV of ₹ 26.0068 each as at 31 st March, 2023)	506.76	472.49
5	Axis Banking & PSU Debt Fund - Regular Plan - Growth 10026.9320 Units NAV of ₹ 2388.0476 each (10026.9320 Units NAV of ₹ 2233.5915 each as at 31 st March, 2023)	239.45	223.96

(₹ in lakhs)

Sr. No.	Particulars As at 31 st March, 2024	As at 31 st March, 2023	
6	Bandhan Banking & PSU Debt Fund - Regular Plan - Growth 4105987.9300 Units NAV of ₹ 22.3400 each (4105987.9300 Units NAV of ₹ 20.8893 each as at 31 st March, 2023)	917.28	857.71
7	HSBC Banking and PSU Debt Fund - Regular Growth 2566877.3220 Units NAV of ₹ 22.0337 each (2566877.3220 Units NAV of ₹ 20.6149 each as at 31 st March, 2023)	565.58	529.16
8	HSBC Banking and PSU Debt Fund - Direct Growth 4840052.4810 Units NAV of ₹ 23.0989 each (4840052.4810 Units NAV of ₹ 21.5296 each as at 31 st March, 2023)	1,117.99	1,042.05
9	ICICI Prudential Corporate Bond Fund - Growth 1477353.3180 Units NAV of ₹ 26.9465 each (1477353.3180 Units NAV of ₹ 24.9722 each as at 31 st March, 2023)	398.09	368.93
10	HSBC Short Duration Fund - Regular Growth 1519949.1080 Units NAV of ₹ 23.9400 each (1519949.1080 Units NAV of ₹ 22.4077 each as at 31 st March, 2023)	363.88	340.59
11	SBI Corporate Bond Fund - Regular Plan Growth 8848146.5610 Units NAV of ₹ 14.0027 each (8848146.5610 Units NAV of ₹ 13.0641 each as at 31 st March, 2023)	1,238.98	1,155.93
12	Bharat Bond ETF - April 2030 40000.0000 Units NAV of ₹ 1354.5721 each (40000.0000 Units NAV of ₹ 1249.9910 each as at 31 st March, 2023)	541.83	500.00
13	Kotak Banking and PSU Debt Fund - Regular Plan - Growth 412484.0420 Units NAV of ₹ 59.1583 each (412484.0420 Units NAV of ₹ 55.0793 each as at 31 st March, 2023)	244.02	227.19
14	Kotak Floating Rate Fund - Regular Plan - Growth 138304.2380 Units NAV of ₹ 1360.1725 each (138304.2380 Units NAV of ₹ 1265.2224 each as at 31 st March, 2023)	1,881.17	1,749.86
15	HSBC Corporate Bond Fund - Direct Growth 426193.2750 Units NAV of ₹ 69.9990 each (426193.2750 Units NAV of ₹ 65.0579 each as at 31 st March, 2023)	298.33	277.27
16	HSBC Corporate Bond Fund - Regular Growth 716573.7480 Units NAV of ₹ 65.9926 each (716573.7480 Units NAV of ₹ 61.5431 each as at 31 st March, 2023)	472.89	441.00
17	ICICI Prudential Banking and PSU Debt Fund - Growth 3439414.8080 Units NAV of ₹ 29.6561 each (3439414.8080 Units NAV of ₹ 27.5470 each as at 31 st March, 2023)	1,019.99	947.46
18	Bandhan Bond Fund - Short Term - Regular Plan - Growth 2076176.3730 Units NAV of ₹ 51.6046 each (2076176.3730 Units NAV of ₹ 48.1735 each as at 31 st March, 2023)	1,071.40	1,000.17
19	HDFC Corporate Bond Fund - Growth Option - Direct Plan 15143548.5460 Units NAV of ₹ 29.8835 each (15143548.5460 Units NAV of ₹ 27.6193 each as at 31 st March, 2023)	4,525.42	4,182.53
20	ICICI Prudential Short Term Fund - Growth Option 2371754.8990 Units NAV of ₹ 54.4366 each (2371754.8990 Units NAV of ₹ 50.5295 each as at 31 st March, 2023)	1,291.10	1,198.44
21	Kotak Floating Rate Fund - Direct Plan - Growth Option 13375.9980 Units NAV of ₹ 1385.3890 each (13375.9980 Units NAV of ₹ 1283.4124 each as at 31 st March, 2023)	185.31	171.67
22	SBI Dynamic Bond Fund - Direct Plan - Growth 709853.9780 Units NAV of ₹ 35.1644 each (709853.9780 Units NAV of ₹ 32.1842 each as at 31 st March, 2023)	249.61	228.46
23	Bharat Bond FOF - April 2025- Direct Pan - Growth Option 23810152.9690 Units NAV of ₹ 11.9226 each (23810152.9690 Units NAV of ₹ 11.1021 each as at 31 st March, 2023)	2,838.80	2,643.43

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
24	Axis Corporate Debt Fund - Regular Plan Growth 8021457.6570 Units NAV of ₹ 15.3965 each (8021457.6570 Units NAV of ₹ 14.3435 each as at 31 st March, 2023)	1,235.02	1,150.56
25	DSP Bond Fund - Growth 791425.2720 Units NAV of ₹ 73.7850 each (791425.2720 Units NAV of ₹ 68.5960 each as at 31 st March, 2023)	583.95	542.88
26	SBI Floating Rate Debt Fund - Direct Plan - Growth 60529563.6120 Units NAV of ₹ 12.1390 each (60529563.6120 Units NAV of ₹ 11.1961 each as at 31 st March, 2023)	7,347.68	6,776.95
27	HDFC Banking and PSU Debt Fund - Growth Option - Direct Plan 1976743.8600 Units NAV of ₹ 21.5820 each (1976743.8600 Units NAV of ₹ 20.0223 each as at 31 st March, 2023)	426.62	395.79
28	Bandhan Bond Fund - Short Term - Direct Plan - Growth 2078625.8820 Units NAV of ₹ 54.9249 each (2078625.8820 Units NAV of ₹ 51.0320 each as at 31 st March, 2023)	1,141.68	1,060.76
29	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 16464710.6090 Units NAV of ₹ 28.1456 each (16464710.6090 Units NAV of ₹ 26.0278 each as at 31 st March, 2023)	4,634.09	4,285.40
30	DSP Bond Fund - Direct Plan Growth 1461851.0920 Units NAV of ₹ 77.9984 each (1461851.0920 Units NAV of ₹ 72.2633 each as at 31 st March, 2023)	1,140.22	1,056.38
31	ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth 1887260.7350 Units NAV of ₹ 30.7789 each (1887260.7350 Units NAV of ₹ 28.4957 each as at 31 st March, 2023)	580.88	537.79
32	ICICI Prudential short term fund - Direct Plan - Growth Option 5933470.6160 Units NAV of ₹ 58.9322 each (5933470.6160 Units NAV of ₹ 54.3683 each as at 31 st March, 2023)	3,496.72	3,225.93
33	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 17416655.9240 Units NAV of ₹ 11.7754 each (17416655.9240 Units NAV of ₹ 10.9493 each as at 31 st March, 2023)	2,050.88	1,907.00
34	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund - Direct Growth 20040969.4670 Units NAV of ₹ 11.2477 each (20040969.4670 Units NAV of ₹ 10.4880 each as at 31 st March, 2023)	2,254.15	2,101.90
35	Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan - Growth 16362429.2430 Units NAV of ₹ 11.8725 each (16362429.2430 Units NAV of ₹ 11.0703 each as at 31 st March, 2023)	1,942.64	1,811.37
36	Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan 358222.8470 Units NAV of ₹ 340.7909 each (358222.8470 Units NAV of ₹ 316.1942 each as at 31 st March, 2023)	1,220.80	1,132.68
37	Aditya Birla Sun Life Corporate Bond Fund - Growth - Direct Plan 523558.7033 Units NAV of ₹ 103.2453 each (523558.7033 Units NAV of ₹ 95.6053 each as at 31 st March, 2023)	540.55	500.55
38	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 6986468.8800 Units NAV of ₹ 11.7754 each (6986468.8800 Units NAV of ₹ 10.9493 each as at 31 st March, 2023)	822.68	764.97
39	Bandhan Crisil IBX Gilt June 2027 Index Fund Direct Plan - Growth 9170151.5210 Units NAV of ₹ 11.7361 each (9170151.5210 Units NAV of ₹ 10.9205 each as at 31 st March, 2023)	1,076.22	1,001.43
40	Bharat Bond FOF - April 2030 - Direct Plan - Growth 6073406.8810 Units NAV of ₹ 13.5296 each (6073406.8810 Units NAV of ₹ 12.5113 each as at 31 st March, 2023)	821.71	759.86
41	DSP Corporate Bond Fund - Direct - Growth 12844054.4060 Units NAV of ₹ 14.6784 each (12844054.4060 Units NAV of ₹ 13.6583 each as at 31 st March, 2023)	1,885.30	1,754.28

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
42	DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund - Direct - Growth 10414446.1130 Units NAV of ₹ 11.2295 each (10414446.1130 Units NAV of ₹ 10.4387 each as at 31 st March, 2023)	1,169.49	1,087.13
43	Kotak Bond short term Plan - (Growth) - Direct 3084411.0010 Units NAV of ₹ 51.5232 each (3084411.0010 Units NAV of ₹ 47.7234 each as at 31 st March, 2023)	1,589.19	1,471.98
44	Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 16941895.2191 Units NAV of ₹ 11.1049 each (16941895.2191 Units NAV of ₹ 10.3678 each as at 31 st March, 2023)	1,881.39	1,756.50
45	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth 19351259.2560 Units NAV of ₹ 11.1675 each (19351259.2560 Units NAV of ₹ 10.4153 each as at 31 st March, 2023)	2,161.05	2,015.49
46	SBI Magnum Gilt Fund - Direct Plan - Growth 3502260.7340 Units NAV of ₹ 63.1318 each (1731983.0160 Units NAV of ₹ 57.7654 each as at 31 st March, 2023)	2,211.04	1,000.49
47	SBI Magnum Low Duration Fund - Direct Plan - Growth 170462.6010 Units NAV of ₹ 3297.4205 each (133346.8470 Units NAV of ₹ 3065.0878 each as at 31 st March, 2023)	5,620.87	4,087.20
48	SBI Savings Fund - Direct Plan - Growth 17001121.1260 Units NAV of ₹ 40.4415 each (Nil Unit as at 31 st March, 2023)	6,875.51	-
49	SBI Floating Rate Debt Fund -Direct Growth 674533.3800 Units NAV of ₹ 12.1390 each (Nil Unit as at 31 st March, 2023)	81.88	-
50	SBI Savings Fund - Direct Plan - Growth 51564.8120 Units NAV of ₹ 40.4415 each (Nil Unit as at 31 st March, 2023)	20.85	-
51	Franklin India Low Duration Fund - Segregated Portfolio 2 Nil Unit (202048.4720 Units NAV of ₹ 0.3609 each as at 31 st March, 2023)	-	0.73
Total		77,692.21	63,451.81
Aggregate Cost of Unquoted Investments		69,026.94	59,902.77
Aggregate Fair Value of Unquoted Investments		77,692.21	63,451.81

Note - 12. TRADE RECEIVABLES - CURRENT

(a) Trade Receivables considered good - Secured	2,872.16	2,659.63
(b) Trade Receivables considered good - Unsecured	16,876.84	15,664.39
(c) Trade Receivables which have significant increase in Credit Risk	152.60	243.78
(d) Trade Receivables - Credit Impaired	1,734.89	2,645.37
	21,636.49	21,213.17
Less: Allowance for Expected Credit Losses	(1,375.61)	(2,298.03)
Total	20,260.88	18,915.14
Movement in Allowance for Expected Credit Losses		
Balance at the beginning of the year	2,298.03	1,279.88
Allowance for Expected Credit Losses provided during the year (Refer Note No. 39)	442.43	1,064.76
Amounts written back during the year	(266.75)	(19.71)
Amounts of Trade Receivables written off during the year	(1,098.10)	(26.90)
Balance at the end of the year	1,375.61	2,298.03

Notes :

12.1 Refer Note No. 25 for information on Trade Receivables pledged as security by the Group.

12.2 No Trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

12.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

12.4 Trade Receivables of the Group are non-interest bearing and are generally on credit terms up to 30 to 60 days.

12.5 Ageing for Trade Receivables as at 31st March, 2024 is as follows : (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	12,465.94	7,283.06	-	-	-	-	19,749.00
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	152.60	-	-	-	152.60
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	466.38	79.98	1,188.53	1,734.89
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	12,465.94	7,283.06	152.60	466.38	79.98	1,188.53	21,636.49

Ageing for Trade Receivables as at 31st March, 2023 is as follows : (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,549.63	7,261.04	42.78	39.53	376.79	54.25	18,324.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	243.78	-	-	-	243.78
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	365.46	335.37	1,944.54	2,645.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	10,549.63	7,261.04	286.56	404.99	712.16	1,998.79	21,213.17

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2024	31 st March, 2023

Note - 13. CASH AND CASH EQUIVALENTS

1	Balances with banks in current accounts	818.23	423.92
2	Cash on hand	3.60	4.85
3	Bank FDs with original maturity of less than 3 months	600.15	700.09
4	Margin Money Deposits with Bank held as security with maturity of less than 3 months	677.92	-
	Total	2,099.90	1,128.86

Note - 14. OTHER BALANCES WITH BANKS

1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,173.53	1,030.27
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	333.75	351.83
3	Earmarked Balances with Banks (Unpaid Dividend)*	112.53	107.95
	Total	1,619.81	1,490.05

* Not due for deposit in the Investor Education and Protection Fund

Note - 15. OTHER FINANCIAL ASSETS - CURRENT

At amortised cost (Unsecured, considered good)

1	Security Deposits*	109.49	98.35
2	Insurance claims receivable	63.04	74.95
3	Interest accrued and receivable	75.89	78.17
4	Advance to staff	28.32	33.22
5	Incentives / Grants Receivable from Government	84.27	114.81
	Total	361.01	399.50

* including ₹ 20.29 Lakhs (PY ₹ 20.29 Lakhs) given to a related party.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 16. OTHER CURRENT ASSETS			
1	Advances other than Capital Advances (Unsecured, considered good)		
	Other Advances		
	(i) Prepaid Expenses	916.09	1,262.15
	(ii) Balance with Statutory / Government Authorities	244.35	63.97
	(iii) Advance Lease Rentals - Security Deposits	11.98	11.85
	(iv) Advances to Suppliers	1,494.27	1,744.79
	(v) Other Advances*	697.43	667.52
	Total	3,364.12	3,750.28

* Amounts due from related parties amounting to ₹ 87.36 Lakhs (PY ₹ 87.36 Lakhs). Refer Notes No. 42 and 49

NOTE - 17. CURRENT TAX ASSETS (NET)

Current Tax Assets (Net)	576.19	-
Total	576.19	-

Note - 18. SHARE CAPITAL

1	Authorized Share Capital		
	2,00,00,000 Equity Shares of ₹ 5/- each	1,000.00	1,000.00
	(2,00,00,000 Equity Shares of ₹ 5/- each as at 31 st March, 2023)		
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,30,05,874 Equity Shares of ₹ 5/- each fully paid up	650.29	650.29
	(1,30,05,874 Equity Shares of ₹ 5/- each fully paid up as at 31 st March, 2023)		
	Total	650.29	650.29

Notes :**18.1 The reconciliation of Equity Shares outstanding at the beginning and at the end of the year is set out below : (₹ in lakhs)**

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Issued during the year	-	-	-	-
Balance at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

18.2 Terms / Rights attached to Equity Share :

The Company has only one class of Equity Shares having a par value of ₹ 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note No. 50 for the particulars of Dividend Paid / proposed during the year.

18.3 Details of the Equity shares held by shareholders holding more than 5% of the aggregate shares are set out below :

Name of the Shareholder	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%
Smt. Smiiti Somany	13,42,240	10.32%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,98,143	9.98%	12,98,143	9.98%

18.4 Details of the shareholding of promoters are set out below :

Promoter Name	As at 31 st March, 2024		As at 31 st March, 2023		% change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%	-
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%	-
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%	-
Rekha Commercial Pvt. Ltd.	5,32,388	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,84,400	3.72%	4,84,400	3.72%	-
Deepshikha Khaitan	3,39,116	2.61%	3,39,116	2.61%	-
Suvinay Trading & Investment Co. Ltd.	3,22,808	2.48%	3,22,808	2.48%	-
Pooja Jain Somany	2,00,000	1.54%	2,00,000	1.54%	-
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,85,139	54.48%	70,85,139	54.48%	

18.5 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

Sr. No.	Particulars	(₹ in lakhs)	
		As at 31 st March, 2024	As at 31 st March, 2023
Note - 19.1 OTHER EQUITY			
1	Other Reserves		
	(i) Securities Premium	8,095.94	8,095.94
	(ii) General Reserve		
	Balance as per last financial year	56,823.98	52,440.05
	Add : Transferred from Statement of Profit and Loss	5,462.66	4,383.93
		62,286.64	56,823.98
2	Retained Earnings		
	Balance as per last financial year	52,305.94	39,855.24
	Add : Profit for the year	23,900.18	20,940.48
	Elimination of Loss of Stake in Subsidiary	-	446.20
	Less : Appropriations		
	Transferred to General Reserve	(5,462.66)	(4,383.93)
	Dividend on Equity Shares	(6,502.94)	(4,552.05)
		64,240.52	52,305.94
3	Other Comprehensive Income		
	Remeasurements of Defined Benefit Plan		
	Balance as per last financial year	(612.38)	(546.35)
	Adjustments during the year		
	Add : Actuarial Loss on Remeasurement of defined benefit plans	(110.12)	(88.18)
	Less : Current Tax effect on Gratuity	27.37	22.39
	Less : Deferred Tax on Leave Encashment	0.42	(0.24)
		(694.71)	(612.38)
	Total	1,33,928.39	1,16,613.48

Nature and purpose of Other Reserves(a) **Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b) **General Reserve**

General Reserve is created out of profit after tax earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

(c) **Retained Earnings**

Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 19.2 NON CONTROLLING INTERESTS			
	Balance at beginning of the year	1,061.20	503.25
	Add : Adjustment for Changes in ownership Interests	-	410.48
	Add : Profit attributable during the year	231.55	164.61
	Add : Other Comprehensive Income attributable during the year	(0.90)	0.50
	Less : Distribution of Profit (Packart Packaging LLP & Race Polymer Arts LLP)	(16.62)	(17.64)
	Balance at end of the year	1,275.23	1,061.20

The Table below provide the information in respect to subsidiary as at 31st March, 2024 :

(₹ in lakhs)

Sr.No.	Name	Country of Incorporation and Operation	% of NCI	NCI
1	Packart Packaging LLP	India	49%	140.25
2	Race Polymer Arts LLP	India	49%	1134.98

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 20. BORROWINGS - NON-CURRENT			
Non-Current Borrowings			
1	Term Loans (Secured)		
	From Banks		
	HDFC Bank Ltd.	416.80	560.64
	Less: Current Maturities of Long Term Debt disclosed under Current Borrowings (Refer Note No.25)	(158.49)	(143.84)
	Total	258.31	416.80

Notes:**20.1 Terms of repayment of Term Loans from HDFC Bank Ltd. (Race Polymer Arts LLP)**

- Term loans are secured by equitable mortgage (EM) of lands at revenue survey no. 949 and 77 together with factory buildings constructed thereon at Mauje Gamanpura & Mitha, Village - Balol, Mehsana- Becharaji Road, Dist. Mehasana - 384410 Gujarat and also secured by hypothecation of Plant and Equipments, Inventories and Book Debts of the subsidiary.
- Also Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP) and Shri Ashish Sharadkumar Nemani have given personal / corporate guarantee in favour of HDFC Bank Ltd.
- Term loans are repayable in 68 equal monthly instalments of ₹ 15.97 Lakhs (Principal and Interest) beginning from February, 2021 to September, 2026.
- Rate of Interest ranging from 7.15% to 9.40% p.a. (Floating Rate) during the year.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 21. OTHER FINANCIAL LIABILITIES - NON-CURRENT			
1	Deposits by Dealers	2,920.91	2,862.92
2	Due to others	22.23	22.23
	Total	2,943.14	2,885.15

Note - 22. PROVISIONS - NON-CURRENT

1	Provision for Employee Benefits		
	(a) Provision for Leave Encashment	652.54	556.65
	(b) Provision for Gratuity	6.72	7.75
2	Provision for Tax		
	(a) Provision for Income tax of earlier years	286.78	327.28
	Total	946.04	891.68

Refer Note No. 45 for Movement of Provisions

Sr. No.	Particulars	Balance Sheet		Statement of Profit and Loss	
		As at 31 st March, 2024	As at 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 23. DEFERRED TAX LIABILITIES (NET)					
(i)	Difference between written down value of Property, Plant and Equipment and Intangible assets as per books of accounts and income tax	3,107.73	3,131.23	(23.50)	(19.46)
(ii)	Fair valuation of Investments	2,181.04	893.18	1,287.86	220.30
(iii)	Impact of Right-of-use Assets and Lease Liabilities	(62.38)	(67.62)	5.24	0.18
(iv)	Provision allowed under tax on payment basis	(218.28)	(196.07)	(21.35)	17.66
(v)	Unabsorbed Long term Capital Loss	(185.65)	-	(185.65)	-
Deferred Tax (Income) / Expense				1,062.60	218.68
Net Deferred Tax (Assets) / Liabilities		4,822.46	3,760.72		

Reconciliation of Deferred Tax Liabilities (Net) :

Particulars	31 st March, 2024	31 st March, 2023
Opening Balance	3,760.72	3,541.57
Tax Expense / (Income) during the period recognised in Profit or Loss	1,062.60	218.68
Tax Expense / (Income) during the period recognised in Other Comprehensive Income	(0.86)	0.47
Tax Expense / (Income) during the period recognised directly in Other Equity	-	-
Closing balance	4,822.46	3,760.72

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 24. OTHER NON-CURRENT LIABILITIES			
	Deferred Govt. Grant (Capital Subsidy)	8.10	9.59
	Total	8.10	9.59

Note - 25. BORROWINGS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1 Borrowings Repayable on Demand			
(a)	From State Bank of India (Cera Sanitaryware Limited-Secured) Cash Credit	1,629.33	1,829.42
(b)	From HDFC Bank Ltd. (Cera Sanitaryware Limited-Unsecured) Overdraft Working Capital	-	4.64
(c)	From HDFC Bank Ltd. (Race Polymer Arts LLP) Cash Credit	-	140.13
2 Current Maturities of Long Term Debt		158.49	143.84
Total		1,787.82	2,118.03

Notes :
25.1 Primary Security

Cash Credit facilities from State Bank of India (SBI) are secured by exclusive hypothecation over entire Current Assets of the Company comprising stock of raw materials, work in process, finished goods, stock in trade, stores & spares and receivables, both present and future.

Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.15% above 6 months MCLR (Present effective rate 8.70 % p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2 bps for 90 days.

Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

25.2 Overdraft Working Capital Facility - Unsecured (From HDFC Bank Ltd) (Cera Sanitaryware Limited)

Rate of interest on overdraft working capital facility from HDFC Bank Ltd is 9.43%

25.3 Cash Credit Facilities From HDFC Bank Limited (Race Polymer Arts LLP)

All securities mentioned in Note No. 20.1 are also extended for Cash Credit facilities.

Terms of Cash Credit facility

Rate of interest on cash credit facility is chargeable at 7.15% p.a.(Floating Rate)

25.4 Monthly statements of current assets filed with banks are in agreement with books of account.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 26. TRADE PAYABLES - CURRENT			
1	Total outstanding dues of micro enterprises and small enterprises*	6,940.93	3,794.23
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	10,956.15	16,899.09
	Total	17,897.08	20,693.32

* Disclosure with respect to amount due to MSME is given in Note No. 46 and due to related parties amounting to ₹ 237.79 Lakhs (PY ₹ 237.79 Lakhs) is given in Note No.42

26.1 Ageing for Trade Payables as at 31st March, 2024 is as follows : (₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6,940.44	0.49	-	-	-	6,940.93
(ii) Others	9,337.32	1,361.89	18.27	-	0.88	10,718.36
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	237.79	-	-	237.79
Total	16,277.76	1,362.38	256.06	-	0.88	17,897.08

Ageing for Trade Payables as at 31st March, 2023 is as follows : (₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,780.29	13.94	-	-	-	3,794.23
(ii) Others	16,551.29	97.26	12.75	-	-	16,661.30
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	237.79	-	-	-	237.79
Total	20,331.58	348.99	12.75	-	-	20,693.32

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Note - 27. OTHER FINANCIAL LIABILITIES - CURRENT			
1	Unpaid dividends*	112.53	107.95
2	Retention money payable	214.55	243.77
3	Employee related payable	3,208.96	4,128.66
4	Other payable	9,060.16	6,493.09
	Total	12,596.20	10,973.47

* Not due for deposit in the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at year end.

Note - 28. OTHER CURRENT LIABILITIES

1	Payable towards Statutory dues	2,196.62	1,699.36
2	Advances received from Customers	1,227.13	1,251.85
3	Deferred Govt. Grant (Capital Subsidy / Others)	1.49	1.49
	Total	3,425.24	2,952.70

Note - 29. CURRENT PROVISIONS

1	Provision for Leave Encashment	179.31	185.05
2	Provision for Bonus / Ex Gratia	2.06	3.66
3	Provision for Gratuity	1.45	19.99
4	Provision for Loyalty Program	1,430.83	1,100.00
	Total	1,613.65	1,308.70

Refer Note No. 45 for Movement of Provisions

Note - 30. CURRENT TAX LIABILITIES (NET)

	Provision for tax (Net)	-	554.89
	Total	-	554.89

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 31. REVENUE FROM OPERATIONS		
A Revenue from Contracts with Customers		
(a) Sale of products (Building Products)	1,86,581.43	1,79,982.44
(b) Sale of services	67.35	59.26
	<u>1,86,648.78</u>	<u>1,80,041.70</u>
B Other Operating Revenue		
(a) Exports Incentives	51.38	43.31
(b) Insurance Claims Received	11.71	23.11
(c) Credit balances written back	871.19	718.96
(d) Miscellaneous Operating Income	358.12	222.40
	<u>1,292.40</u>	<u>1,007.78</u>
Total	<u>1,87,941.18</u>	<u>1,81,049.48</u>

Notes :**31.1 Disaggregation of Revenue**

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data:

(₹ in lakhs)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Product Type		
Goods	1,86,581.43	1,79,982.44
After Sales Services	67.35	59.26
Total	<u>1,86,648.78</u>	<u>1,80,041.70</u>
Contract Counterparties		
Dealers	1,86,581.43	1,79,982.44
Direct to Consumers	67.35	59.26
Total	<u>1,86,648.78</u>	<u>1,80,041.70</u>
Timing of Transfer of Goods and Services		
Point in time	1,86,648.78	1,80,041.70
Total	<u>1,86,648.78</u>	<u>1,80,041.70</u>

31.2 The expected credit loss recognised on receivables arising from the Group's contracts with customers is disclosed in Note No. 12.

31.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 12 and 28 respectively.

31.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 32. OTHER INCOME		
1 Interest Income from Financial Assets at Amortised Cost		
(a) On Security Deposits	21.50	14.00
(b) Others	357.13	277.93
2 Other Non-operating Income		
(a) Profit on Sale of Investments (Net)	51.84	120.31
(b) Net Gain on Fair Valuation of Investments	5,146.72	2,313.88
(c) Profit on Sale of Property, Plant and Equipment (Net)	116.11	50.76
(d) Net Gain on Foreign Currency Translation	18.37	36.97
(e) Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	14.99	0.34
(f) Miscellaneous Income	90.28	13.57
(g) Interest Subsidy	61.90	-
(h) Deferred Income on Capital Subsidy	1.49	1.49
(i) Gain on Termination of Lease (Net)	70.16	8.84
Total	<u>5,950.49</u>	<u>2,838.09</u>

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 33. COST OF MATERIALS CONSUMED		
Opening Stock	5,189.12	3,766.53
Add : Purchases (Net)	<u>24,248.47</u>	<u>27,337.72</u>
Sub Total	29,437.59	31,104.25
Less : Closing Stock	<u>4,278.59</u>	5,189.12
Total	<u>25,159.00</u>	<u>25,915.13</u>
Note - 34. PURCHASES OF STOCK IN TRADE		
Sanitaryware and other allied products	<u>62,367.24</u>	63,434.41
Total	<u>62,367.24</u>	<u>63,434.41</u>
Note - 35. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
Inventories at the end of the year :		
Finished Goods	16,489.64	16,331.61
Work-in-progress	1,440.44	1,200.62
Stock-in-Trade	<u>12,362.51</u>	13,512.82
	<u>30,292.59</u>	<u>31,045.05</u>
Inventories at the beginning of the year :		
Finished Goods	16,331.61	8,867.80
Work-in-progress	1,200.62	1,296.73
Stock-in-Trade	<u>13,512.82</u>	13,994.81
	<u>31,045.05</u>	<u>24,159.34</u>
Change in Inventories	<u>752.46</u>	<u>(6,885.71)</u>
Note - 36. EMPLOYEE BENEFITS EXPENSE		
1 Salaries, Wages and Bonus	20,524.61	19,256.07
2 Contribution to Provident Fund and other Funds	1,109.92	782.91
3 Staff and Labour Welfare Expenses	<u>1,459.43</u>	1,427.09
Total	<u>23,093.96</u>	<u>21,466.07</u>

Note :

36.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

Defined Contribution Plan :

The Group's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

Defined Benefit Plan :

The Group operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognized as expense for the year.

(₹ in lakhs)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
(i) Actuarial Assumptions				
Discount Rate	7.25%	7.25%	7.50%	7.50%
Rate of escalation in Salary	6.00%	6.00%	6.00%	6.00%
Attrition Rate	6.10%	6.00%	6.00%	6.00%
Expected Average working Life of employees (years)	39.70	39.70	39.30	39.30
(ii) Changes in the Present value of Defined Benefit Obligation				
Present value of Obligation at beginning of the year	2,190.18	741.71	2,022.90	809.92
Current Service Cost	213.21	151.48	194.34	130.03
Interest Cost	164.26	55.63	146.65	58.72
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	39.70	11.92	0.48	0.17
Due to Experience adjustments (Loss)	64.72	148.70	76.74	184.73
Benefits paid	(303.90)	(277.59)	(250.93)	(441.87)
Present value of Defined Benefit Obligation at year end	2,368.17	831.85	2,190.18	741.70
(iii) Present Value of Change in the Fair value of Plan assets				
Fair value of Plan Assets at beginning of the year	2,162.44	-	2,237.94	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	156.77	-	167.84	-
Actuarial Gain / (Loss)	(7.03)	-	(11.77)	-
Employer Contribution	346.07	-	17.81	-
Benefits paid	(298.25)	-	(249.38)	-
Fair Value of Plan Assets at year end	2,360.00	-	2,162.44	-
Return on Plan Assets recognized in Other Comprehensive Income (Gain) / Loss	108.76	-	88.95	-
Actual return on Plan Assets	149.74	-	156.07	-
(iv) Expense recognized in the Statement of Profit & Loss				
Current Service Cost	213.21	151.48	194.34	130.02
Interest Cost	164.26	55.63	146.65	58.72
Expenses Deducted from the fund	-	-	-	-
Expected return on Plan Assets	(156.80)	0.73	(167.80)	0.24
Net Cost	220.67	207.84	173.19	188.98

(v) Expense recognized in the Statement of Other Comprehensive Income

(₹ in lakhs)

Particulars	2023-24	2022-23
	Post Retirement Benefits	
Actuarial changes arising from changes in financial assumption	39.70	0.22
Changes in demographic assumption	-	-
Experience Adjustment (Gain) / Losses - Planned Liabilities	64.72	75.46
Experience Adjustment (Gain) / Losses - Planned Assets	7.03	11.77
OCI for the year	111.45	87.45

(₹ in lakhs)

Particulars	2023-24		2022-23	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
(vi) Assets & Liabilities Recognized in Balance Sheet				
Fair value of Plan Assets	2,360.00	-	2,162.44	-
Less : Present value of Obligation	2,368.17	831.85	2,190.18	741.70
(Liability) / Assets amount of Plans recognized in Balance Sheet	(8.17)	(831.85)	(27.74)	(741.70)

(vii) Expected Contribution to fund in the next year

Particulars	(₹ in lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Gratuity	253.12	229.92

(viii) Sensitivity Analysis

Particulars	Changes in assumption	Increase in assumption		Decrease in assumption			
		Increase / Decrease by	31 st March, 2024	31 st March, 2023	Increase / Decrease by	31 st March, 2024	31 st March, 2023
Impact on Defined Benefit Obligation (Gratuity)							
Discount Rate	1%	Increase by	7.00%	7.00%	Decrease by	8.00%	8.00%
Salary Growth Rate	1%	Increase by	8.00%	8.00%	Decrease by	7.00%	7.00%
Withdrawal Rate	1%	Increase by	0.00%	1.00%	Decrease by	1.00%	1.00%
Impact on Defined Benefit Obligation (Leave Encashment)							
Discount Rate	1%	Increase by	7%	6%	Decrease by	8%	7%
Salary Growth Rate	1%	Increase by	8%	7%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

(ix) Maturity Profile of Defined Benefit Obligation

Particulars	(₹ in lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
1 st April, 2023 to 31 st March, 2024	-	310.20
1 st April, 2024 to 31 st March, 2025	262.34	147.62
1 st April, 2025 to 31 st March, 2026	138.50	114.16
1 st April, 2026 to 31 st March, 2027	180.14	151.69
1 st April, 2027 to 31 st March, 2028	147.47	119.29
1 st April, 2028 to 31 st March, 2029	134.11	-
1 st April, 2028 onwards	-	1,344.83
1 st April, 2029 onwards	1,502.24	-

Sr. No.	Particulars	(₹ in lakhs)	
		Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 37. FINANCE COSTS			
1	Interest Costs		
	(a) Interest on Financial Liabilities	567.56	545.25
	(b) For Income Tax	0.01	25.23
2	Other Borrowing Costs	14.52	34.35
	Total	582.09	604.83
Note - 38. DEPRECIATION & AMORTIZATION EXPENSE			
1	Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,810.77	2,517.21
2	Depreciation of Investment Property (Refer Note No. 5)	3.23	-
3	Amortization of Other Intangible Assets (Refer Note No. 6)	30.65	26.06
4	Depreciation on Right-of-use Assets (Refer Note No. 47 (a))	810.18	717.47
	Total	3,654.83	3,260.74

Sr. Particulars No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 39. OTHER EXPENSES		
1 Stores, Spares, Chemicals and Packing Materials Consumed	5,360.57	5,840.85
2 Power and Fuel	3,556.37	6,062.82
3 Repairs and Maintenance		
- To Buildings	359.00	164.91
- To Plant and Equipment	512.58	421.46
- To Others	428.94	345.99
4 Auditors' Remuneration		
- As Audit Fees	17.45	17.35
- For Limited Review	7.50	7.50
- For Taxation Matters	4.15	4.15
- For Other Services	1.40	0.68
- For Reimbursement of Expenses	0.98	1.03
5 Research & Development Expenses	149.95	145.59
6 Freight & Forwarding Expenses (Net)	10,684.71	10,176.96
7 Sales Promotion Expenses	11,633.38	9,826.65
8 Publicity & Advertisement Expenses	6,319.90	5,676.08
9 Bad Debts written off	1,141.23	548.61
10 Capital Advance written off	468.91	-
11 Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(922.43)	1,045.05
12 Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	(468.91)	140.66
13 Allowance for Expected Credit Loss - Security Deposits	-	39.20
14 Rent Expenses	690.83	444.25
15 Insurance	1,462.98	1,577.92
16 Rates and Taxes	30.52	25.73
17 Loss on Sale of Property, Plant and Equipment (Net)	26.61	63.19
18 Directors' Commission	30.00	25.00
19 Directors' Sitting Fees	3.70	3.50
20 Foreign Exchange Fluctuations (Net)	21.41	29.60
21 Donation	0.75	0.25
22 CSR Expenses	387.14	300.03
23 Amortization of Prepaid Rentals	20.21	12.77
24 Miscellaneous Expenses	4,311.71	4,155.80
Total	46,241.54	47,103.58
Note - 40. CURRENT TAX		
40.1 Current Tax		
Current Tax	6,690.65	7,164.75
Total	6,690.65	7,164.75
40.2 Deferred Tax		
Deferred Tax	1,062.60	218.68
Total	1,062.60	218.68
40.3 Amounts recognised in Other Comprehensive Income		
Remeasurement of Defined Benefit Plans		
Before Tax	(111.45)	(87.45)
Tax (Expense) Benefit	28.21	21.92
Net of Tax	(83.24)	(65.53)

(₹ in lakhs)

Particulars	31 st March, 2024	31 st March, 2023
40.4 Reconciliation of effective Tax Rate :		
Accounting Profit before Income Tax	31,884.98	28,488.52
Add : Interest Expense on Income Tax (Refer Note No. 37)	-	25.00
Accounting Profit before Income Tax	31,884.98	28,513.52
India's Statutory Income Tax	8,156.98	7,273.41
Due to Income exempt from Taxation	(10.10)	(14.69)
Non-Deductible Expenses for Tax purpose	1,331.00	1,695.71
Deductible Expenses for Tax purpose	(1,623.60)	(1,664.34)
Income not chargeable for Tax purpose	37.22	29.82
Effects of Unabsorbed Fiscal Losses	(185.65)	-
Effects of Excess / (Less) Tax for Tax purpose on Capital Gain/Loss	20.72	34.46
Others	26.68	29.06
Income Tax expense reported in the Statement of Profit and Loss	7,753.25	7,383.43

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Note - 41. EARNINGS PER SHARE			
1	Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	23,900.18	20,940.48
2	Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,30,05,874	1,30,05,874
3	Nominal value of Equity Shares (₹)	5.00	5.00
4	Basic/Diluted Earnings per Share (₹) (A/B)	183.76	161.01

The Group does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Group remains the same.

Note - 42. RELATED PARTY DISCLOSURES**A. RELATED PARTY DISCLOSURES OF THE GROUP****42.1 Name of the Related Parties & Nature of the Related Party Relationship with whom transactions have taken place during the reported period.****(A) Associate Entity :**

Sr.No.	Name	Nature	Ownership Interest held by the Company directly or indirectly	
			As at 31 st March, 2024	As at 31 st March, 2023
1	Milo Tile LLP*	Associate	26%	26%

* Refer Note 7.1(A)

(B) Key Management Personnel :

Sr. No.	Name	Designation
1	Mr. Vikram Somany	Chairman and Managaing Director
2	Mrs. Deepshikha Khaitan	Joint Managing Director
3	Mr. Anupam Gupta	Executive Director (Technical)
4	Mr. Ayush Bagla	Executive Director (ceased w.e.f. 31.03.2024)
5	Mr. Vikas Kothari	CFO (w.e.f. 01.04.2023)
6	Mr. R.B.Shah	CFO & COO (Fin. & Comm.) (retired w.e.f. close of working hours of 31.03.2023)
7	Mr. Hemal Sadiwala	Company Secretary
8	Mr. Sajan Kumar Pasari	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
9	Mr. Lalit Kumar Bohania	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
10	Mr. Surendra Singh Baid	Non Executive Independent Director
11	Ms. Akriti Jain	Non Executive Independent Director
12	Mr. Ravi Bhamidipaty	Non Executive Independent Director
13	Mr. Anandh Sundar	Non Executive Independent Director (w.e.f. 12.02.2024)

(C) Other Related Parties :**Sr. No. Particulars****(a) Relatives of Key Management Personnel**

- 1 Mrs. Smiti Somany
- 2 Mrs. Pooja Jain Somany

(b) Enterprises significantly influenced by Key Management Personnel and / or their relatives

- 1 Madhusudan Industries Limited
- 2 Cera Foundation
- 3 Indian Council of Sanitaryware Manufacturers

(c) Post Employment Benefit Plans

- 1 Madhusudan Gratuity Fund

42.2 Disclosures of Transactions during the year between the Group and Related Parties :

(₹ in lakhs)

Sr. No.	Nature of Transaction	Associate Entity		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2024	Year ended 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Purchase of Goods	-	199.41	-	-	-	-
2	Donation	-	-	-	-	0.75	0.25
3	Remuneration	-	-	2,108.99	1,858.00	-	-
4	Management Fees to Desiganted Partner	-	-	18.00	-	-	-
5	Directors Commission & Sitting Fees	-	-	33.70	28.50	-	-
6	Rent, Rates & Taxes	-	-	-	-	103.35	98.31
7	Other Service	-	-	-	-	19.12	18.13
8	Contribution to Gratuity Fund	-	-	-	-	310.16	17.81
9	Provision for Impairment Loss of Investment	155.57	500.00	-	-	-	-

42.3 The details of amounts due to or due from related parties as at 31st March, 2024 and 31st March, 2023 :

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1	Trade Payables		
	Associate		
	Milo Tile LLP	237.79	237.79
	Total Trade Payables to Associates	<u>237.79</u>	<u>237.79</u>
2	Other Financial Assets & Advances		
	Other Related Parties		
	Madhusudan Industries Limited	20.29	20.29
	Balances of advances given to Related Parties	<u>20.29</u>	<u>20.29</u>
3	Other Current Assets		
	Associate		
	Milo Tile LLP (Refer Note No. 16)	87.36	87.36
	Total Balances of other current assets - Related Parties	<u>87.36</u>	<u>87.36</u>

42.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year :

(₹ in lakhs)

Sr. No.	Nature of Transaction	Related Parties	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Donation	Cera Foundation	0.75	0.25
2	Remuneration to Key Management Personnel	Key Management Personnel	2,108.99	1,858.00
3	Directors Commission & Sitting Fees	Key Management Personnel	33.70	28.50
4	Rent, Rates & Taxes	Madhusudan Industries Limited	103.35	98.31
5	Other Services	Madhusudan Industries Limited	19.00	18.00
6	Contribution to Gratuity Fund	Madhusudan Gratuity Fund	310.16	17.81
7	Provision for Impairment Loss of Investment	Milo Tile LLP	155.57	500.00

42.5 Breakup of compensation to Key Management Personnel :

(₹ in lakhs)

Sr. No.	Particulars	Key Management Personnel	Year ended 31 st March, 2024	Year ended 31 st March, 2023
1	Remuneration	Mr. Vikram Somany	842.34	755.13
		Mrs. Deepshikha Khaitan	359.72	306.83
		Mr. Anupam Gupta	384.71	324.77
		Mr. Ayush Bagla	384.90	286.76
		Mr. Vikas Kothari	108.41	-
		Mr. R.B.Shah	-	159.84
		Mr. Hemal Sadiwala	28.91	24.67
2	Commission	Mr. Sajjan Kumar Pasari	5.00	5.00
		Mr. Lalit Kumar Bohania	5.00	5.00
		Mr. Ravi Bhamidipaty	5.00	5.00
		Mr. Surendra Singh Baid	5.00	5.00
		Ms. Akriti Jain	5.00	5.00
		Mr. Anandh Sundar	5.00	-
3	Sitting Fees	Mr. Sajjan Kumar Pasari	0.40	0.60
		Mr. Lalit Kumar Bohania	0.80	0.80
		Mr. Ravi Bhamidipaty	0.80	0.50
		Mr. Surendra Singh Baid	0.80	0.80
		Ms. Akriti Jain	0.80	0.80
		Mr. Anandh Sundar	0.10	-
Total			2142.69	1886.50

Note – 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**Overview:**

The Group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Group's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Group has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Group's principal financial liabilities comprise of trade and other payables. The Group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimize the potential adverse effects of financial market on the Group's performance are outlined hereunder:

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management is carried out by the management in consultation with the Board of Directors and the Risk Management Committee. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit Risk :

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Group establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables, advances and investments.

(i) Trade Receivables :

The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdictions and industries and operate in large independent markets. The Group also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 5 per cent of total net revenue from operations.

The Group generally does not hold any collateral or other credit enhancements over any of its trade receivables excepting a small amount in the nature of security deposits from dealers, nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Expected Credit Loss (ECL) :

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for internal and external information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the Group provision matrix.

(₹ in lakhs)		
Period	As at 31 st March, 2024	As at 31 st March, 2023
Ageing of past dues receivables :		
0-3 months	19,342.73	16,593.49
3-6 months	406.27	1,217.18
6-12 months	152.60	286.56
Beyond 12 months	1,734.89	3,115.94
Ageing of impaired trade receivables :		
0-3 months	-	-
3-6 months	-	-
6-12 months	3.30	6.09
Beyond 12 months	1,372.31	2,291.94

(ii) Cash and cash equivalents and short-term investments :

The Group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

(B) Liquidity Risk :

Liquidity risk is the risk that the Group will face in meetings its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The details of the contractual maturities of significant liabilities are shown below :

(₹ in lakhs)					
Particulars	Note No.	As at 31 st March, 2024			Total
		Within one year	1 to 5 years	More than five years	
Financial Liabilities					
Borrowings	20, 25	1,787.82	258.31	-	2,046.13
Trade payables	26	17,640.14	256.94	-	17,897.08
Other Financial Liabilities	21, 27	12,596.20	2,943.14	-	15,539.34
Lease Liabilities	47(iii)	717.22	1,305.22	378.14	2,400.58
Total		32,741.38	4,763.61	378.14	37,883.13
Particulars	Note No.	As at 31 st March, 2023			Total
		Within one year	1 to 5 years	More than five years	
Financial Liabilities					
Borrowings	20, 25	2,118.03	416.80	-	2,534.83
Trade payables	26	20,680.57	12.75	-	20,693.32
Other Financial Liabilities	21, 27	10,973.47	2,885.15	-	13,858.62
Lease Liabilities	47(iii)	745.93	1,598.92	429.55	2,774.40
Total		34,518.00	4,913.62	429.55	39,861.17

(C) Market Risk :

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

(i) Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Group does not enter into financial instrument transactions for trading or speculative purpose.

The Group transacts business primarily in Indian Rupees, USD, Euro and NPR. The Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

Particulars	Currency	As at	
		31 st March, 2024	31 st March, 2023
Trade receivables	USD	3.08	0.97
	EUR	0.74	0.51
Trade payables	USD	0.57	0.32
	EUR	0.05	0.02
	NPR	6.36	3.39
Advance to suppliers	USD	0.84	1.46
	EUR	0.04	0.37
Advance from customers	USD	0.99	0.92
	EUR	0.19	0.38
Balance in EEFC account	USD	0.37	3.62

(in lakhs)

Currency Rate	31 st March, 2024	31 st March, 2023
USD	83.3466	82.2212
EUR	90.0702	89.3463
AED	22.6948	22.3883
GBP	105.2266	101.7334
NPR	0.6250	0.6250

Of the above foreign currency exposures, following exposures are not hedged :

(in lakhs)

Particulars	Currency	As at	
		31 st March, 2024	31 st March, 2023
Trade receivables	USD	3.08	0.97
	EUR	0.74	0.51
Trade payables	USD	0.57	0.32
	EUR	0.05	0.02
	NPR	6.36	3.39
Advance to suppliers	USD	0.84	1.46
	EUR	0.04	0.37
Advance from customers	USD	0.99	0.92
	EUR	0.19	0.38
Balance in EEFC account	USD	0.37	3.62

Sensitivity Analysis :

The following table demonstrates the sensitivity of profit and equity in USD, Euro and NPR to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below :

(₹ in lakhs)

Particulars	Change in currency exchange rate	Effect on Profit	
		before tax 31 st March, 2024	before tax 31 st March, 2023
USD	5%	11.39	19.78
	-5%	(11.39)	(19.78)
EUR	5%	2.42	2.14
	-5%	(2.42)	(2.14)
NPR	5%	0.20	0.11
	-5%	(0.20)	(0.11)

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Group at the end of each reporting period.

(ii) Interest Rate Risk :

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

(₹ in lakhs)			
Particulars	Change in Interest rate	Effect on Profit before tax 31 st March, 2024	Effect on Profit before tax 31 st March, 2023
Non-current & Current Borrowings	0.50%	(10.23)	(12.67)
	-0.50%	10.23	12.67

(iii) Commodity Risk :

The Group is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Group enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

Capital Management :

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. The capital structure consists of debt which includes the borrowings as disclosed in Note No. 20, 25 cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the Group. The Group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total shareholder's equity as reported in balance sheet (A)	1,34,578.68	1,17,263.77
Net Debt		
Lease Liability (including current lease liability)	2,400.58	2,774.40
Current Financial Liabilities (Borrowings)	1,787.82	2,118.03
Gross Debt	4,188.40	4,892.43
Less: Cash & cash Equivalents	2,099.90	1,128.86
Net Debt (B)	2,088.50	3,763.57
Total Capital deployed (A-B)	1,32,490.18	1,13,500.20
Net debt to equity ratio (B/A)	0.02	0.03

Note - 44. FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's Financial Instruments.

(₹ in lakhs)

Particulars	Carrying value		Fair value		Fair value measurement using
	As at	As at	As at	As at	
	31 st March, 24	31 st March, 23	31 st March, 24	31 st March, 23	
Financial Assets					
Financial assets measured at fair value					
Current					
Investments (a)	77,692.21	63,451.81	77,692.21	63,451.81	Level 1
Financial assets measured at amortized cost					
Non-Current					
Investments in Associates	-	306.00	-	306.00	Level 3
Other Investments	2,557.07	2,520.02	2,557.07	2,520.02	Level 3
Other Financial Assets	176.71	820.74	176.71	820.74	Level 3
Total Non-Current Financial Assets (b)	2,733.78	3,646.76	2,733.78	3,646.76	
Current					
Trade receivables	20,260.88	18,915.14	19,901.60	18,567.80	Level 3
Cash and cash equivalents	2,099.90	1,128.86	2,099.90	1,128.86	Level 3
Other Balances with Banks	1,619.81	1,490.05	1,619.81	1,490.05	Level 3
Other Financial Assets	361.01	399.50	361.01	399.50	Level 3
Total Current Financial Assets (c)	24,341.60	21,933.55	23,982.32	21,586.21	
Total Financial Assets [a + b + c]	1,04,767.59	89,032.12	1,04,408.31	88,684.78	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-Current					
Borrowings	258.31	416.80	258.31	416.80	Level 3
Lease liabilities	1,683.36	2,028.47	1,683.36	2,028.47	Level 3
Other financial liabilities	2,943.14	2,885.15	2,943.14	2,885.15	Level 3
Total Non-Current Financial Liabilities (a)	4,884.81	5,330.42	4,884.81	5,330.42	
Current					
Borrowings	1,787.82	2,118.03	1,787.82	2,118.03	Level 3
Trade payables	17,897.08	20,693.32	17,897.08	20,693.32	Level 3
Lease liabilities	717.22	745.93	717.22	745.93	Level 3
Other financial liabilities	12,596.20	10,973.47	12,596.20	10,973.47	Level 3
Total Current Financial Liabilities (b)	32,998.32	34,530.75	32,998.32	34,530.75	
Total Financial Liabilities [a + b]	37,883.13	39,861.17	37,883.13	39,861.17	

44.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

44.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

44.3 The Group determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

44.4 The fair value of investments in mutual funds is determined using net assets value of the funds. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

44.5 The following methods and assumptions were used to estimate the fair values :

- The fair value of the Group's interest bearing borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

Note - 45. MOVEMENT IN PROVISIONS

(Refer Note 22 & 29)

Disclosure of Movement in Provisions during the year as per Ind AS-37, Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakhs)

Particulars	Balance as on 1 st April, 2023	Provided / Transferred during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2024
Non-current Provisions				
For Accumulated leaves	556.65	188.43	92.54	652.54
For Gratuity	7.75	4.52	5.55	6.72
Income Tax of earlier years	327.28	-	40.50	286.78
Total	891.68	192.95	138.59	946.04
Current Provisions				
For Accumulated leaves	185.05	179.31	185.05	179.31
For Gratuity	19.98	327.62	346.15	1.45
For Bonus / Exgratia	3.67	2.75	4.36	2.06
For Loyalty Program*	1,100.00	1033.08	702.25	1,430.83
Total	1,308.70	1,542.76	1,237.81	1,613.65
Grand total	2,200.38	1,735.71	1,376.40	2,559.69

* Provision for Loyalty Program represents the liability w.r.t. the defined schemes offered to retailers / sub dealers of the Company with an option to avail it within a predefined timeframe.

Note - 46. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Group.

(₹ in lakhs)

Particulars	31 st March, 2024	31 st March, 2023
(a) The principal amount remaining unpaid to any supplier at the end of the year	6,940.93	3,794.23
(b) Interest due remaining unpaid to any supplier at the end of the year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note - 47. LEASES**(a) Leases**

The Group has adopted Ind AS 116, effective from annual reporting period beginning 1st April, 2021 and applied the Standard to its leases, using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1st April, 2019).

- (i) Changes in the carrying value of right-of-use assets.

(₹ In lakhs)

Particulars	Category of Right-of-use asset		
	Land	Buildings	Total
Balance as at 1st April, 2022	8.06	1,574.74	1,582.80
Additions during the year	-	1,727.76	1,727.76
Termination during the year	-	(85.31)	(85.31)
Depreciation	(0.59)	(716.88)	(717.47)
Balance as at 31st March, 2023	7.47	2,500.31	2,507.78
Additions during the year	-	801.56	801.56
Termination during the year	-	(345.33)	(345.33)
Depreciation	(0.59)	(809.59)	(810.18)
Balance as at 31st March, 2024	6.88	2,146.95	2,153.83

The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss. (Refer Note No. 38)

- (ii) Movement in Lease Liabilities

(₹ In lakhs)

Particulars	2023-24	2022-23
Opening Balance	2,774.40	1853.05
Finance cost accrued during the year	262.55	247.02
Additions during the year	801.56	1,727.76
Termination during the year	(415.49)	(94.15)
Payment of lease liabilities	(1,022.44)	(959.28)
Closing Balance	2,400.58	2,774.40

- (iii) Break-up of current and non-current lease liabilities

(₹ In lakhs)

Particulars	2023-24	2022-23
Non-current lease liabilities	1,683.36	2,028.47
Current lease liabilities	717.22	745.93
Total	2,400.58	2,774.40

- (iv) Contractual maturities of lease liabilities on undiscounted basis

(₹ In lakhs)

Particulars	2023-24	2022-23
Not later than one year	914.72	967.94
Later than one year but not later than five years	1,652.02	2,005.27
Later than five years	441.83	526.82
Total	3,008.57	3,500.03

Note - 48. COMMITMENTS AND CONTINGENCIES

(₹ in lakhs)

Particulars	31 st March, 2024	31 st March, 2023
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	538.06	3,645.64
(b) Contingent Liabilities		
Claims against the Company not acknowledged as debts (Net of Payments)	205.45	79.92
Letters of Credit (Foreign & Inland) opened and guarantees given (Net)	588.92	674.86

Note - 49. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 :
For Associates *

(₹ in lakhs)

Particulars	Milo Tile LLP	
	As at 31 st March, 2024	As at 31 st March, 2023
Investments		
At the beginning of the year	306.00	806.00
Impairment of Investment (Refer Note No. 7.1(A))	(155.57)	(500.00)
At the end of the year	150.43	306.00
Loans & advances*		
At the beginning of the year	87.36	87.36
Addition during the year	-	-
Recovered during the year	-	-
At the end of the year	87.36	87.36

*Represents current account balance of the Parent Company in Associate.

Refer Note 7.1(A) regarding reclassification of Investments during the year

Note - 50. DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Dividend on Equity Shares			
(a)	Declared and paid during the year :		
	Final dividend for FY 2022-23 : ₹ 50 per share (FY 2021-22 : ₹ 20 per share)	6,502.94	2,601.17
	Special dividend for FY 2022-23 : ₹ Nil per share (FY 2021-22 : ₹ 15 per share)	-	1,950.88
(b)	Proposed for approval at the ensuing annual general meeting : (not recognized as a liability) :		
	Final dividend for FY 2023-24 : ₹ 60 per share (FY 2022-23 : ₹ 50 per share)	7,803.52	6,502.94

Note - 51. RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development expenditure incurred is set out below

(₹ in lakhs)

Sr. No.	Particulars	2023-24	2022-23
1	Capital expenditure	6.29	43.33
2	Revenue expenditure	149.95	145.59

Note - 52. OPERATING SEGMENTS

The Parent Company operates mainly in manufacturing of Building Products and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under Ind AS 108 "Operating Segment".

The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is Nil.

Note - 53.

In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

Note - 54. ADDITIONAL REGULATORY INFORMATION

The following additional disclosures are made pursuant to notification of Ministry of Corporate Affairs dated 24th March, 2021.

1. Title deeds of Immovable Properties

The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities of the Group itself.

2. Revaluation of Property, Plant & Equipment

The Group has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

3. Loans / Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties

The Group has not made any loans or advances in the nature of loans to Promoters, Directors, KMPs and the related parties which are outstanding as at the end of the current year and previous year.

4. Details of Benami Property held

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

5. Wilful Defaulter

None of the banks, financial institutions or other lenders from whom the Group's has borrowed funds has declared the Group as a wilful defaulter at any time during the current year or in previous year.

6. Relationship with Struck off Companies

The Parent company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year or in previous year.

7. Registration of charges or satisfaction with Registrar of Companies (ROC)

All the charges or satisfaction of which is required to be registered with Registrar of Companies (ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act, 2013 and rules made thereunder.

8. Compliance with number of layers of companies

The Parent company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of Parent companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

9. Compliance with Approved Scheme of Arrangements

No scheme of compromise or arrangement has been proposed between the Parent company & its members or the Parent company & its creditors under section 230 of the Companies Act, 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the act is not applicable.

10. Borrowing from Banks and Financial Institutions for Specific Purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

11. Utilisation of Borrowed funds and Share Premium

- a) The Parent company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The Parent company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12. Borrowings on the basis of security of Current Assets

The Group has working capital facilities from banks on the basis of security of current assets & are submitting periodically Financial Information as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between quarterly Financial Information and books of accounts.

13. There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

Name of the entity	Net Assets i.e. Total assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹	As % of Consolidated Profit or Loss	₹	As % of Consolidated Other Comprehensive Income	₹	As % of Consolidated Total Comprehensive Income	₹
Parent								
Cera Sanitaryware Limited	98.10%	1,34,254.10	98.06%	23,916.90	97.79%	(81.40)	98.06%	23,835.50
Subsidiaries								
Indian								
Packcart Packaging LLP	0.21%	286.23	0.25%	61.66	2.23%	(1.86)	0.25%	59.80
Race Polymer Arts LLP	1.69%	2,316.29	1.69%	410.90	-0.02%	0.02	1.69%	410.92
Sub Total	100.00%	1,36,856.62	100.00%	24,389.46	100.00%	(83.24)	100.00%	24,306.22
Less: Effect of intercompany adjustment/ eliminations	-	(2,277.94)	-	(489.28)	-	0.90	-	(488.38)
Grand Total - Attributable to Owners		1,34,578.68		23,900.18		(82.34)		23,817.84
Non-Controlling Interests in Subsidiaries		1,275.23		231.55		(0.90)		230.65

Note - 56.

Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

As per our report of even date attached

For **Singhi & Co.**

Chartered Accountants
(Firm Registration No. 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place : Ahmedabad

Date : 13th May, 2024

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany (DIN:00048827)

Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)

Joint Managing Director

Anupam Gupta (DIN:09290890)

Executive Director (Technical)

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries / associate Companies / joint ventures

Part "A" : Subsidiaries

(₹ in Lakhs)

Sr.No.	Particulars	Details	Details
1.	Name of the Subsidiary	PACKCART PACKAGING LLP	RACE POLYMER ARTS LLP
2.	Date since when Subsidiary was acquired	24.06.2016	09.05.2018
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Period ending on 31 st March, 2024	Period ending on 31 st March, 2023
4.	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share Capital	217.78	1698.80
6.	Reserves & surplus	68.45	617.49
7.	Total Assets	472.72	3140.63
8.	Total Liabilities (including Sr.no. 5 & 6)	472.72	3140.63
9.	Investments	102.74	Nil
10.	Total Income	1270.18	4290.23
11.	Profit before Taxation	88.67	633.81
12.	Less : Provision for Taxation	27.02	222.91
13.	Profit / Loss after Taxation	61.65	410.90
14.	Proposed Dividend	Nil	Nil
15.	Extent of Shareholding (in percentage)	Share 51%	Share 51%

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	
1.	Latest Audited Balance Sheet Date	N.A.
2.	Date on which the Associates or Joint Venture was associated or acquired	
3.	Shares of Associates / Joint Ventures held by the Company on the year end	
	No.	
	Amount of Investment in Associates / Joint Ventures Extent of Holding (in percentage)	
4.	Description of how there is significant influence	
5.	Reason why the Associate / Joint Venture is not consolidated	
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	
7.	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

Note: No Associates or joint venture has been liquidated or sold during the year.

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827)
Chairman and Managing Director

Deepshikha Khaitan (DIN:03365068)
Joint Managing Director

Anupam Gupta (DIN:09290890)
Executive Director (Technical)

Place : Ahmedabad
Date : 13th May, 2024

NEW ARRIVALS



C A T M I D

Thin Rim Table Top Wash Basin

550 x 380 x 110 mm

Cat. No. S2020158BG

E X P R E S S I O N

Semi Insert Wash Basin

560 x 400 x 165 mm

Pillar Cock



C A R T I C A

Quiet Wave Rimless Wall Hung EWC

530 x 365 x 375 mm

Cat.No. S1044178

CERA

CERA SANITARYWARE LIMITED

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🌐 Website: www.cera-india.com

CIN: L26910GJ1998PLC034400

