

August 13, 2024

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

BSE Limited
P.J. Towers
Dalal Street
Mumbai – 400 001

Dear Sirs,

This is in continuation of our letters dated July 27, 2024 and July 31, 2024.

We wish to inform you that the 38th Annual General Meeting ('AGM') of the Company will be held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') on **Friday, September 6, 2024 at 1.00 p.m. (IST)**, in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and latest one being Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs read with the Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the SEBI.

In this regard, we enclose a copy of the Notice of the 38th AGM (alongwith Annual Report for the financial year 2023-24), being despatched to the Members of the Company.

In terms of Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 91 of the Companies Act, 2013 including rules made thereunder, the Register of Members/Share Transfer Books of the Company will remain closed from Saturday, August 31, 2024 to Friday, September 6, 2024 (both days inclusive), for the purpose of the AGM and determining eligibility of members for final dividend, subject to approval of Members at the 38th AGM of the Company.

The final dividend on equity shares @ Rs. 6 per equity share of Re.1 each, as recommended by the Board of Directors, if declared at the 38th AGM of the Company, will be paid on or before Saturday, October 5, 2024 to those Members whose names appear as:

- (a) Beneficial Owners as at the end of business hours on Friday, August 30, 2024, in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of shares held in electronic form; and
- (b) Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before Friday, August 30, 2024.

Kindly take the above on record.

Thanking you,

For Kajaria Ceramics Limited

R.C. Rawat
COO (A&T) & Company Secretary

Encl.: As above

Kajaria Ceramics Limited

Corporate Office: J1/B1 (Extn.), Mohan Co - op Industrial Estate, Mathura Road, New Delhi - 110044, Ph.: +91-11-26946409 | Fax: +91-11- 26946407

Regd Office: SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon-122001, Haryana, Ph.: +91-0124-4081281

CIN No.: L26924HR1985PLC056150, E-mail: info@kajariaceramics.com | Web.: www.kajariaceramics.com

KAJARIA CERAMICS LIMITED

[CIN: L26924HR1985PLC056150]

Registered Office: SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana-122001 **Phone:** +91-124-4081281

Corporate Office: J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044

Phone: +91-11-26946409 **Fax:** +91-11-26946407

E-mail: investors@kajariaceramics.com **Website:** www.kajariaceramics.com

NOTICE

NOTICE is hereby given that the 38th (Thirty Eighth) Annual General Meeting of the members of Kajaria Ceramics Limited ('Company') will be held on Friday, September 6, 2024 at 1.00 p.m. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business(es):

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2024 and Reports of Board of Directors and Auditors thereon:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited standalone financial statements of the Company including the Balance Sheet as at March 31, 2024, the statement of profit and loss, the cash flow statement for the financial year ended on March 31, 2024, notes to financial statements, reports of the Board and Auditors' thereon be and are hereby received, considered and adopted.

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company including the Balance Sheet as at March 31, 2024, the statement of profit and loss, the cash flow statement for the financial year ended on March 31, 2024, notes to financial statements, along with the Auditors' report thereon be and are hereby received, considered and adopted."

2. To declare a final dividend of Rs. 6 per equity share:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT a final dividend of Rs. 6 per equity share of Re. 1 each fully paid up for the financial year 2023-24 be and is hereby approved and declared."

3. To appoint a Director in place of Mr. Chetan Kajaria (DIN: 00273928), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Chetan Kajaria (DIN: 00273928), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To appoint a Director in place of Mr. Rishi Kajaria (DIN: 00228455), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Rishi Kajaria (DIN: 00228455), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

5. To hold and continue to hold office or place of profit by Mr. Kartik Kajaria in the Company:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Act') and other applicable provisions, if any, of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Nomination and Remuneration Policy of the Company and as recommended by the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors ('Board') of the Company, the consent of the members of the Company be and is hereby accorded to hold and continue to hold office or place of profit in the Company by Mr. Kartik Kajaria, Head (Adhesive Division) of the Company, on terms & conditions including revised remuneration with effect from April 1, 2024, as set out in the explanatory statement, which forms part of this resolution.

RESOLVED FURTHER THAT the Board or the Nomination and Remuneration Committee of the Company be and is hereby authorised to revise his designation, terms & conditions and remuneration, whenever it may deem fit and appropriate and to settle any question or difficulty and to do all such acts, deeds and things and as may be necessary, proper, expedient, desirable, incidental and consequential thereto, without being required to seek any further consent or approval of the

members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board
For Kajaria Ceramics Limited

Ram Chandra Rawat
COO (A&T) & Company Secretary
[FCS No. 5101]

Place: New Delhi
Date: July 23, 2024

NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and latest one being Circular No. 09/2023 dated September 25, 2023 read with the SEBI's Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, ('Circulars') has allowed the companies to hold the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue. Therefore, in compliance to the Circulars, applicable provisions of the Companies Act, 2013 ('Act') and the SEBI Regulations, the 38th AGM of the Company is scheduled to be held through VC/OAVM in the manner given below. The deemed venue of this Meeting shall be considered at the Registered Office of the Company situated at SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana-122001.
2. In view of relaxation given by MCA/the SEBI, the Annual Report including Financial Statements, Auditor's report, Directors' Report and Notice of this AGM along with all the annexures and attachments thereof are being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories, except those Members who request for the physical copy of the same. Members may note that the Notice and Annual Report of the Company for the financial year 2023-24 will also be available on the Company's website i.e. www.kajariaceramics.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and is also available on the website of National Securities Depository Limited (agency for providing the remote e-voting facility).
3. Brief resume and other particulars of Mr. Chetan Kajaria and Mr. Rishi Kajaria, pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, are annexed herewith as **Annexure A**.
4. Pursuant to Section 113 of the Act, Institutional / Corporate Members are requested to send to the Company certified copy of the Board Resolution / Power of Attorney authorizing their representative(s) to participate in remote e-voting or to attend and vote on their behalf at the Meeting at rupesh@cacsindia.com or investors@kajariaceramics.com or admin@mcsregistrars.com with a copy marked to evoting@nsdl.com, before e-voting/ attending the AGM, from their registered email address.
5. It is being informed that physical presence of the members has been dispensed with for attending the Meeting through VC/OAVM, therefore, the facility to appoint proxy to attend and cast vote for the Members will not be available for this AGM and the Proxy Form, Attendance Slip and route map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In case of joint holders attending the Meeting, only the member whose name appears to be first will be entitled to vote at the AGM.
8. Only bonafide members of the Company whose names appear on the Register of Members on cut-off date will be permitted to join the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from joining the AGM.
9. As per the provision of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of their shareholding in the Company. The Members are requested to submit the requisite form with their Depository Participant ('DP') who holds the shares in dematerialized form and those who are holding physical shares shall send the same to the Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi 110020 (the 'RTA').
10. *Members holding shares in physical form are requested to notify/send the following in the Form ISR - 1 to the RTA of the Company:*
 - i) *Any change or update in their mailing address;*
 - ii) *Particulars of their PAN, Bank account & e-mail ids in case the same have not been registered with the Company;*

Further, please note that Members holding equity shares in electronic form are requested to contact to their respective DP with whom they are maintaining the Demat accounts for updation in address, e-mail ids, Bank details, Bank mandate, ECS mandate, etc.

Pursuant to the amendment in Regulation 40 of the Listing Regulations, with effect from April 1, 2019, any request for transfer of shares held in physical form shall not be processed, except in case of transmission or transposition of shares or in case of transfer deed(s) once lodged with the Company prior to April 1, 2019 and returned/rejected due to deficiency in the documents. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding, as the shares of the Company are under compulsory demat trading.

The Company has dedicated e-mail ID, i.e. investors@kajariaceramics.com for Members to mail their queries or lodge complaints, if any. The Company will endeavor to reply to your queries at the earliest.

11. Pursuant to the Clause 19.2 of the Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 read with the Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 ('Circular dated June 10, 2024'), issued by the Securities and Exchange Board of India ('SEBI'):
- the existing shareholders holding shares of the Company in physical form are required to furnish PAN, KYC details, etc. to the Company's RTA in the prescribed forms to avail uninterrupted service request as well as dividend credit in bank account, as no dividend will be paid by the Company to the shareholders holding shares of the Company in physical form by way of issuance of physical warrant with effect from April 1, 2024.
 - In accordance with the Circular dated June 10, 2024, the shareholders holding shares of the Company in physical form and who have not submitted only 'Choice of Nomination, will be eligible for receipt of dividend as well as to lodge grievance or avail any service request from the Company's RTA.

For ensuring smooth transmission of shares as well as to prevent accumulation of unclaimed assets in securities market, all existing shareholders of the Company are requested:

- To provide 'Choice of Nomination' to the concerned Depository Participant(s), who hold shares in Demat form; and
- To provide 'Choice of Nomination' (including PAN / KYC details / Bank details, if not yet provided) to the Company's RTA, who hold shares in physical form:

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, Certificate from the Secretarial Auditors of the Company that the Kajaria Employee Stock Option Scheme, 2015 has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all the documents referred to in the accompanying Notice, are open for inspection in electronic form by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection by the members. Members seeking to inspect such documents can send an email to investors@kajariaceramics.com
13. The Registers of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 31, 2024 to Friday, September 6, 2024 (both days inclusive) in terms of the provisions of the Act and the Listing Regulations for the purpose of the AGM and determining the names of the members eligible for dividend on equity shares, if declared.
14. Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members, who have not encashed their dividend warrant for the financial year 2016-17 and/or the dividend warrants issued for any subsequent financial years so far, are requested to make their claim to the Company / the RTA of the Company or send an email to investors@kajariaceramics.com or admin@mcsregistrars.com. However, all the unclaimed dividend pertaining to the financial years before the financial year 2016-17 have been transferred to the Investor Education and Protection Fund ("IEPF") as per the provision of Sections 124 & 125 of the Act. Members may please note that no claim shall lie against the Company in respect of dividend which remains unclaimed/unpaid for a period of seven consecutive years from the date it is lying in the unpaid dividend account.

Unclaimed dividend information is available on the website of IEPF viz. www.iepf.gov.in and also on the website of the Company viz. www.kajariaceramics.com

15. The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 including its amendment (the 'IEPF Rules'), amongst other matters, provide for transfer of the shares, in respect of which dividend has not been paid or claimed for seven or more consecutive years, to IEPF Authority and the shares shall be credited to the Demat Account of IEPF Authority, within 30 days of such shares becoming due to be transferred to the IEPF.

Accordingly, pursuant to the IEPF Rules, the Company has transferred total 643568 equity shares of Re. 1/- each, in respect of which dividend had not been claimed by the shareholders for 7 consecutive years or more to IEPF Authority and as on March 31, 2024, the IEPF Authority has released 39100 equity shares of Re. 1/- each to the claimant(s).

Pursuant to the IEPF Rules, the unclaimed dividend for the financial year 2016-17 will become due for transfer in favour of the IEPF Authority on September 13, 2024 (i.e. Due date) and accordingly, both the unclaimed dividend and shares in respect of which dividend has not been claimed by the shareholders for 7 consecutive years or more will be transferred to the IEPF Authority within 30 days of the Due date.

The Members may kindly note that both the unclaimed dividend and corresponding shares transferred to IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure prescribed by the IEPF Rules.

16. Members who would like to express their views/ask questions before or during the Meeting may send an email at Company's email address investors@kajariaceramics.com from their registered email ID to the Company or RTA mentioning their views/questions along with their full name, demat account number/folio number, registered email id, mobile number and such other details as may be deemed fit by Tuesday, August 27, 2024. Only the views/questions of those shareholders will be taken up who have mailed it to the Company within prescribed time and will be replied suitably. A Member who has been registered as a Speaker, will only be allowed to speak during the Meeting, subject to the discretion of the Company.
17. **To support the 'Green Initiative', the members who are yet to register / update their email address with the Company or DPs are once again requested to register / update the same for receiving the Notices, Annual Reports and other documents / communications through electronic mode.**

INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE AGM THROUGH VC/OAVM AS PER THE CIRCULARS, ARE AS FOLLOWS:

18. The Company shall be providing two-way video conferencing facility for the ease of participation of the Members of the Company. The facility for joining the AGM through VC/OAVM will be opened 15 minutes before and after the scheduled time of commencement of the AGM.
19. Members are requested to participate on first come first serve basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, the Statutory Auditors and the Secretarial Auditors of the Company is not restricted on first come first serve basis. Participation is restricted up to 1000 members only.
20. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SS-2 and Regulation 44 of the Listing Regulations (including amendments thereto) and the Circulars, the Company is pleased to provide:
- facility to the Members to exercise their right to vote on resolution(s) proposed to be considered at the AGM by remote e-voting before the AGM; and
 - facility of e-voting at the AGM to its Members, who have not cast their vote through remote e-voting, on resolution(s) proposed to be considered at the AGM.

The facility of casting vote through remote e-voting system from a place other than venue of the AGM (the 'remote e-voting') and e-voting at the AGM will be provided by National Securities Depository Limited ('NSDL').

21. The remote e-voting period commences at 9:00 a.m. (IST) on Tuesday, September 3, 2024 and ends at 5:00 p.m. (IST) on Thursday, September 5, 2024. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on Cut-off date of Friday, August 30, 2024 ('**Cut-off date**'), may cast their vote by remote e-voting. No remote e-voting shall be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled for voting upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently and shall not be allowed to cast vote again in the Meeting.

22. The instruction for remote e-voting are as under:

The way to vote electronically on NSDL e-voting system consists of 'Two Steps' which are as under:

Step - 1 – Access to NSDL e-voting System:

A. Login method for e-voting and joining the AGM for the shareholders holding shares in demat mode:

In terms of the SEBI's Circular 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 e-mail Id in their demat accounts in order to access e-voting facility. Login method for Individual shareholder holding shares in demat mode is given below:

Type of shareholders	Login Method
Shareholders holding shares in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS users can visit the e-Services website of NSDL, viz.: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section, this will prompt you to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page. Click on options available against the Company name or e-voting service provider i.e. NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Please select 'Register Online for IDeAS Portal' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	<ol style="list-style-type: none"> 3. Please visit the e-voting website of NSDL and open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digits demat account number held 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 options available against the Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. 4. Members can also download NSDL Mobile App 'NSDL Speede' available on App Store / Google Play.
Shareholders holding shares in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for CDSL Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my Easi user name & password. 2. After successful login the Easi / Easiest, user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-voting page of the e- voting service provider for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. Additionally, there is also links provided to access the system of all e-voting service providers, 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 CDSL's website at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile No. & Email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also to directly access the system of all e-voting service providers.
Shareholders (holding shares in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once 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. Please click on options available against the Company's name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting.

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

Helpdesk for the shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Shareholders holding shares in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-48867000
Shareholders holding shares in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login method for e-voting and joining the Meeting for the shareholders other than the shareholders holding shares in demat mode; (i.e. shareholders holding shares in physical mode):

- (i) Please visit at the e-voting website of NSDL and open the web browser by typing the URL: <https://www.evoting.nsd.com/> either on a personal computer or on a mobile.
- (ii) Once the home page of e-voting system is launched, please click on the icon 'Login' which is available under 'Shareholders/Members' section.
- (iii) A new screen will open. Please enter User ID, password/OTP and Verification code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, please click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- (iv) User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in Demat account with NSDL	8 character DP ID followed by 8 Digits Client ID For example, if your DP ID is IN300*** and Client ID is 12*****, then User ID is IN300***12*****
For Members who hold shares in Demat account with CDSL	16 Digits Beneficiary ID For example, if your Beneficiary ID is 12*****, then User ID is 12*****
For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456, the User ID is 101456001***

- (v) Password details are given below:

- (a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- (b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which is communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- (c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Please open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits of client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

- (vi) If you are unable to retrieve the password or have not received the 'initial password' or have forgotten your password:

- Please click on '**Forgot User Details/Password?**' (if your demat account is with NSDL/CDSL) option available at www.evoting.nsd.com
- Please click on '**Physical User Reset password?**' (if you are holding shares in physical form) option available at www.evoting.nsd.com
- If you are still unable to retrieve your password through above said options, you can send a request at evoting@nsdl.com, mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

(vii) After entering your password, please tick on Agree to 'Terms and Conditions' by selecting on the check box.

(viii) Now, please click on 'Login' button and the Home page of e-voting will open.

Step - 2 – Process to cast your vote electronically and join the Meeting on NSDL e-voting system:

- (i) After successful login at Step -1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and the Meeting is in active status.
- (ii) Please select 'EVEN' (Electronic Voting Event Number) of Kajaria Ceramics Limited and for joining the Meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
- (iii) Now you are ready for e-voting as the voting page opens.
- (iv) You can cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- (v) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (vi) You can also take printout of the votes cast by you by clicking on the print option on confirmation page.
- (vii) Once you confirm your vote on the resolution, you will be not allowed to modify your vote.

General Guidelines for e-voting:

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at rupesh@cacsindia.com or investors@kajariaceramics.com or admin@mcsregistrars.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-voting' tab in their login.
 - ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
 - iii. In case of any queries, you may refer the frequently Asked Question (FAQs) for Shareholders and the remote e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or contact Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, A Wing, Fourth and Fifth Floor, Kamala Mills Compound, Lower Parel, Mumbai- 400013 through email at evoting@nsdl.com or call on 022-48867000.
23. **Process for those shareholders whose e-mail ids are not registered with the Company / depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolution(s) set out in this Notice:**
- i. In case shares are held in physical mode, please provide 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 investors@kajariaceramics.com
 - ii. In case shares are held in demat mode, please provide DPID-CLID (16 digits of DP-ID + CL-ID or 16 digits of Beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to investors@kajariaceramics.com
 - iii. If you are an Individual shareholder holding shares in demat mode, you are requested to refer to the login method explained at Step 1(A) above, i.e. Login method for e-voting and joining the AGM for shareholders holding shares in demat mode.
 - iv. Alternatively, a shareholder may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
24. **Instructions for members for e-voting on the day of the AGM are as under:**
- i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - ii. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
 - iii. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote in the AGM.
 - iv. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned under 'General Guidelines for e-voting'.
25. **Instructions for members for attending the AGM through VC/OAVM are as under:**
- i. A Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. The Members may access by following the steps mentioned above for 'Access to NSDL e-voting system'. After successful

login, you can see link of 'VC/OAVM link' placed under 'Join the Meeting' menu against the Company's name - Kajaria Ceramics Limited. You are requested to click on VC/OAVM link placed under Join the Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice to avoid last minute rush.

- ii. Members are encouraged to join the Meeting through Laptops for better experience.
 - iii. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
 - iv. 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.
 - v. The shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
26. The voting rights of Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. Friday, August 30, 2024.
27. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Friday, August 30, 2024, shall only be entitled to avail the facility of remote e-voting / e-voting facility during the AGM. However, a person who is not a member as on the Cut-off date should treat this Notice for information purpose only.
28. Any person, who acquire shares of the Company and become a member of the Company after dispatch of the Notice of the AGM and holding shares as on the Cut-off date i.e. Friday, August 30, 2024, may obtain the login ID and password by sending a request (along with Name, Folio No./DP ID-Client ID, as the case may be and shareholding) at evoting@nsdl.com or admin@mcsregistrars.com.
- However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or call on 022-48867000. In case of shareholders holding shares in demat mode who acquires shares of the Company and becomes a shareholder of the Company after sending of the Notice and holding shares as of the Cut-off date i.e. Friday, August 30, 2024, may follow steps mentioned in the Notice of the AGM under 'Access to NSDL e-voting system'.
29. E-voting cast at the AGM together with vote cast through remote e-voting shall be counted for the purpose of passing of resolution(s). No voting by show of hands will be allowed at the AGM.
30. The Board of Directors of the Company has appointed Mr. Rupesh Agarwal, Managing Partner, failing him Mr. Shashikant Tiwari, Partner, failing him Mr. Lakhan Gupta, Partner of M/s Chandrasekaran Associates, Practicing Company Secretaries, having its office situated at 11F, Pocket - IV, Mayur Vihar, Phase- 1, Delhi- 110091, as the Scrutinizer to scrutinize the voting through remote e- voting and e-voting during the AGM, in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of the Meeting, will count the e-voting cast during the Meeting and the vote cast through remote e-voting and shall make, within the time permissible under the applicable laws, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him, who shall counter sign the same.
31. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.kajariaceramics.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorised by him and the results shall also be communicated to BSE Limited and National Stock Exchange of India Limited. The results will also be displayed at the Registered Office as well as the Corporate Office of the Company.
32. Subject to receipt of requisite number of votes, the resolution(s) set out in the Notice of the AGM will be deemed to be passed at the 38th AGM scheduled to be held on Friday, September 6, 2024.

By Order of the Board
For Kajaria Ceramics Limited

Ram Chandra Rawat
COO (A&T) & Company Secretary
[FCS No. 5101]

Place: New Delhi
Date: July 23, 2024

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

ITEM NO. 5:

Mr. Kartik Kajaria holds a Bachelor's degree in Business Economics from UCLA (University of California, Los Angeles).

Mr. Kartik Kajaria, son of Mr. Chetan Kajaria, Joint Managing Director and a member of the Promoter Group of the Company, has joined the Company as the Head (Adhesive Division) and he is driving business strategy, business development, sales operations for tile adhesive business including commissioning a new manufacturing plant for tile adhesive.

The provisions of Section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, ('Act'), require prior approval of the members of the Company by way of an Ordinary Resolution for related party's appointment to any office or place of profit in the Company at a monthly remuneration exceeding Rs. 2.50 Lacs.

Mr. Kartik Kajaria is a related party for the Company as per the provisions of Section 188 of the Act read with the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations').

In terms of Section 188 of the Act read with the Listing Regulations, Mr. Kartik Kajaria is a Related Party and holds office or place of profit, currently designated as the Head (Adhesive Division) and the Company proposes to pay him the remuneration as detailed below. Presently, the Company has not paid the remuneration to Mr. Kartik Kajaria exceeding the limits prescribed under Section 188 of the Act.

The relevant details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section III-B of the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 ('Master Circular'), issued by the Securities and Exchange Board of India ('SEBI') are as follows:

Name of Related Party	Mr. Kartik Kajaria
Name of Director or Key Managerial Personnel who is related, if any	Mr. Ashok Kajaria, Chairman & Managing Director of the Company. Mr. Chetan Kajaria, Joint Managing Director of the Company. Mr. Rishi Kajaria, Joint Managing Director of the Company.
Nature of relationship	Mr. Kartik Kajaria is son of Mr. Chetan Kajaria, Joint Managing Director of the Company. Mr. Kartik Kajaria is grandson of Mr. Ashok Kajaria, Chairman & Managing Director and nephew of Mr. Rishi Kajaria, Joint Managing Director of the Company. Mr. Kartik Kajaria is a member of the Promoter Group of the Company and also holds 450000 equity shares of the Company.
Nature, material terms, monetary value and particulars of the contract or arrangement	To hold and continue to hold office or place of profit by Mr. Kartik Kajaria, currently designated as the Head (Adhesive Division) on the revised remuneration as under: Total remuneration during the year 2024-25 shall not exceed Rs. 60 Lacs per annum and thereafter, the remuneration will be subject to such increments as may be determined by the Board of Directors or the Nomination and Remuneration Committee of the Company in accordance with the Company's Rules and Policy, as prevalent from time to time. The employment of Mr. Kartik Kajaria will be of permanent nature and governed by the Company's Rules and Policy, as prevalent from time to time.
Justification for why the proposed transaction is in the interest of the listed entity	Since joining the Company, Mr. Kartik Kajaria has gained considerable experience and has also demonstrated ability for acquiring responsibilities. Therefore, the Company believes that retaining the services of Mr. Kartik Kajaria would be in the interest of the Company. Keeping in view of faster scaling up of the adhesive business and other business developmental activities, knowledge and the time, Mr. Kartik Kajaria has been devoting in these matters, the Board of Directors of the Company at its meeting held on July 23, 2024, based on recommendation(s) of the Nomination and Remuneration Committee and the Audit Committee of the Company and subject to approval of the members of the Company, have approved the above said remuneration of Mr. Kartik Kajaria, Head (Adhesive Division) of the Company, with effect from April 1, 2024.

Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under point 4(f) of the Section III-B of the Master Circular issued by the SEBI	NotApplicable
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	NotApplicable
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction, a voluntary basis	Not Applicable, as the proposed transaction is with a related party of the Company, who is an individual.
Any other information that may be relevant	Nil

The Board recommends the Ordinary Resolution set out in the Item No. 5 for approval by the Members of the Company.

Except Mr. Ashok Kajaria, Mr. Chetan Kajaria and Mr. Rishi Kajaria and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors / Key Managerial Personnel and their relatives is, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

By Order of the Board
For Kajaria Ceramics Limited

Place: New Delhi
Date: July 23, 2024

Ram Chandra Rawat
COO (A&T) & Company Secretary
[FCS No. 5101]

Information pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India regarding the Director(s) proposed to be re-appointed:

Name of Director(s)	Mr. Chetan Kajaria (DIN: 00273928)	Mr. Rishi Kajaria (DIN: 00228455)
Date of Birth	24.12.1974	14.10.1978
Date of first appointment on the Board of the Company	15.01.2000	26.07.2003
Qualification	B. Engg. (Petrochem) from Pune University and MBA from Boston College, U.S.A.	B Sc. in Business Administration from Boston University, U.S.A.
Experience	<p>Mr. Chetan Kajaria started his journey at Kajaria Ceramics Limited in the year 2000 and has been instrumental in giving a new dimension to the Company by opening international standard tile showrooms across the country which has today become an industry trend.</p> <p>Mr. Chetan Kajaria is spearheading the ceramic tile vertical. He is responsible for the first ever acquisition in the Company's history- acquiring a ceramic tile plant in Gujarat for feeding the Western and Southern markets in February 2011.</p> <p>He pioneered the concept of value added tiles in the ceramic tile vertical using digital technology from Spain by displaying at dealers' showroom across the country. He had also led the acquisition of a ceramic tile plant in Vijayawada, Andhra Pradesh in April 2012, marking the Company's entry into the growing markets of South India. He has played a key role in making Kajaria Ceramics Limited a leading manufacturer of ceramic wall & floor tiles in India.</p> <p>To entrench the presence of the Kajaria brand into every Indian household, he successfully contoured the Group's presence into the plywood & adhesive space by adopting an asset-light operating model.</p>	<p>Mr. Rishi Kajaria joined Kajaria Ceramics in the year 2003 and spearheads the vitrified tile vertical. Initially, he opted for trading vitrified tiles rather than joining the race of setting up capacities. After importing for 5 years, he decided to manufacture them. The first production unit for vitrified tile was started in Sikandrabad in 2010. Subsequently, Kajaria Ceramics commissioned a huge expansion of vitrified tiles at Gailpur in 2011. The next capacity addition came through joint ventures in Morbi, Gujarat. With this strategy, he added capacity without any gestation period and acquired reach.</p> <p>He has recently intensified his focus on value added products in GVT segment in particular backed by recent installation of continua plus press technology in North & South Indian facilities.</p> <p>Mr. Rishi Kajaria identified the opportunity in the Bathware segment and started Kajaria Bathware. He is also responsible for spearheading the lateral shift of the Company into sanitaryware and faucets in keeping with the overall growth master plan.</p>
Terms and conditions of re-appointment	There is no change in the terms and conditions relating to appointment of Mr. Chetan Kajaria as the Joint Managing Director of the Company, as approved by the members at the AGM held on September 28, 2021.	There is no change in the terms and conditions relating to appointment of Mr. Rishi Kajaria as the Joint Managing Director of the Company, as approved by the members at the AGM held on September 28, 2021.
Remuneration sought and last drawn	As mentioned in the Report on Corporate Governance	As mentioned in the Report on Corporate Governance
Shareholding in the Company as on March 31, 2024	13,39,880 Equity shares	18,05,716 Equity Shares
Relationship with other Directors and Key Managerial Personnel of the Company	<p>Mr. Ashok Kajaria is father of Mr. Chetan Kajaria.</p> <p>Mr. Rishi Kajaria is brother of Mr. Chetan Kajaria. Other than above, Mr. Chetan Kajaria is not related to other Directors and Key Managerial Personnel of the Company.</p>	<p>Mr. Ashok Kajaria is father of Mr. Rishi Kajaria.</p> <p>Mr. Chetan Kajaria is brother of Mr. Rishi Kajaria. Other than above, Mr. Rishi Kajaria is not related to other Directors and Key Managerial Personnel of the Company.</p>
Nos. of Board Meetings attended during the financial year 2023-24	6 (Six)	6 (Six)
Names of Listed Companies in which holds the directorship and the membership of Committees of the Board of Directors ('Board')	Nil	Nil
Names of Listed Companies from which resigned in the last three years	Nil	Nil
Directorships held in other Public Limited Companies (other than Listed Companies)	Nil	Nil

Chairmanships/Memberships of the Committee of the Board of Directors of the Company*	Member of the Stakeholders Relationship Committee	Nil
Chairmanships / Memberships of the Committee of the Board of Directors of other Public Limited Companies*	Nil	Nil

Note:

*The Committee of Board of Directors includes only the Audit Committee and the Stakeholders Relationship Committee as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board
For Kajaria Ceramics Limited

Place: New Delhi
Date: July 23, 2024

Ram Chandra Rawat
COO (A&T) & Company Secretary
[FCS No. 5101]

Kajaria



**GEARED FOR
GROWTH**

**KAJARIA
CERAMICS LIMITED**

Integrated Annual Report

2023-24

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WE ARE MAVERICKS
who see our landscape
differently.

WE ARE OUTLIERS
who look at every challenge as
an opportunity to improve.

WE ARE DISTINCT
in more ways than you can
perceive.

WE ARE UNRELENTING
because we are always striving
for more.

**WE ARE
KAJARIA
CERAMICS**

A name that sparks
excitement.



**WHEN INDUSTRY VETERANS
SUGGESTED THAT DEMAND WAS
TAPERING...WE APPREHENDED THAT
NEW DEMAND WAS JUST SURFACING.**

**WHEN INDUSTRY WATCHERS
PRONOUNCED IT WAS TIME TO STEADY
THE SHIP...WE DETERMINED TO
ACCELERATE OUR MOMENTUM.**

**WHEN THE
INDUSTRY SLOWED
ITS CAPEX PLANS
... WE EMBARKED
ON A GROWTH
BLUEPRINT.**

**WHEN OUR SECTOR HAS LARGELY
SETTLED FOR MUTED GROWTH**

**...WE ARE GEARING UP
FOR A DOUBLE-DIGIT
UPTICK.**

ABOUT THE COMPANY

From humble beginnings in 1988 as a tile manufacturer, Kajaria has transformed into an aesthetic solution provider showcasing exquisite décor solutions across the Indian landmass.

With a pan-India manufacturing presence and an expansive and deeply rooted distribution network, Kajaria ensures its products are always within reach of aspiring Indians.

Through ground-breaking business strategies, the Company has redefined the role of tiles. No longer simply a commodity product, Kajaria has elevated tiles into an aesthetic solution, adding elegance and beauty to modern spaces. It has the largest product portfolio of tiles, which addresses every price point and has transformed the Kajaria brand into a household name. Its stylish bathware solutions stand out for their sophistication and quality among leading global brands.

Further, Kajaria Ply & Laminates is continuously expanding its product bouquet for the growing aspirations of discerning Indian customers.

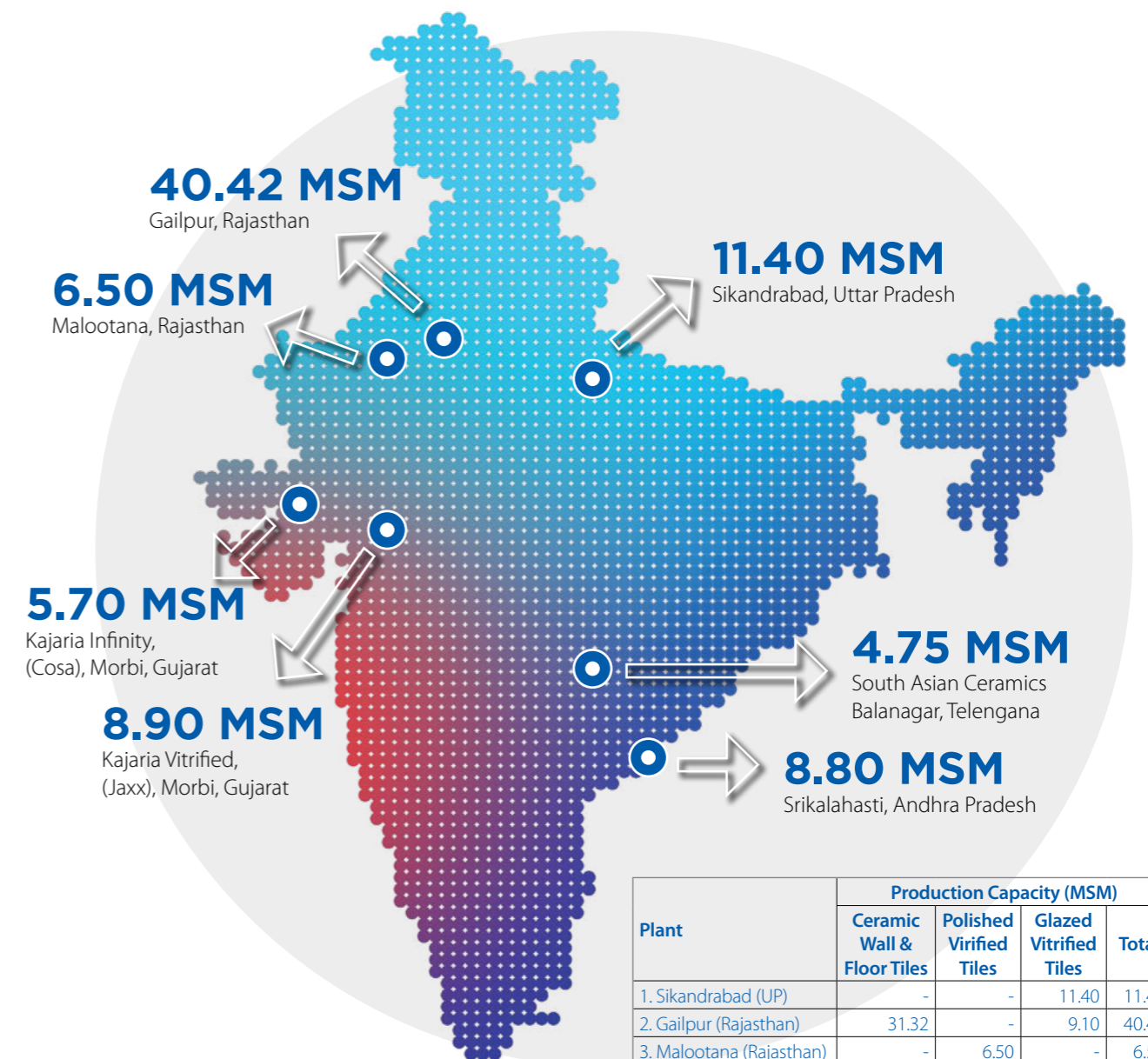
Kajaria continues to grow its tile adhesives and grouts vertical marketed under the 'GresBond' brand.

Spearheaded by Mr. Ashok Kajaria as Chairman & Managing Director, Chetan Kajaria and Rishi Kajaria as Joint Managing Directors, the Company's day-to-day operations are managed by a team of experienced and energetic professionals.

Our tile production capacity of 86.47 million square meters on March 31, 2024, is spread strategically across seven plants in Uttar Pradesh, Rajasthan, Gujarat, Andhra Pradesh, and Telangana. This ensures efficient distribution and caters to a wide market. Our Bathware production capacity (Faucet 16 lakh pieces and Sanitaryware 12 lakh pieces per annum) is spread across three plants in Rajasthan and Gujarat.

OUR MANUFACTURING PRESENCE

Total Tile Capacity 86.47 MSM as on March 31, 2024.



Note: The Board has approved the disposal of machinery of two lines of ceramic tiles of Unit 1 at the Gailpur plant, reducing the annual production capacity of ceramic tiles to 26.85 MSM from 31.32 MSM. Hence, the revised aggregate total tile capacity is 88 MSM per annum from July 2024 onwards.

Plant	Production Capacity (MSM)			Total
	Ceramic Wall & Floor Tiles	Polished Vitriified Tiles	Glazed Vitriified Tiles	
1. Sikandrabad (UP)	-	-	11.40	11.40
2. Gailpur (Rajasthan)	31.32	-	9.10	40.42
3. Malootana (Rajasthan)	-	6.50	-	6.50
4. Morbi (Gujarat)	-	8.90	5.70	14.60
5. Srikalahasti (AP)	-	-	8.80	8.80
6. Balanagar (Telangana)	4.75	-	-	4.75
Total	36.07	15.40	35.00	86.47

KEY HIGHLIGHTS, FY24

80.47

Tile Production (MSM)

108.14

Tile Sales (MSM)

24.02

Faucet Sales (lakh pcs)

9.80

Sanitaryware Sales (lakh pcs)

4,578

Revenue (Rs. crore)

700

EBITDA (Rs. crore)

422

Net Profit (Rs. crore)

15.28%

EBITDA Margin

9.22%

Net Margin

17.08%

Return on Equity

21.90%

Return on Capital Employed

2,617

Networth (Rs. crore)

(349)

Net Debt (Rs. crore)

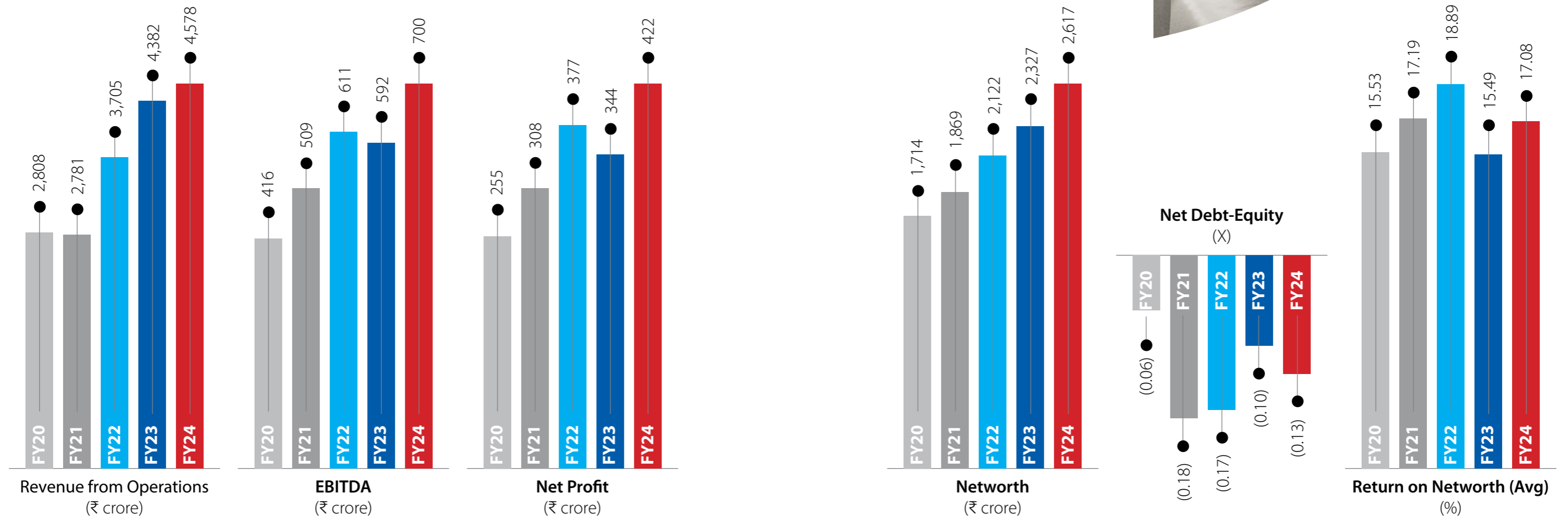
602

Net Cash Flow from Operations (Rs. crore)

340

Capex (Rs. crore)

KEY PERFORMANCE INDICATORS



STATEMENT FROM THE MANAGEMENT

“KAJARIA’S PURSUIT OF GROWTH HAS ALWAYS BEEN DRIVEN BY A STRATEGIC FOCUS ON DIFFERENTIATION AS WELL AS RELENTLESS EXECUTION. AS OUR STRATEGIC BLUEPRINT UNFURLS INTO ON-GROUND REALITY, WE WILL FURTHER STRENGTHEN OUR POSITION TO CAPITALISE ON THE UPSWING IN THE REAL ESTATE MARKET.”

Ashok Kajaria
Chairman & Managing Director

Having ended the year on a positive note, we are enthused about our prospects as we envision a future brimming with promise across the nation and beyond.



Chetan Kajaria
Joint Managing Director



Rishi Kajaria
Joint Managing Director

While business growth is a top priority at Kajaria, our commitment to protecting the environment and promoting sustainable economic growth for all our stakeholders remains at the very core of our decision-making framework.

Dear shareholders,

We are pleased to present your Company's 38th Annual Report, which narrates its well-rounded performance across key metrics despite sustained demand challenges witnessed in the domestic market and heightened competitive intensity resulting in drop in realisations across the tile categories. However, the dedication of our employees has played a defining role in achieving steady progress in the face of significant turbulence.

Having ended the year on a positive note, we are enthused about our prospects as we envision a future brimming with promise across the nation and beyond.

There is no denying that India's economic narrative paints a significantly bright picture. With a government-led push to infrastructure investments and pragmatic policies such as the production-linked incentive scheme, private capex should continue to surge. This rise triggers a multiyear boom, providing invaluable impetus to economic growth in a challenging global environment.

Drilling down to the sectors that consume tiles, we are optimistic about going forward.

Infrastructure: India continues to invest aggressively in creating world-class infrastructure. Some investment avenues, such as airports, extensions of existing airports, metro and railway stations development projects promise to generate massive demand for tiles. Additionally, private sector investment in healthcare infrastructure and educational institutions will further add to the demand for tiles.

Urban real estate: While gated-community living and verticalisation continue to thrive in urban India, there appears to be considerable focus on reconstructing century-old and decades-old buildings, which are at risk. Moreover, new commercial space creation is witnessing heightened activity for diverse reasons.

Semi-urban real estate: This is a new and emerging opportunity whose time has come. We firmly believe that as we advance, tier 2 and 3 cities will provide the most potent avenue for growth. After altering India's urban skyline, the real estate sector is all set to transform the landscape in tier 2 and tier 3 cities. With a staggering housing demand of 93 million units forecasted by 2036, developers are increasingly turning their attention to tier 2 and 3 cities.

We are convinced that the avenues for growth are improving with opportunities emerging from every corner of our huge nation. Under these circumstances, players with the right product and presence will maximise the gains and elevate themselves into a new growth orbit.

We are happy to state that Kajaria is well-placed in this regard, with a pan-India manufacturing presence an entrenched distribution network. Despite this edge, we continue to invest in our strengths.

Having envisioned the real estate development transition from urban hot spots to semi-urban pin codes, we have focused on creating new dealers and showrooms in tier 2 and 3 cities. Most of our new showrooms were launched in semi-urban India in the last three years. We will continue building a strong presence in these cities over the coming years.

FY24 was an important milestone in our history as we decided to set up our first manufacturing facility beyond the Indian borders. We plan to commence operations of our greenfield facility in Nepal in September 2024.

Estimates suggest that Nepal imports tiles worth ₹12-15 billion annually. Moreover, high import duty make tiles expensive for the locals. Our manufacturing presence in Nepal

will allow us to capitalise on growing opportunities effectively.

Aligned with the significant uptick in real estate expected to extend for the next decade, we are also investing in our flanking business verticals.

In FY24, we commenced operations of our state-of-the-art greenfield sanitaryware unit (4.5 lakh pcs p.a.) towards the close of the year. This unit, dedicated to delivering value-added products, should strongly contribute to business growth over the coming years.

Considering the challenging demand environment and sustained trend of increasing timber prices, we have decided to adopt a measured approach in terms of growth while focusing on reducing our losses in the plywood segment.

Also, we will be setting up a manufacturing facility for tile adhesive, our most recent venture, which has considerable potential. We expect this unit to come on stream in December 2024.

While FY24 was a year of intense brainstorming, discussion, deliberations and important decision-making, during which we decided on multiple investment strategies, FY25 will be a year of execution to bring our plans to fruition.

We plan to invest ₹225-250 crore per annum for the next three years in gearing our business for the next round of growth, which should take us to ₹6,500 crore topline by FY27.

While business growth is a top priority at Kajaria, our commitment to protecting the environment and promoting sustainable economic growth for all our stakeholders remains at the very core of our decision-making framework. This is aligned with our values and legacy and underscores our dedication to responsible business practices.

As we move forward in our aspirations positively, we gratefully acknowledge your continued trust and faith in us. We assure you of progressive growth in shareholder value year after year.

We owe our progress to our employees' hard work and dedication, who have shown remarkable commitment even in difficult times. We are deeply grateful for the unwavering support and encouragement from all our stakeholders. We sincerely thank our customers, dealers, local communities, suppliers, bankers and all other business associates for their steadfast trust and support in our organisation.

Warm regards,

The management team

Kajaria

**DESH KI MITTI SE BANI TILE SE,
DESH KO BANATE HAIN.**



EMPOWERED WOMEN EMPOWERED NATION



OUR ESG STRATEGY & FRAMEWORK

Sustainability ranks high on our list of priorities, and we have crafted our ESG roadmap to align with the principles of sustainable growth, which include taking care of stakeholders interest, boosting community upliftment efforts and negating any long-term impact on the environment.

At Kajaria, we are committed to growing in harmony with the environment and the ecosystem, with sustainability as a core value. We maintain the highest level of ESG stewardship and corporate governance.

DRIVERS OF OUR ESG STRATEGY

Adherence to National Voluntary Guidelines (NVGs): Adhering to principles and core elements laid down in the NVGs on Social, Environmental and Economic Responsibilities of Business published by the Ministry of Corporate Affairs (MCA) while conducting business.

Exceeding investor expectations: Devising policies and implementing business practices, transforming processes aligned with our investors' expectations on the Company's environment, and social and governance performance.

Employees' and workers' safety & well-being: Diligently working towards creating a safe, inclusive workspace for everyone in our premises by preventing injuries & fatalities.

Improving process efficiencies: Adopting best-in-class practices for resource use optimisation while ensuring the highest quality of our products.

Reducing our burden on the Planet: Focusing on reducing the adverse impact of our business operations on the environment and working towards replenishing the resources drawn from the Earth.

Adapting to emerging risks: Identifying emerging risks such as regulatory ecosystem, supply chain disruptions, climate change, etc., to develop risk management plans within achievable timelines.

STAKEHOLDER ENGAGEMENT

INTEGRATING EXPECTATIONS WITH BUSINESS OPERATIONS

Our success hinges on proactive stakeholder engagement. The support and motivation provided by our stakeholders have propelled us to the pinnacles of growth that we have achieved within the organisation and in society at large.

For every business decision, we seek to incorporate their expectations as far as possible through rigorous stakeholder assessment exercises and consistent engagement to understand their concerns and address gap areas, if any.

This integrated and inclusive process prioritises inclusivity, materiality, and responsiveness. By actively listening and gathering actionable insights, we ensure our strategies are informed and effective, driving sustainable growth.

01 INVESTORS

WHY ARE THEY IMPORTANT

Source of capital

VALUE PROPOSITION

- Consistent returns on investments
- Profitable and best-in-class assets in India with an integrated value chain
- Focus on deleveraging and funding profitable growth
- Better disclosures, transparency and credibility of financial and non-financial disclosures

HOW WE ENGAGE

- Investor/analyst meets and earnings calls
- Periodic meetings
- Annual Report, Quarterly Updates
- Annual General Meeting

EMPHASIS AREAS

- Focus on strong operating and financial performance (targeting investment-grade financial metrics)
- Focus on highlighting ESG commitments and disclosure

02 DEALERS

WHY ARE THEY IMPORTANT

Drive operational excellence to deliver superior value at competitive prices

VALUE PROPOSITION

Growth opportunities, on-time delivery, due recognition and reward for the efforts involved

HOW WE ENGAGE

- Regular interaction with marketing teams
- Digital platforms
- Product launch events and award ceremonies

EMPHASIS AREAS

- Embed sustainability in the supply chain and promote responsible sourcing and circular economy
- Upgrading their showrooms and shelf spaces
- Increasing our range of innovative products
- Timely delivery of products and related services
- Ensure fair treatment to all the dealers

03 CUSTOMERS

WHY ARE THEY IMPORTANT

Provide us an opportunity to build long-term, mutually beneficial collaborative relationships that will ensure that Kajaria retains market leadership

VALUE PROPOSITION

Ignites growth through powerful brands and exceptional products, amplified by strategic partnerships

HOW WE ENGAGE

- Dealer showrooms
- Advertisement through various media
- Branding in high-decibel national sporting events
- Company website and social media

EMPHASIS AREAS

- Focus on the development of an enriched portfolio
- Leveraging digital tools to enhance customer experience
- Ensure sustainable practices across the supply chain (channel partners)

04 EMPLOYEES

WHY ARE THEY IMPORTANT

Key to the success of our business, their efforts are instrumental in delivering our strategies and for sustained business growth

VALUE PROPOSITION

Fair wages, self-supervised structures, robust Reward & Recognition schemes, opportunities for learning and focus on employee well-being and healthy working environment

HOW WE ENGAGE

- Online formal and informal meetings with the senior leadership team regularly
- Induction Programmes

EMPHASIS AREAS

- Health & Safety
- Attracting and retaining diverse talent by providing better than industry emoluments
- Providing an inclusive and positive work environment
- Local sourcing of labour
- Welfare practices
- Equal opportunities for career development

05 VENDORS

WHY ARE THEY IMPORTANT

To conduct a value chain analysis to optimise processes and enhance cost competitiveness

VALUE PROPOSITION

Adherence to contracts, timely payments, growth opportunities and building capability

HOW WE ENGAGE

- Vendor meet
- Different business channels
- Digital platforms

EMPHASIS AREAS

- Managing price, supply chain, and quality impact for business continuity
- Maintaining products or services

06 GOVERNMENT & REGULATORY BODIES

WHY ARE THEY IMPORTANT

Ensuring compliance and business continuity in line with changing policies and partnering with Govt. agencies to create a positive business ecosystem

VALUE PROPOSITION

Regular interaction with government bodies to engage on industry concerns on existing/future policies and regulations to advance ease of doing business

HOW WE ENGAGE

- Working with the government agencies to develop policies and regulations that enable growth of the economy at large

EMPHASIS AREAS

- Create a simplified, stable, and predictable regulatory environment
- Partner towards economic growth and the nation's development
- Ensuring compliance and business continuity in line with changing policies

07 INDUSTRY BODIES

WHY ARE THEY IMPORTANT

Industry bodies are important to develop networks and enable consensus building to present a unified and mutually agreeable perspective to the government on various policy interventions

VALUE PROPOSITION

Sector-specific and industry-wide collaboration on key policy issues
Knowledge sharing

HOW WE ENGAGE

- Participating in conferences and seminars organised by industry bodies
- Participation in national and regional committees and sub-committees to deliberate on important issues impacting the industry

EMPHASIS AREAS

- Issues relating to tile industry, real estate and construction sector
- Policy for furthering the ease of doing business

08 COMMUNITY

WHY ARE THEY IMPORTANT

Conducive working environment, ensuring social support, amity and peace

VALUE PROPOSITION

Enable lasting betterment in the well-being of communities in the operating region through regional development models

HOW WE ENGAGE

- Interaction with various NGOs and other agencies to understand their needs.
- Through surveys and discussions with related people

EMPHASIS AREAS

- To ensure safety in operating sites so that the health and safety of communities are not compromised
- Sustain community outreach activities in areas where we operate

MATERIALITY ASSESSMENT

We conduct a thorough materiality assessment to formulate our priorities for ESG (Environmental, Social and Governance). This approach, grounded in data and shaped by stakeholders feedback, enables us to discern emerging trends, potential risks, and new prospects.

We engage in ongoing, transparent dialogues with our primary stakeholders, including customers, dealers, suppliers, investors, employees, communities, industry

associations, and regulatory bodies, to ensure their concerns are considered in our decision-making framework.

By systematically monitoring key themes discussed across diverse platforms, we classify pertinent issues into focal areas, such as Energy & GHG Management, Social Relationships, Environment Protection, Employee Well-being, Ethical Practices, and Product Stewardship.



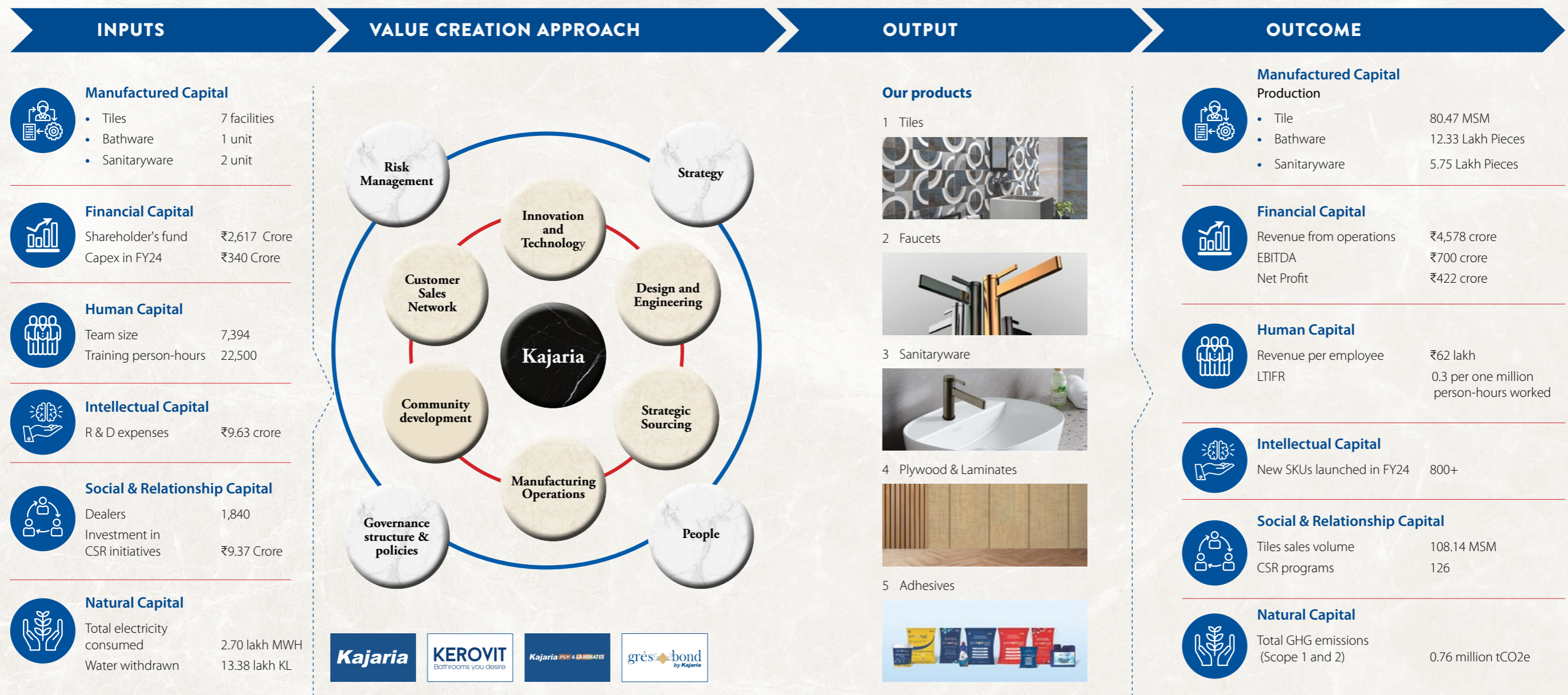
MATERIAL TOPICS

SDGS IMPACTED

<p>ENERGY AND GHG MANAGEMENT</p> <ul style="list-style-type: none"> • Energy Efficiency • GHG emission reduction 	  
<p>SOCIAL RELATIONSHIPS</p> <ul style="list-style-type: none"> • Corporate Social Responsibility (CSR) • Customer Experience • Dealer Relationship 	    
<p>ENVIRONMENT PROTECTION</p> <ul style="list-style-type: none"> • Water Management • Air Pollution Management • Biodiversity Management • Waste Management 	   
<p>EMPLOYEE WELL-BEING</p> <ul style="list-style-type: none"> • Occupational Health & Safety • Employee training & development 	  
<p>ETHICAL PRACTICES</p> <ul style="list-style-type: none"> • Corporate Governance • Business Ethics • Regulatory Compliance Management 	 
<p>PRODUCT STEWARDSHIP</p> <ul style="list-style-type: none"> • Research and Development • Sustainable Supply Chain 	

OUR VALUE CREATION ETHOS

Our value creation model is designed to leverage resource inputs to create long-term beneficial outcome and impact for our stakeholders. We adopt a consultative approach with cross-functional teams across the organisation to realign our value creation model with the prevailing sectoral trends to maximise value creation for our stakeholders.



MANUFACTURED CAPITAL

AT KAJARIA, OUR INNOVATION GOES ABOVE AND BEYOND OUR PRODUCTS; IT IS A KEY FEATURE OF OUR MANUFACTURING PROWESS

At Kajaria, our manufacturing facilities symbolise operational excellence where technology, manufacturing expertise and sustainable practices combine to transform clay into stylish décor products that enhance the aesthetic appeal of the surface on which they are applied.

The Kajaria Brand is our pride. The brand stands for the impeccable quality of our products, which have been built by the patient perseverance of our team to upgrade and perfect our operating processes.

To sustain our brand ethos, we relentlessly focus on pushing the

boundaries of efficient manufacturing. This commitment is driven by maximising capacity utilisation, ensuring exceptional product quality, optimising costs and minimising our environmental footprint in today's competitive landscape. We leverage cutting-edge technologies and automation while prioritising sustainable practices.

Our pan-India manufacturing presence allows us the flexibility to manufacture products that align with region-specific cultural diversity. Customised products with a shorter lead-time to reach our products in the market allow us to occupy shelf and mind space faster.

TILE MANUFACTURING

At Kajaria, we have graduated tile manufacturing from a mundane production line output into a science of perfection and an art of aesthetics. Owing to our captivating products, our tiles have been in rising demand, pushing us to augment capacity frequently.

Our capacity build-up strategy is more than just a number addition. It is a well thought out strategy in terms of product and location. We have cherry-picked our manufacturing

locations to move products closer to consuming markets. It also provides the opportunity to understand consumer tastes and preferences so that products can be customised accordingly.

With a cumulative 86.47 million square meters tile manufacturing capacity, Kajaria takes pride in its position as India's largest and the world's 8th largest tile manufacturer.

BATHWARE MANUFACTURING

Having mastered tile manufacturing, we delved into synergic products that promised to increase our wallet share with our customers – bathware solutions.

We have created a manufacturing facility for sanitaryware and faucets, with an annual capacity of 12 lakh pieces and 16 lakh pieces, respectively. In line with our commitment to market leadership, we have taken proactive steps to diversify our product portfolio, introducing new variants tailored to meet the needs of a broader customer base.

FINANCIAL CAPITAL

AT KAJARIA, OUR FINANCIAL INTELLIGENCE HELPS US CONTINUOUSLY GROW AND PROGRESS; IT PREPARES US FOR TOMORROW.



KEY PERFORMANCE INDICATORS

15.28

EBITDA Margin (%)

602

Net Cash Flow from Operations (₹ crore)

(0.13)

Debt-Equity Ratio (x)

21.90

Return on Capital Employed (%)

At Kajaria, we are committed to implementing sound financial strategies to maximise shareholders' value. Central to our financial strategy is our unwavering commitment to generate cash flows and deleverage our financial statements to ensure we have significant financial muscle to implement our strategic initiatives. This will enable us to sustain our growth momentum.

CASH MANAGEMENT

At Kajaria, we firmly believe that Cash is King. The Company maintains strict discipline in its cash management practices to ensure that every rupee is collected promptly. This culture is evidenced in its stable net working capital cycle, ranging between 50-60 days in the last five years. Streamlined working capital management has helped maintain a strong net cash flow from operations.

RETURN ON CAPITAL EMPLOYED

Our astute capital allocation has enabled us to report an increase in the Return on Capital Employed from 18.1% in FY20 to 21.9% in FY24. Considering that our capex of Rs 340 crore (in FY24) is yet to yield the desired returns, we remain hopeful of increasing our returns as we move forward.

COST MANAGEMENT

At Kajaria, cost management has been a high priority and an unending journey. We work on every opportunity to optimise operational costs. The initiative taken in FY24 regarding enhancing biofuel usage (by replacing natural gas) is the testimony of our superior cost management.

HUMAN CAPITAL

AT KAJARIA, WE BELIEVE THAT SUCCESS IS ABOUT GROWING OTHERS; WE DO IT BY NURTURING A CREATIVE ENVIRONMENT & FINDING A WAY TO INNOVATE.

7,394

Team size

505

Employee Benefit Expense
(₹ crore)

0.3

Loss Time Injury
Frequency Rate (LTIFR)

At Kajaria, we nurture a thriving environment and prioritise people development. Central to our approach is a strong commitment to continuous learning, people safety and growth. We are steadfast in creating a workplace culture that attracts and retains talent and encourages their personal and professional advancement. This dedication ensures our employees contribute to the organisation's growth.

TEAM BUILDING

At Kajaria, our annual business expansion initiatives are integral to our growth strategy. Effective management is crucial to ensure these investments yield optimal returns as we expand our presence. Central to our approach is the strategic diversification of our workforce through inclusive hiring practices, fostering a diverse team

of talent and cultural backgrounds. This diverse composition enables us to address the evolving needs of our expanding markets and create a future ready organisation.

In our commitment to employee retention, we adopt best practices and implement policies to reduce attrition rates. Upholding the principles of the Equal Remuneration Act, we ensure equitable pay for all employees, irrespective of gender, reinforcing our dedication to fostering a fair and inclusive workplace environment. These initiatives underscore our proactive stance towards sustainable growth and inclusive organisational excellence.

TEAM HEALTH & SAFETY

At Kajaria, we prioritise creating a safe and conducive workplace environment, recognising its direct correlation with enhanced performance. We have

implemented adequate measures across all operational sites to broaden and strengthen our safety protocols through refined processes and enhanced practices.

Our Safety Committee rigorously oversees the strict adherence to Standard Operating Procedures (SOPs), ensuring comprehensive safety training is integrated into our employee development calendar. Regular safety audits are conducted to assess the effectiveness of our training initiatives and identify areas for continuous

improvement within our manufacturing operations. This initiative ensures that all employees are equipped with the necessary knowledge and skills to uphold rigorous safety standards in their respective roles.

We have implemented stringent measures, including installing dedicated systems such as dust and fume extraction systems, to effectively manage and mitigate potential pollutants at our plants. These initiatives underscore our dedication to maintaining a safe and sustainable working ecosystem for all our employees.

TEAM DEVELOPMENT

At Kajaria, our commitment to people development is at the heart of our organisational philosophy. Training is pivotal in this endeavour, particularly through on-the-job programs that enhance role related competencies and develop individual capabilities for career advancement.

We emphasise the continuous development of our dealer's sales teams, recognising their critical role as the final link in our distribution chain and key influencers of customer perceptions. We conduct tailored skills development and motivational training sessions to support their effectiveness.

Furthermore, we actively encourage our teams to participate in seminars and webinars aligning with their interests with our strategic business priorities. This initiative enriches their knowledge base, broadens their horizon and strengthens our collective capabilities to meet evolving market demands effectively.

INTELLECTUAL CAPITAL

AT KAJARIA, WE CULTIVATE CRITICAL THINKING SKILLS BECAUSE THOUGHTFUL DECISIONS ARE THE FOUNDATION OF OUR GROWTH.

Kajaria's strong emphasis on research and development (R&D) has been crucial in integrating innovation into its product portfolio, effectively meeting customers' evolving needs. This unwavering dedication has established the company as a leader in the industry and supports the creation of sustainable practices and products, consolidating its market leadership.

"Our product development lifecycle is driven by a relentless commitment to meet and exceed customer expectations and needs. This compels us to continuously elevate our standards of innovation, ensuring that we deliver exceptional solutions that deeply resonate with our clientele."

PRODUCT INNOVATION

Using our unique creativity, advanced technology, and process engineering capabilities, we develop market solutions that are ambitious and inspirational. In the fiscal year 2024, we expanded our product offerings with new items tailored to emerging trends and high-demand categories.

Our tile division focused on enriching our collection of large-format tiles known for their exceptional aesthetic appeal. We also expanded our fast-moving product range by introducing new designs and sizes.

In the bathware segment, we enhanced our product line with new colour variations, enhancing our overall offering.

TECHNOLOGY DEPLOYMENT

Driven by our commitment to continuous improvement, we consistently embrace cutting-edge technology that enhances our operational capabilities. Last year, we made a significant breakthrough by deploying the contemporary Continua Plus technology at two facilities.

Advanced technology facilitates the ease of manufacturing large-format tiles. Additionally, swift changeover times (between sizes) enhance line productivity appreciably.

INFORMATION TECHNOLOGY

This year, we have made significant strides in bolstering our IT infrastructure, networks, and applications to enhance operational efficiency and empower data-driven decision-making.

Modernizing Core Systems: We successfully migrated to the advanced SAP platform. This system streamlines operational processes and provides a scalable foundation for future growth.

Empowering Leadership with Business Intelligence: We have implemented a comprehensive Business Intelligence (BI) solution featuring insightful dashboards. These tools equip our leadership team with real-time performance metrics, enabling them to make informed strategic decisions with greater clarity and confidence.

Enhancing Governance: We remain committed to the highest standards of corporate governance. This year, we implemented a new solution to strengthen compliance with insider trading regulations, ensuring we operate within a robust legal framework.

Investing in Sales Enablement: We are actively developing a dedicated web and mobile application for our sales force. This application will streamline daily tasks, provide efficient lead management tools, and support strategic business expansion efforts.

Empowering Dealers: Furthermore, we are building a Dealer Management application. This platform will allow our dealers to seamlessly place orders online, access real-time account information, and manage cash flow more effectively.

SOCIAL & RELATIONSHIP CAPITAL

AT KAJARIA, COMMUNITY DEVELOPMENT IS AT THE FOREFRONT; IT MAKES US HEALTHIER, SAFER, AND BETTER.

9.37

Spending on CSR
(₹ crore)

130.97

Branding expense
(₹ crore)

Kajaria is dedicated to nurturing enduring and meaningful relationships with society, creating a safe environment and a brighter future for the next generations. The Company's operations are meticulously crafted to promote societal welfare and empower individuals to shape a better tomorrow. Kajaria places utmost importance on customer satisfaction, ensuring it is central to all its operations. Through close collaboration with vendors, the Company strives to cultivate a mutually beneficial environment that fosters positive change and enhances overall societal well-being.

CUSTOMER RELATIONS

At Kajaria, we recognise that our end customers are integral to our brand's success. We are committed to nurturing strong customer relationship to ensure a lasting impression. Despite not having direct interaction with them, we prioritise maintaining top-of-mind recall. We collaborate with widely recognised celebrities, Akshay Kumar and Ranveer Singh, who embody our brand values to achieve this goal. We launch compelling campaigns leveraging digital and physical platforms to captivate customer interest. Our strategy includes prominent displays such as large hoardings in high-traffic areas like airports and sponsorship of major national sporting events, ensuring widespread visibility and engagement.

DEALER ENGAGEMENT

We maintain a strong connection with our dealers through meets, product launch extravaganzas, reward and recognition functions and other engagements. It lets us track dealer suggestions, customer requirements and regional preferences.

Our field teams ensure proper display of tiles, which helps increase footfalls and conversion rates for our dealers. In addition, we educate our dealers on various aspects of the product, its technical features and USPs. Further, we work with our dealers' teams to improve customer interaction and product attribute showcasing, which assists them in growing their sales. These efforts underscore Kajaria's commitment to fostering collaborative relationships that drive sustained growth and customer satisfaction in the tile industry.

In FY24, we focused on extending our presence to tier 2 and 3 cities. Moreover, we focused on opening exclusive showrooms, which helped showcase our entire range of products.

Why Kajaria...

- Educates dealers on the art of selling
- Facilitates showcasing products appropriately
- Has one of the largest product baskets across every price point
- Continues to rejuvenate the product basket with superior variants
- Kajaria... builds the business

COMMUNITY ENGAGEMENT

At Kajaria, we prioritise giving back to the community that supports our business, ensuring sustainability and growth. In FY24, our total CSR expenditure amounted to Rs. 9.37 crore, reflecting our commitment to community welfare. All our initiatives and expenditures in this regard are overseen by our dedicated CSR committee, ensuring accountability and impactful outcomes.

We focus on identifying critical gaps that are vital for improving quality of life. Through our programs, we strive to address these gaps sustainably, leaving a lasting positive impact on communities.

Our initiatives span key areas such as health, sanitation, conservation of natural resources, social welfare, sports promotion, support for Armed Forces personnel, rural development, and education. Each intervention is meticulously designed to foster meaningful change and enhance community well-being.

NATURAL CAPITAL

AT KAJARIA, WE ARE CONSCIOUS OF OUR ENVIRONMENTAL IMPACT AND ARE COMMITTED TO RESPONSIBLE OPERATIONS FOR SUSTAINABLE BUSINESS GROWTH.

Sustainability is at the core of our operations. We rely primarily on natural resources – clays, water, and energy – to deliver high-quality aesthetic décor solutions that meet customer aspirations.

We remain committed to environmental management and reducing our carbon footprint. Our focus on sustainability extends beyond compliance. We seek ways to improve resource efficiency and build resilience in manufacturing processes. In our effort to give back to the planet, we work patiently to extend the green cover around our facilities. By protecting natural capital, we contribute to a better world for all.

ENERGY MANAGEMENT

Kajaria is a leader in sustainable manufacturing, prioritising energy efficiency. We recognise the significant energy consumption inherent in our

operations, and energy management is a critical area of focus for us.

A key foundation of our commitment is using natural gas as the primary fuel source for most of our kilns. We continuously strive to optimise energy use across all our facilities through process improvements. This is a testament to the fact that we have replaced around 20% of our fuel requirement with biomass, which is relatively cleaner and cheaper.

We regularly invest in contemporary energy-efficient motors and other equipment to sustain our energy-saving commitment.

Aligned with the “Green India” initiative, our Sikandrabad plant has taken the initiative to construct a solar power plant in the Banda district (Uttar Pradesh) to generate clean energy for operations.

WATER MANAGEMENT

At Kajaria, we understand the importance of conserving freshwater through careful usage and minimal wastage. Our commitment extends to ensuring that our operations do not adversely impact local water tables.

Within our plant campus, we have invested in rainwater harvesting solutions for use at our facilities and replenishing the underground water table. The harvested water helps us partially offset our dependence on drawing fresh water for our manufacturing processes. Our wastewater management includes an efficient Effluent Treatment Plant (ETP) that treats and recycles wastewater for downstream purposes.

By implementing these initiatives, we strive to manage water resources responsibly and minimise our environmental footprint.

WASTE MANAGEMENT

At Kajaria, we uphold rigorous compliance with government regulations concerning waste management. Embracing the principles of Reduce, Reuse, and Recycle (3R), we proactively minimise waste generation at its source by closely monitoring our processes. Our commitment to environmental stewardship is evident through meticulous machinery maintenance, which effectively reduces incidents of spillage and leakage.

Furthermore, we invest in pollution control equipment and employ sustainable waste management practices to safeguard the environment.

AIR EMISSION MANAGEMENT

At Kajaria, we maintain stringent control over emissions from our kilns, dryers, and glaze lines. This is made possible by installing state-of-the-art equipment such as scrubbers, Electro-Static Precipitators (ESP), and baghouse filters, effectively capturing emissions and ensuring a clean and safe environment within our facilities and their surroundings.

Internally, we monitor air emissions to ensure compliance with regulatory standards and to prevent any adverse impact on the atmosphere. Furthermore, third-party sampling of air emissions is conducted to validate our measurement methods and uphold

transparency in our environmental practices. These efforts underscore our commitment to environmental stewardship and proactive approach to minimising our ecological footprint.

GOVERNANCE

AGILE GOVERNANCE FOR AN EVOLVING LANDSCAPE

At Kajaria, we prioritise good governance in guiding our business operations and we are firmly committed to upholding the principles of sound corporate governance throughout our organisation.

Our unwavering objective is to uphold the utmost standards of ethical behaviour and responsible practices. Through our resilient corporate governance framework, we strive for meaningful engagement with all stakeholders, adapting and evolving in accordance with the dynamic nature of the business landscape.

Moreover, we have implemented stringent cyber security measures and data governance protocols to safeguard the confidentiality of sensitive employee and consumer information.

GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS

A balanced Board with 8 members of which 4 are Independent Directors

BOARD COMMITTEES

Support the Board in driving the Company's performance

- 1) Audit Committee
- 2) Nomination & Remuneration Committee
- 3) Stakeholders Relationship Committee
- 4) Corporate Social Responsibility Committee
- 5) Business Responsibility & Sustainability Committee
- 6) Risk Management Committee
- 7) Management Committee

THE BOARD & ITS COMPOSITION

At Kajaria, the Board functions as the primary governance body, ensuring strict compliance with all relevant regulations while providing strategic oversight on economic, social, and environmental sustainability.

Kajaria draws on the expertise of an esteemed Board of Directors with extensive, decades-long experience across various fields pertinent to our industry. This diversity promotes strong governance practices. By tapping into their collective knowledge and expertise, we strive to maintain Kajaria's competitive edge. The Board is crucial in steering management and offering regular, incisive evaluations of the Company's performance.

BUSINESS RESPONSIBILITY POLICY

At Kajaria, we vehemently uphold our responsibility towards society, the economy, and the environment. We firmly believe that the purpose of our business is to exert a positive impact on all our stakeholders. Our unwavering focus on this responsibility is enshrined in our Business Responsibility Policy, which guarantees ethical and responsible conduct across all our business operations.

This policy unequivocally demonstrates the company's commitment to upholding the principles and core elements in conducting its business as outlined in the National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business published by the Ministry of Corporate Affairs.

OUR BUSINESS RESPONSIBILITY FRAMEWORK

At our organisation, we have established a board-level Business Responsibility & Sustainability Committee tasked with overseeing the implementation of our corporate policy and conducting regular reviews of our Environmental, Social, and Governance (ESG) performance. This committee plays a crucial role in ensuring our compliance with governance aspects and relevant regulations and in promoting environmental stewardship, community engagement, and sustainable business practices, all of which contribute to our overall business profitability.

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

RESILIENCE RESULTING IN RESURGENCE

Since January 2024, the global economic outlook has improved. The world economy is now projected to grow by 2.7% in 2024 (against 2.4% forecasted earlier) on the back of the better-than-expected performance of the United States and some improvement in the outlook for several large emerging economies.

The modest gain in the growth momentum is partly offset by the downward revisions of the growth outlook for the European Union, Africa, and Western Asia. The near-term economic outlook is only cautiously optimistic as economic vulnerabilities remain amid high interest rates, continuing geopolitical tensions, and increasing climate risks.

Despite global economic challenges, India maintained its status as the fastest-growing large economy in the world in FY24. India's economy showed impressive growth in the last quarter of FY24, with a real GDP growth rate of 7.8% year-over-year (YoY). This robust performance resulted in an overall GDP growth of 8.2% for the entire fiscal year, up from 7% in FY23, marking the third consecutive year of growth exceeding 7%.

According to the National Statistical Office (NSO), private final consumption expenditure (PFCE), which depicts the consumption demand in the country, grew by 4% in 2023-24. Government final consumption expenditure (GFCE) growth moderated to 2.5%. Gross fixed capital formation (GFCF), an indicator

of investment demand in the country, grew by a robust 9%.

High-frequency indicators suggest that the economic growth momentum will continue into the current fiscal year, with a normal monsoon expected to boost rural demand recovery. This, combined with steady urban demand, should enhance overall private consumption. Investment activities are also anticipated to strengthen further, supported by robust government capital expenditure and healthy balance sheets in the corporate and banking sectors, fostering a favourable environment for private capital expenditure revival. With the incumbent Government making a comeback in the recently concluded General Elections, the progressive policies and schemes should continue with more aggression.



Despite global economic challenges, India maintained its status as the fastest-growing large economy in the world in FY24.

THE TILE INDUSTRY

FLOORING MILLIONS WITH ITS APPEAL

The domestic tile industry witnessed significant evolution and growth, propelled by a burgeoning construction and real estate sector. Initially characterised by traditional handcrafted tiles, the industry has undergone a transformative shift towards technologically advanced and aesthetically appealing tiles.

Rapid urbanisation, increasing disposable income, and changing consumer preferences have driven the demand for innovative tile designs and large-format tiles, prompting manufacturers to be much more innovative than ever before. Appreciable growth of India's residential and commercial real estate sector, significant investment in renovation,

and Government initiatives promoting affordable housing and infrastructure development have further stimulated the addressable tile market.

The domestic tile industry could be divided into branded and non-branded players. The non-branded players dominate the Indian tile industry and are largely concentrated in Morbi, Gujarat, recognised as India's tile hub.

The branded players are the cream of the Indian tile industry who have given it a global standing owing to its unwavering thirst for innovation, its steadfast pursuit of technology and its capability of transforming tiles from a commodity into a showcase product that stands out as a style statement and standing in society. Their share in the tile industry is growing as compared to unbranded counterpart.

Over the past decade, India's tile industry has come to global attention due to the meteoric growth of its export activity, which has increased

steadily across all continents.

Interestingly, this export growth is spearheaded not so much by the well-established Indian brands but by the dense network of companies in the Morbi cluster in Gujarat.

In FY13, India exported just about 55 million square metres of tiles and was the ninth-largest exporter globally. This figure had soared to 590 million sqm in FY24, positioning India as the second largest exporter worldwide.

Continuing policies and economic progress augur well for improved consumer consumption. Stable interest rates and commodity prices should provide impetus to construction activities, leading to improved demand for tiles. Further, exports are likely to sustain their growth momentum into the current year, driven by the rising cost competitiveness of Morbi players compared to their global peers.

The annual growth in India's household spending per capita at 7.8% will outpace that of other developing Asian economies like Indonesia, Philippines and Thailand. The country's ongoing urbanisation will also help boost consumer spending as companies can easily access consumers and open more physical retail stores to cater to them.

BMI estimates India's household spending will exceed US\$3 trillion as disposable income rises by a compounded 14.6% annually until 2027. By then, a projected 25.8% of Indian households will reach US\$10,000 in annual disposable income.



MEDIA COVERAGE THAT SUGGESTS INTERESTING GROWTH PROSPECTS

“New retail real estate space supply is expected to rise 43% across seven major cities by 2027 as developers are expanding their business amid strong revival after the pandemic, according to a JLL India report India Retail: Evolving to a new dawn.”

The Economic Times, Jan 4, 2024

“Prime Minister Narendra Modi inaugurated 15 airport projects, entailing a total capital expenditure of Rs 9,800 crore and includes new terminal buildings at 12 airports such as Delhi, Lucknow and Pune.”

The Economic Times, March 10, 2024

“Over 28 crore Indian citizens want to buy a house, among the 40-crore population yet to own a house in the country. CREDAI also projects that there will be a 7-crore additional housing demand by 2030.”

The Economic Times, March 16, 2024

“The new Cabinet, in its very first meeting since taking office after the General Elections, approved a proposal to build 30 million more homes for urban and rural poor under the Pradhan Mantri Awas Yojana (PMAY).”

Mint, June 10, 2024

“Home builders in India may need to construct as many as 100 million new residential units this decade. This surge in demand is largely driven by rising household incomes in the world’s fastest-growing major economy.”

Outlook Business Desk, June 13, 2024



ABOUT THE BUSINESS

KAJARIA CERAMICS, THE INDUSTRY LEADER

From a humble beginning in 1988, Kajaria has come a long way to emerge as the industry leader in an otherwise cluttered business space. Its courage to delve into new spaces, absorb cutting-edge technology, develop world-class products, and patiently create an expansive and entrenched distribution chain has propelled the Company to a premium standing in the domestic market.

Having gained supremacy in the Indian tile space, the Company ventured into related verticals, namely bathware, plywood and adhesives, to offer all relevant products under a single roof. The urge to gain a higher share of the customer’s wallet has worked well, and the Company is progressing well in these relatively recent segments.

BUSINESS VERTICAL 1

CERAMIC WALL & FLOOR TILES

36.07 MSM
Capacity

46.44 MSM
Sales Volume

34%
Contribution to Revenue

Ceramic wall and floor tiles is the platform on which Kajaria has built its brand position, image, and respect. The Company manufactures its Ceramic wall and floor tiles at its facilities in Gailpur (Rajasthan) and Balanagar (Telangana). In addition, the Company has strategic partnerships with select, quality-conscious manufacturers. This combination of in-house production and strategic outsourcing allows Kajaria to meet market demands while committing to exceptional quality.

The ceramic division has opened till date 160 exclusive channel partner showrooms displaying only ceramic floor and wall tiles and it plans to open another 40 in 24-25 thereby taking the total no. of exclusive showrooms to 200 by the end of March 2025

The division's unwavering passion for aesthetics gained the spotlight with the launch of its Signature Collection, comprising 350+ SKUs in fast-moving sizes.

In addition, the division also introduced "Grestough" tiles, known for their superior bonding strength due to their lower water absorption rate. These are positioned for high footfall applications.

In addition to expanding its distribution network, the team upgraded existing dealer showrooms and improved the signage and display in important pin codes to strengthen the Kajaria brand recall.

Remaining rooted in the Kajaria ethos of delivering aesthetics and building aspiration, the division will focus on rolling out appealing, trendy products in large sizes. Also, the division will continue to build its distribution presence in tier 2 and 3 cities with a preference towards exclusivity.

BUSINESS VERTICAL 2

POLISHED VITRIFIED TILES

15.40MSM
Capacity

27.78MSM
Sales Volume

23%
Contribution to Revenue

Polished vitrified tiles, the unglazed tile variants that last for a lifetime, are the choice of customers with subtle preferences. While they offer a longer shelf life than other tile variants, the design constraints restrict their acceptance compared to other tile products.

Despite the shortcomings and intense competition with glazed vitrified tile, the Company reported a growth in sales volumes over the previous year. The Company's manufacturing facilities at Malootana (Rajasthan) and Morbi (Gujarat) operated at optimum utilisation. Moreover, the Company outsourced some standard products from quality-conscious small manufacturers in Gujarat.

During the year, the team widened its product basket with interesting additions. It widened its Vitronite Series with the addition of Vitronite slabs (1200 x 1800 mm), positioning it as a superior proposition to marble and granite options.

It also introduced the full body neo range of tiles. Because these tiles come in thinner thicknesses, they can be used for wall and floor applications. The new launches gained considerable traction as volumes for these products more than doubled over the previous year.

The team continued to expand its distribution network by launching showrooms, especially in semi-urban regions.

For the coming year, the team plans to introduce new product variants such as Stone Art for wall applications and XStone (for heavy duty outdoor applications), among others, which should help it sustain its growth momentum.

BUSINESS VERTICAL 3

GLAZED VITRIFIED TILES



35.00MSM
Capacity

33.92MSM
Sales Volume

32%
Contribution to Revenue

As the name suggests, these smart and stylish flooring and cladding solutions grab the eyeballs for their lustre, unique designs, texture and finishes, design and size. Unmistakably, glazed vitrified tiles have become the preferred and trending solution for enhancing and uplifting the style statement.

Mindful that this tile variant could, over the next few years, emerge as the 'New Normal' in flooring and cladding solutions for residential and commercial structures, the Company has established a pan-India manufacturing presence at Gailpur (Rajasthan), Sikandrabad (Uttar Pradesh), Srikalahasti (Andhra Pradesh), and Morbi (Gujarat). This strategic spread facilitates optimal distribution and timely delivery of products to capture the progressively increasing demand for a nationwide customer base.

In FY24, the division reported healthy growth driven by an expanded product portfolio and growing distribution network.

During the year, the division introduced Super Premium Slabs in sizes 1200x2800 mm (6mm thickness) and 1200x2400 mm (9mm thickness) – supremely beautiful tiles with a superior finish to cater to a niche customer segment.

Kajaria's inclination to stay at the cutting edge of technology has encouraged it to replace its production line from Conventional Press Technology with the latest Continua Plus Technology at its Sikandrabad unit, besides adding the Continua Plus line at its Srikalahasti unit earlier. This strategic investment has also increased the production capacity. During the year, the Company also converted one production line at Kajaria Infinity to manufacture GVT products, providing the runway to further solidify its presence in this segment.

BATHWARE



8%
Contribution to
Revenue

15%
Revenue growth over
the previous year

Marketed under the Kerovit brand, the bathware division has covered significant ground in elevating its position to one of the leading brands in this business space.

This synergic diversification has positioned the Company as a one-stop shop for all bathroom needs, offering a holistic customer experience and increasing its wallet share with customers.

The bathware units at Gailpur, Rajasthan (faucets) and Morbi, Gujarat (sanitaryware) produces visually captivating bathware collections.

Our strategic partnership with the charismatic Ranveer Singh as brand ambassador has not only elevated our brand image but also attracted the interest of potential customers, making them feel excited about our products.

FY24 was a period of satisfactory growth, driven by niche product launches that expanded the customer base. In addition to extending the Aurum Range with exquisite colours, the division launched special, multi-function showers to complement its Aurum Range, creating a more cohesive and aesthetically pleasing bathroom experience.

During the year, the Company invested in a sophisticated chrome plating unit, significantly enhancing its colour-imparting capabilities. It also invested in a new warehouse for disciplined inventory management.

Towards the year's close, the Company commissioned a state-of-the-art sanitaryware manufacturing facility designed for high-end products. The quality output from this unit promises to elevate the Kerovit brand at par with global marquee brands operating in India.

PLYWOOD & LAMINATES

Kajaria PLY & LAMINATES

2%

Contribution to
Revenue

35%

Revenue growth over
the previous year

Kajaria Ply & Laminates has been working steadily toward developing infrastructure to support its business ambitions.

Kajaria Ply & Laminates has a wide range of products, which comprises Structural Plywood, Marine Grade Plywood, General Purpose Plywood, Shuttering Plywood, Block Boards, Flush Doors, Decorative Laminates, Liner Laminates, Burmese Teak and Natural Decorative Veneers.

During the year, the team rolled out multiple new initiatives, not limited to launching its new range of products with new sub-brands in Plywood, Block-Boards and Flush Doors.

The Company also started operations of its regional distribution centre at Mundka in Delhi and is serving the markets of North & Central regions. The Company has also opened RDC in Kolkata to serve the Eastern & North-Eastern markets.

The division introduced multiple new products during the year. The most prominent products launched were:

- Kajaria Ply Klubb 1000, a flagship product with 15-layer structural plywood, comes with a Lifetime Warranty.
- Kajaria Ply 16 CALIBERR is fully calibrated and comes only in 16mm thickness.

Kajaria Ply participated in multiple trade exhibitions. The team has also carefully curated a social media property titled 'Desh Ki Raunak' whereby digital consumers are enlightened about celebrating the rich Indian historical heritage and lineage.

The division operates on a multi-model supply chain system, allowing them to serve customers of varied types across metro cities and tier I & II cities. It has on-ground service teams in all major markets across India and is continuously ramping up its team in a very focused manner.

TILE ADHESIVES



1%
Contribution to Revenue

32%
Revenue growth over the previous year

As an extension of its tile business, Kajaria launched 'GresBond', comprising a premium range of solutions in tile adhesives, grouts, and tile cleaners.

Gresbond stands out for its reliability, innovation, and superior strength in tile and stone fixing solutions. It is celebrated as one of India's finest brands for tile adhesives and grouts, recognised for competitive pricing and exceptional product quality.

Gresbond products meet global standards, are endorsed by an extensive dealer network and strive to provide customers with a long-lasting tile-laying solution.

During the year, the team widened its product range, adding epoxy grouts and specialised tile adhesives. In addition, Gresbond launched a mason training and loyalty program that boasts a strength of 20,000+ onboarded masons in its novel existence. Gresbond also invested in an aggressive awareness campaign on its social media handles. These initiatives helped shore sales volumes and revenue. Going forward, the Company plans to set up its manufacturing plant in Gailpur (Rajasthan) at an investment of Rs 15 crore. The facility is expected to come on stream by Q3 FY25.

Analysis of Financial Statements

Kajaria reported a satisfactory performance amidst a challenging year hindered by inflationary headwinds and progressively rising interest rates.

While sales volume and topline increased marginally by 6% and 4% over the previous year, EBITDA and Net Profit increased by 18% and 23%, respectively. EBITDA margin improved by 177 bps over the previous year. The profitability improvement was largely due to the significant easing of gas prices.

Networth increased from Rs 2512 crore as of March 31, 2023, to Rs 2617 crore as of March 31, 2024. The Company retained a net cash surplus position.

The Company's Return on Capital Employed improved by more than 200 basis points. This showcases the intelligent deployment and management of every rupee deployed in business.

With an estimated capex of Rs 200-250 crore per annum over the next three years, the Company should see a healthy uptick in business growth and profitability in future.

Risk Management & Mitigation

In today's rapidly evolving world, an organisation must take a proactive approach to identifying and managing various risks they encounter or may encounter.

Traditional risks, as well as emerging risks, pose significant challenges to businesses. Therefore, the organisation must stay vigilant and adapt to these risks to ensure long-term success.

Kajaria has implemented a comprehensive and robust Risk Management Framework integral to

its governance architecture. This strategy allows the Company to consistently deliver value to all its stakeholders despite industry cycles and economic headwinds. Kajaria's ability to mitigate risks and adapt to changing circumstances contributes to its continued success, creating value for all those it serves.



SECTORAL RISKS

A DEMAND DROP IN THE DOMESTIC MARKET WILL COMPROMISE BUSINESS GROWTH.

- 1) While it may impact the industry, the dominant position of the Company and its inherent strength should cushion the drop.
- 2) The Company is penetrating in tier 3 and tier 4 cities to increase its presence.

INCREASING COMPETITION FROM THE BRANDED AND UNBRANDED PLAYERS COULD IMPACT SALES VOLUMES.

- 1) Kajaria is an aspirational brand which continues to draw the progressive Indian; a trend which will gather momentum with the nation's economic progress and an increase in disposable income.
- 2) The Company's widespread manufacturing footprint and distribution network gives it an unmatched advantage over peers in the space.



OPERATIONAL RISKS

THE COMPANY MAY NOT POSSESS THE CAPABILITY TO MANUFACTURE HIGH-END TRENDING PRODUCTS.

- 1) The Company has invested in the latest technology namely Continua Plus which significantly enhances its large format tile making capability.
- 3) The Company has also invested in a state-of-the-art sanitaryware plant dedicated to manufacture high-end, niche products.

THE COMPANY MAY NOT HAVE THE HUMAN CAPITAL TO MANAGE THE EXPANDED OPERATIONS.

- 1) The Kajaria brand helps draw quality human resources to build its people strength.
- 2) The Company's people-friendly policies and better-than-industry emoluments help in retaining talent.



MARGIN RISKS

INFLATIONARY HEADWINDS COULD LEAD TO A DROP IN PROFITABILITY MARGINS.

- 1) Being the largest manufacturer provides economies of scale and negotiating power with vendors.
- 2) Unwavering focus on value-added product provides impetus to business profitability.
- 3) The company's usage of energy efficient bio-gas fuel in its Northern manufacturing units mitigate the impact of volatility in natural gas pricing to a certain extent.

AN INEFFICIENT WORKING CAPITAL CYCLE COULD IMPACT BUSINESS RETURNS.

Stringent monitoring of inventory and receivables to further optimise working capital requirements.



SUSTAINABILITY RISKS

FAILURE TO COMPLY WITH REGULATIONS WILL LEAD TO REPUTATIONAL DAMAGE.

- 1) The Company maintains a strong compliance culture which is checked and monitored by a multi-layered compliance team.
- 2) Continuous monitoring of the regulatory environment by a dedicated team ensures that all compliances applicable to the Company and its operations are duly identified and complied comprehensively.

Directors' Report

Dear shareholders,

Your Directors are pleased to present the 38th Annual Report together with the audited financial statements of your Company for the financial year ended 31st March 2024.

Financial Results

The Company's financial performance for the financial year ended on 31st March 2024 is summarised below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	4103	3971	4578	4382
Profit Before Other Income, Exceptional Items, Depreciation, Interest and taxes	562	514	700	592
Profit before Tax	512	463	576	462
Tax Expense	131	119	144	116
Profit After Tax (before Minority interest)	381	344	432	346
Minority Interest	-	-	10	2
Profit After Tax (after Minority interest)	381	344	422	345

Financial highlights and state of Affairs of the Company

The company achieved a commendable performance in considerable volatile environment. Our top line surpassed ₹4,500 Crore during a period where tile offtake was tepid. The Company attained a year-on-year volume and revenue growth of 6% and 4% respectively, underscoring the resilience of the organisation and the strength of the brand.

Our focus on value addition and dedicated efforts towards cost optimisation helped overcome the price erosion owing to throttled demand. Your Company reported a Net Profit of ₹422 Crore in FY24 – an increase of 23% over the previous year.

The State of Affairs of the Company is detailed in the 'Management Discussion and Analysis' section, which forms part of this report.

Outlook

Having retained its position as the fastest-growing major economy for a consecutive year, India seems poised for another year of robust economic progress. The positivity in the external environment reduced inflation, and stable interest rates have strengthened consumer confidence and suggest a promising year.

The resurgence in the real estate sector is expected to gain momentum in the current year with a strong project launch pipeline for residential and commercial projects. Moreover, with economic prosperity cascading to tier 2 and 3 cities, considerable business opportunities should emerge from these locations.

Furthermore, the Government's sustained efforts on ideating and developing world-class infrastructure which is most prominently visible in airport development and railway station modernisation is expected to drive demand over the medium term. Accelerated investment by the private sector in infrastructure creation evidenced in extending hospital chains to Tier 2 and 3 cities should provide impetus to the demand for tiles and other products.

Mindful of the widening opportunities, we are making significant investments in augmenting capacities for all our product verticals. Moreover, we are also extending our footprint beyond the domestic boundaries to explore and capitalise on growth opportunities overseas.

Dividend

Your Directors have recommended to the shareholders a final dividend of ₹6/- (i.e. 600%) per equity share of ₹1/- each fully paid-up for the financial year ended March 31, 2024, if approved at the ensuing Annual General Meeting ('AGM').

During the year 2023-24, the Company has also paid Interim Dividend of ₹6/- (i.e. 600%) per equity share of ₹1 each fully paid-up aggregating to ₹95.55 Crores thereby making the total Dividend (Interim Dividend & Final Dividend) of ₹12/- per equity share of ₹1/- each fully paid-up (previous year ₹9/- per equity shares of ₹1/- each fully paid-up) aggregating to ₹191.11 Crores.

Consolidated Financial Statements

The Company adopted Indian Accounting Standard (Ind-AS) from 1st April, 2016 and accordingly, the Consolidated Financial Statements have been prepared in accordance with the Accounting Standard notified under Section 133 of

the Companies Act, 2013 ('the Act') and the relevant rules issued thereunder read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('the Listing Regulations') and the other accounting principles generally accepted in India. The Consolidated Financial Statements form part of the Annual Report.

There are no material changes and commitments affecting the financial position of the Company and also no change in the nature of business of the Company.

Holding, Subsidiaries, Associate, Joint Venture Companies and their performance

After the closure of the year 2023-24, Keronite Tiles Private Limited has become a subsidiary of the Company, on May 20, 2024.

A report on performance and financial position (Form AOC-1) of each of the subsidiaries / joint venture as per the Act is provided as **Annexure-1**.

Share Capital

As on 31st March, 2024, the Authorised Share Capital of the Company is ₹154,10,00,000 (Rupees One Hundred Fifty Four Crores Ten Lacs only) divided into 77,00,00,000 (Seventy Seven Crores) Equity Shares of ₹1/- each (Rupee One Only) aggregating to ₹77,00,00,000 (Rupees Seventy Seven Crores Only) and 77,10,000 (Seventy Seven Lacs Ten Thousand) Redeemable Preference Shares of ₹100/- each (Rupees One Hundred Only) aggregating to ₹77,10,00,000 (Rupees Seventy Seven Crores Ten Lacs Only).

During the financial year 2023-24, the Company's paid up share capital has been increased by issue and allotment of 25,750 equity shares of ₹1/- each pursuant to the Kajaria Employee Stock Option Scheme 2015. Accordingly, as on 31st March, 2024, the paid-up and subscribed share capital of the Company is 15,92,58,300 equity shares of ₹1 each.

The Company has not issued shares with differential voting rights or sweat equity shares during the financial year 2023-24. As on 31st March, 2024, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

Employee Stock Option Scheme

Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') was approved by the shareholders of the Company on 7th September, 2015 for issue and allotment of options

exercisable into not more than 10,62,000 equity shares of ₹1 each (Originally the ESOP Scheme 2015 was for 5,31,000 equity shares of ₹2 each) to eligible employees of the Company and its subsidiaries. The shareholders of the Company had further increased the stock options under the ESOP Scheme 2015 from 10,62,000 to 15,87,000 equivalent to 15,87,000 equity shares of ₹1/- each by addition of 5,25,000 options on 24th March, 2022.

The ESOP Scheme 2015 is administered by the Nomination and Remuneration Committee of the Board of Directors ('the Board') of the Company. The exercise period for 4,58,000 options granted on 20th October 2015 to the employees of the Company and its subsidiaries in 1st Tranche has been completed on 19th October, 2023.

The Company had further granted 8,37,600 options equivalent to 8,37,600 equity shares of ₹1/- each to the eligible employees of the Company and its subsidiaries in 2nd Tranche and 3rd Tranche. Details regarding the ESOP Scheme 2015 are given at Note No. 43 to the financial statements.

In 2nd Tranche and 3rd Tranche under the ESOP Scheme 2015, total 86,500 equity shares of ₹1 each (55,500 equity shares during the year 2023-24 and 31,000 equity shares during the year 2022-23) have been forfeited/lapsed due to resignation/retirement of ESOP Option holders.

During the year under review, there are no material changes in the ESOP Scheme 2015 and the same is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'). The disclosures under Regulations 14 of ESOP Regulations is uploaded on the Company's website viz.: https://www.kajariaceramics.com/pdf/disclosure_pursuant_to_Reg_14_of_SEBI_SBEB_n_SE_Reg_2021_for_FY_2023_24.pdf

Transfer to Reserves

During the year under review, there is no transfer of fund to the Company's General Reserve Account.

Directors' Responsibility Statement

In terms of the provisions of the Companies Act, 2013, the Directors confirm that:

- i) In the preparation of the annual accounts for the year ended on 31st March, 2024, the applicable accounting standards have been followed and no material departures have been made from the same;

- ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made 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 period ended 31st March, 2024;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis;
- v) The Company is following up the proper Internal financial controls and such internal financial controls are adequate and are operating effectively; and
- vi) The Company has devised proper systems to ensure the Compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

The Company has complied with the Corporate Governance requirements as stipulated under the Listing Regulations. A separate section on corporate governance, along with a certificate from M/s Chandrasekaran Associates, Company Secretaries confirming the compliance, is annexed and forms part of the Annual Report.

Management Discussion and Analysis Report

Management Discussion and Analysis on matters related to the business performance as stipulated in the Listing Regulations, is given as a separate section in the Annual Report.

Related Party Transactions

For all related party transactions, prior approvals of the Audit Committee and the Board of Directors, as may be required under the applicable laws, were obtained. Further, the omnibus approvals of Audit Committee and the Board of Directors, as may be required under the applicable laws, are usually obtained on yearly basis, which are of a foreseen and repetitive nature and such approval is in the interest of the Company. The transactions entered into, pursuant to the omnibus approvals so granted, were placed before the Audit Committee by way of a statement giving details of all related party transactions for

its review. All related party transactions are disclosed in Note No. 40 to the financial statements. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act in the prescribed Form AOC-2 is annexed as **Annexure- 2**.

The Related Party Transactions Policy is uploaded on the Company's website i.e. <https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf>

Corporate Social Responsibility Initiatives

In terms of provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ['the CSR Rules'], the Company has formulated a Corporate Social Responsibility Policy ('CSR Policy') indicating the activities to be undertaken by the Company. The constitution of the Corporate Social Responsibility Committee ('CSR Committee') is disclosed in the Annual Report on CSR Activities as an **Annexure - 3** of this report.

The Corporate Social Responsibility ('CSR') Policy may be accessed on the Company's website i.e. https://www.kajariaceramics.com/pdf/CSR_Policy.pdf

Your Company strives to make a difference in the lives of people with a special focus on neighbouring and local areas of the Company's manufacturing locations. Your Company has implemented various CSR programmes/projects which made positive impacts mainly in the areas of health, sanitation, social relief, environment, sports and education, etc. During the year under review, the CSR programmes/activities initiated by the Company includes taking steps for Swachh Bharat, preventive health care, constructing sanitation facilities in the schools, etc. near the manufacturing facilities, contributing to the education, social welfare, environment, sports, protection of national heritage, etc. These CSR initiatives are implemented directly and/or through trusts/societies/NGOs. These projects/activities are also in accordance with Schedule VII of the Act.

The Annual Report on CSR activities as prescribed under the CSR Rules is set out as **Annexure-3**, forming part of this Report.

During the year 2023-24, the Company has incurred CSR expenditures of ₹842.36 Lacs and ₹60.24 Lacs are yet to be incurred to the ongoing CSR activity(ies)/project(s), as not fully completed during the financial year 2023-24. The said CSR activity(ies)/project(s) will be completed during the financial year 2024-25. Further, the excess CSR expenditures of ₹7.92 Lacs incurred in previous years has also been utilised towards the CSR obligations of the Company for the financial

year 2023-24. Accordingly, the actual CSR obligation of the Company for the financial year 2023-24, was as under:

	(₹. in Lacs)
CSR obligation of the Company as per the Act	909.00
Less: Excess CSR expenditure incurred in previous years	7.92
CSR obligation of the Company for the year 2023-24	901.08

However, the Company has incurred ₹902.60 Lacs [i.e. ₹842.36 Lacs and ₹60.24 Lacs] during the financial year 2023-24. Accordingly, the Company has incurred excess amount of CSR expenditures of ₹1.52 Lacs, which would be available to set-off the CSR obligations of the Company as per the provisions of the Act read with CSR Rules.

The Company has also completed the ongoing CSR project/activity of ₹88.10 Lacs pertaining to the financial year 2022-23.

Risk Management

Your Company understands the importance of various risks faced by it and has adopted a Risk Management Policy which establishes various levels of accountability within the Company. The Company has also constituted a Risk Management Committee which ensures that the Company has appropriate and effective risk management systems which carries out risk identification, assessment and ensures that risk mitigation plans are in place. The Risk Management Committee identifies, from time to time, various risks to which the Company is subject to and has accordingly, aligned the concerned departments to take the necessary mitigating steps. Risk management has been inter-linked with the annual planning exercise where each function and business carries out fresh risk identification, assessment and draws up treatment plans.

A Risk Management Policy in terms of provisions of Section 134(3)(n) of the Act read with the Listing Regulations is in place and is uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/Risk_Management_Policy.pdf

Internal Control Systems and their adequacy

The Company believes in a strong internal control framework, which is necessary for business efficiency, management effectiveness and safeguarding assets. The Company has a well-defined internal control system in place, which is designed to provide reasonable assurance related to operation and financial control. The Management of the Company is responsible for ensuring that Internal Financial

Control has been laid down in the Company and that controls are adequate and operating adequately.

Internal Audit of the Company's operations are carried out by the Internal Auditors and periodically covers different areas of business. The audit scope, methodology to be used, reporting framework are defined well in advance, subject to consideration of the Audit Committee of the Company. The Internal Auditors evaluate the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all the locations of the Company. Based on the report of the Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are placed before the Audit Committee of the Company. The Internal Audit also continuously evaluates the various processes being followed by the Company and suggests value addition, to strengthen such processes and make them more effective.

Internal Controls with respect to financial statements

The Company has an adequate system of internal financial control in place with reference to financial statements. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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.

Directors and Key Managerial Personnel

Mr. H. Rathnakar Hegde has completed his tenure as the Independent Director of the Company on March 31, 2024 and accordingly, he ceased to be the Independent Director of the Company w.e.f. April 1, 2024.

Mr. Rajender Mohan Malla has been appointed as the Independent Director of the Company for the period of five consecutive years effective from April 1, 2024 upto March 31, 2029 and the shareholders of the Company have accorded their approval(s) through postal ballot on June 20, 2024 for appointment of Mr. Rajender Mohan Malla as the Independent Director of the Company.

The shareholders of the Company have also accorded their approval(s) through the postal ballot on June 20, 2024, for continuation of Mr. Dev Datt Rishi and Mr. Rajender Mohan

Malla as the Non-executive Director and the Independent Director of the Company, respectively, even after attaining the age of seventy-five years.

Mr. Chetan Kajaria and Mr. Rishi Kajaria, who are liable to retire by rotation, have offered themselves for re-appointment(s) as the Director(s) at the ensuing AGM of the Company. The Board recommends for their re-appointment(s) in the ensuing AGM of the Company.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulations 16(1)(b) & 25(8) of the Listing Regulations and in the opinion of the Board of the Company, all Independent Directors of the Company have integrity, expertise, experience and proficiency as prescribed under the Companies (Appointment and Disqualification of Directors) Rules, 2014 read with the Companies (Accounts) Rules, 2014 (including amendment thereof).

All Directors of the Company have also given declarations that they are not debarred from holding the office of Director by virtue of any SEBI order or any other such statutory authority as required under the Circular dated 20th June, 2018 issued by BSE Limited and National Stock Exchange of India Limited.

Further, except as stated above there is no other change in the composition of the Directors and Key Managerial Personnel of the Company.

Performance Evaluation

The Board of the Company, on recommendation of the Nomination and Remuneration Committee and in line with the Nomination and Remuneration Policy of the Company, has carried out an annual performance evaluation of the Board as a whole, its Committees and all Directors including the Chairman.

The manner in which the annual performance evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a policy for selection and appointment of Directors, Senior Management including Key Managerial Personnel and their remuneration. The Nomination and Remuneration Policy includes the criteria for determining

qualification, positive attributes, independence, etc. is placed on the Company's website, i.e. https://www.kajariaceramics.com/pdf/Nomination_Remuneration_Policy.pdf

Details of remuneration under Section 197 of the Act and read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is stated in **Annexure- 4**, which forms part of this report.

Statutory Audit

M/s Walker Chandiook & Co LLP, Chartered Accountants, (Firm Registration Number 001076N/N500013), the Statutory Auditors of the Company has given their report(s) on the financial statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2024, which form part of the Annual Report. There is no qualification, reservation, adverse remark, comments, observations or disclaimer given by the Statutory Auditors in their report(s). There were no frauds reported by the Statutory Auditors under the provisions of Section 143 of the Act.

M/s Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration Number 001076N/N500013), were re-appointed as the Statutory Auditors of the Company at the 36th AGM of the Company held on 23rd September, 2022, for second term of five consecutive years to hold office from the conclusion of the 36th AGM of the Company till the conclusion of the 41st AGM of the Company. Hence, the tenure of the existing Statutory Auditors of the Company would expire at the conclusion of the 41st AGM of the Company.

M/s Walker Chandiook & Co LLP, Chartered Accountants are eligible to continue as the Statutory Auditors of the Company for the remaining term in accordance with the provisions of the Act read with rules made thereunder and applicable laws.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Chandrasekaran Associates, Company Secretaries, Delhi were appointed as the Secretarial Auditors, to undertake the Secretarial Audit of the Company for the year ended 31st March 2024. The Report of the Secretarial Audit is annexed herewith as **Annexure- 5**.

There are no qualifications, reservations, adverse remarks, comments, observations or disclaimer made by the Secretarial Auditors in their report. There were no frauds reported by the Secretarial Auditors under the provisions of Section 143 of the Act.

Disclosures under the Companies Act, 2013 and rules made thereunder:

Annual Return

The Annual Return in Form MGT-7 is available at https://www.kajariaceramics.com/pdf/Annual_Return_Form_2023-24.pdf

Compliance of the Secretarial Standards

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standard on meeting of the Board of Directors ('SS-1') and the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.

Particulars of Loans, Investments and Guarantees

Particulars of Loans, Investments and Guarantees, covered under the provisions of Section 186 of the Act are given in the Notes Nos. 6, 7 and 40 to the Financial Statements.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Act are provided in **Annexure - 6** to this report.

Meetings of Board

The Board of the Company met six (6) times during the financial year 2023-24 on 16th May, 2023, 26th July, 2023, 28th August, 2023, 20th October, 2023, 28th December, 2023, 31st January, 2024. Details of the meetings of the Board of Directors held during the financial year 2023-24 and attendance thereof are disclosed in the Corporate Governance Report.

Audit Committee

The Composition of Audit Committee is disclosed in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has established a Vigil Mechanism for the Directors and Employees of the Company by adopting the Whistle Blower Policy to report about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct and leakage/suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The Whistle Blower Policy may be accessed on the website of the Company i.e. https://www.kajariaceramics.com/pdf/whistle_blowing_policy.pdf

Maintenance of Cost Records

The Company is not required to maintain of cost records as per sub-section (1) of Section 148 of the Act.

Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act, 2013

The Company has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. This Policy may be accessed on the Company’s website i.e. https://www.kajariaceramics.com/pdf/prevention_of_sexual_harassment_at_workplace.pdf

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary and Trainees) are covered under this Policy. The Company has not received any sexual harassment complaints during the year 2023-24 nor any complaint is pending at the end of the year 2023-24.

Particulars of Employees

The information required pursuant to Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as **Annexure-7** to this Report.

Deposits

The Company has not invited/accepted any deposit within the meaning of Section 73 of the Act and the rules made thereunder.

Proceeding under Insolvency and Bankruptcy Code, 2016

No application or any proceeding has been filed against the Company under the Insolvency and Bankruptcy Code, 2016, during the financial year 2023-24.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

The Company has not made any one-time settlement, therefore, the same is not applicable.

Significant and material orders passed by the regulators or courts or tribunals

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company’s operations in future.

Cautionary Statement

Statements in this Directors’ Report & the Management Discussion and Analysis describing the Company’s objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company’s operations include raw material/fuel availability and its prices, cyclical demand and pricing in the Company’s principle markets, changes in the Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

Appreciation and Acknowledgement

The Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their Departments and the Local Authorities for their continued guidance and support.

Your Directors would also like to record their appreciation for the support and cooperation your Company has been receiving from its suppliers, dealers, business partners and others associated with the Company.

Your Directors place on record their sincere appreciation to the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leader.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and on behalf of the Board

Ashok Kajaria
Chairman & Managing Director
DIN: 00273877

Place: New Delhi
Date: 23rd July, 2024

Annexure - 1

AOC-1 (ANNUAL PERFORMANCE)

(Pursuant to first provision of sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

(₹ in Crores)

Name of the subsidiaries / joint venture	Date since when subsidiaries / joint venture were acquired		Kajaria Vitrified Private Limited (CIN: U26933GJ 2010PTC062933)		Kajaria Infinity Private Limited (CIN: U26933GJ 2010PTC063444)		Kajaria Bathware Private Limited ('KBPL') * (CIN: U26943DL 2013PTC252495)		Kajaria Plywood Private Limited (CIN:U36109DL 2017PTC324260)		South Asian Ceramic Tiles Private Limited (CIN: U26931TG2015 PTC101548)		Kajaria International DMCC ('KIDMCC') **		Kajaria Ramesh Tiles Limited ('KRTL') ***		Keromite Tiles Private Limited ('KTPL')^ (CIN: U23952DL202 3PTC423735)	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	20/05/2024
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Equity Shares	14.95	14.95	9.10	9.10	25.00	25.00	40.00	9.90	4.00	9.90	21.00	21.00	2.25	2.25	25.00	-	-	-
- Preference Shares	0.00	0.00	0.00	0.00	4.41	4.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-
Reserves	52.08	14.03	60.24	55.79	85.79	72.75	(58.95)	(47.64)	(47.64)	(47.64)	(2.95)	(12.17)	(1.24)	(0.29)	(1.29)	-	-	-
Total Assets	250.29	243.21	129.47	132.80	311.96	227.84	67.90	24.32	67.90	24.32	102.17	102.17	8.69	3.96	112.52	-	-	-
Total Liabilities	183.26	214.23	60.13	67.91	195.62	125.33	86.85	62.06	86.85	62.06	84.12	93.34	7.68	2.00	88.81	-	-	-
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.90	1.94	0.00	-	-	-
Turnover	364.93	343.16	193.78	168.65	363.47	315.71	104.39	77.32	104.39	77.32	138.72	62.24	0.00	0.00	0.00	-	-	-
Profit before Taxation	47.29	5.04	6.05	0.84	12.17	14.22	(11.34)	(10.37)	(11.34)	(10.37)	12.43	(3.25)	(0.88)	(0.19)	(1.52)	-	-	-
Provision for Taxation	(9.34)	0.75	(1.69)	(0.14)	1.56	(1.29)	0.00	0.00	0.00	0.00	(3.21)	2.69	(0.88)	(0.19)	0.00	-	-	-
Profit After Taxation	37.95	5.79	4.36	0.70	13.73	12.93	(11.34)	(10.37)	(11.34)	(10.37)	9.22	(0.56)	(0.88)	(0.19)	(1.52)	-	-	-
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-	-	-
% of Shareholding	95%	95%	77%	84.59%	100%	100%	100%	100%	100%	100%	59.50%	51%	100%	100%	50%	-	-	-

*Consolidated figures include performance of its subsidiaries - Kajaria Sanitaryware Private Limited ('KSPIL') and Kerovit Global Private Limited ('KGPL'). The Company holds 100% (85% on diluted basis) equity shares of KBPL. KBPL holds 82% equity shares of KSPIL and 100% equity shares of KGPL.

** During the year under review, KIDMCC (U.A.E.) has entered into a joint venture agreement with UK Parts (Holdings) Limited, (U.K.) and accordingly, a joint venture company ('JVC') named Kajaria UKP Limited, has been incorporated in U.K. KIDMCC (U.A.E.) had also entered into a joint venture agreement with AL Rathath Marble Factory LLC (U.A.E.) during the year 2022-23 and accordingly, a JVC named Kajaria RMF Trading LLC, incorporated in U.A.E.

*** Pursuant to the Joint Venture Agreement entered into by the Company with various individuals affiliated with Ramesh Corp, Nepal, a JVC named 'Kajaria Ramesh Tiles Limited' incorporated in Nepal, which has yet to commence its commercial production.

^The Company has acquired 90% equity shares in KTPL on May 20, 2024.

Note:

There is no Associate or JV Company other than those mentioned above.

For and on behalf of Board

Place: New Delhi 23 rd July, 2024	Ashok Kajaria Chairman & Managing Director (DIN: 00273877)	Chetan Kajaria Joint Managing Director (DIN: 00273928)	Rishi Kajaria Joint Managing Director (DIN: 00228455)	Ram Chandra Rawat COO (A&T) & Company Secretary (FCS 5101)	Sanjeev Agarwal Chief Financial Officer
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Annexure – 2

FORM NO. AOC-2

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

1. Details of Contracts/ Arrangements / transactions not at arm's length as on 31.03.2024

Sl. No.	Name(s) of the Related Party and Nature of Relationship	Nature of Contract / Arrangement / Transactions	Duration of the Contract / Arrangement / Transactions	Salient terms of contract / Arrangement / Transactions including the value, if any	Justification for entering into such contract / Arrangement / Transactions	Date of Approval by the Board	Amount paid as advance	Date on which the Special Resolution was passed in the General Meeting under first proviso to Section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis as on 31.03.2024

Sl. No.	Name(s) of the Related Party and Nature of Relationship	Nature of Contract / Arrangement / Transactions	Duration of the Contract / Arrangement / Transactions	Salient terms of Contract / Arrangement / Transactions	Date of Approval by the Board, if any	Amount paid as advance	Total Amount
NIL							

For and on behalf of the Board

Ashok Kajaria

Chairman & Managing Director

DIN: 00273877

Place: New Delhi

Date: 23rd July, 2024

Annexure – 3

ANNUAL REPORT ON CSR ACTIVITIES**1. Brief outline on CSR Policy of the Company:**

Corporate Social Responsibility ('CSR') is strongly connected with the principles of sustainability. An organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

In order to provide further impetus to the social interventions and make the entire process and activities more impact driven, the Company has adopted the Corporate Social Responsibility Policy ('CSR Policy') pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including amendment(s) made thereto, from time to time).

The Company recognizes and is always committed towards sustainable development and inclusive growth. The Company strives to ensure strong corporate culture, which emphasizes on integrating the CSR values with business objectives. The Company also pursue initiatives related to quality management, environment preservation and social awareness. The Policy includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

2. Composition of CSR Committee of the Company:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Sushmita Singha	Chairperson / Non- Executive & Independent Director	2	2
2.	Mr. Chetan Kajaria	Member / Executive Director	2	2
3.	Mr. Rishi Kajaria	Member / Executive Director	2	2

3. Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Web-link of composition of CSR Committee	https://www.kajariaceramics.com/composition-of-committees.php
Web-link of CSR Policy	https://www.kajariaceramics.com/pdf/CSR_Policy.pdf
Web-link of CSR Project	https://www.kajariaceramics.com/pdf/CSR_Project_for_FY_2023_24.pdf

4. Executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): ₹45453 Lacs

(b) Two percent of average net profit of the Company as per Section 135(5): ₹909 Lacs

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:

Not Applicable

(d) Amount required to be set-off for the financial year, if any: ₹7.92 Lacs [Please refer clause 6(f) below]

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹901.08 Lacs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹902.60 Lacs

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹902.60 Lacs

(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (₹ in Lacs)	Amount Unspent (₹ in Lacs)				
	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
842.36	60.24	16 th April, 2024		Not Applicable	

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

Sl. No.	Particular	Amount (₹ in Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	909.00
(ii)	Excess amount incurred in previous year(s) adjusted / set off during the financial year	7.92
(iii)	CSR obligation of the Company for the financial year [(i)-(ii)]	901.08
(iv)	Total amount spent for the financial year	902.60
(v)	Excess amount spent for the financial year [(iv) – (iii)]	1.52
(vi)	Surplus arising out of the CSR projects or programmes to activities of the previous financial years, if any	0.00
(vii)	Amount available for set-off in succeeding financial years	1.52

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in Lacs)	Balance Amount in Unspent CSR Account under Section 135(6) (₹ in Lacs)	Amount Spent in the Financial Year (₹ in Lacs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (₹ in Lacs)	Deficiency, if any
					Amount (₹ in Lacs)	Date of Transfer		
1.	2022-23	88.10	0.00	88.10			0.00	0.00
2.	2021-22	54.00	0.00	54.00	Not Applicable		0.00	0.00
3.	2020-21	0.00	0.00	0.00			0.00	0.00

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year:

Yes No

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5):

Not Applicable

For and on behalf of the Board

Ashok Kajaria

Chairman & Managing Director
(DIN: 00273877)

Sushmita Singha

Chairperson, CSR Committee
(DIN: 02284266)

Place: New Delhi
Date: 23rd July, 2024

Annexure - 4

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2023-24, the percentage increase in remuneration of Chairman & Managing Director, Joint Managing Directors, Executive Director, Company Secretary and Chief Financial Officer of the Company during the financial year 2023-24:

Sl. No.	Name of Director / KMP	Designation	Ratio of Remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1	Mr. Ashok Kajaria (DIN: 00273877)	Chairman & Managing Director	84:1	Nil
2	Mr. Chetan Kajaria (DIN: 00273928)	Joint Managing Director	82:1	Nil
3	Mr. Rishi Kajaria (DIN: 00228455)	Joint Managing Director	82:1	Nil
4	Mr. Ram Chandra Rawat (FCS 5101)	COO (A&T) & Company Secretary	Not Applicable	8.26%
5	Mr. Sanjeev Agarwal	Chief Financial Officer	Not Applicable	11.04%

Note:

The Non-executive Directors of the Company are entitled for sitting fees only. The detail of remuneration of Non-executive Directors is provided in Corporate Governance Report and is governed by the Nomination and Remuneration Policy, as stated herein below. The ratio of remuneration and percentage increase for Non-executive Directors' remuneration is, therefore, not considered for the purpose above.

Sl. No.	Particulars	Details
1	% increase in the median remuneration of employee in the financial year 2023-24	10.50%
2	Total number of permanent employees on the rolls of the Company as on 31 st March, 2024 (on standalone basis)	2634
3	Average percentile increase in the salaries of employees excluding managerial personnel during financial year 2023-24 and its comparison with the percentile increase in remuneration of Executive Directors and justification thereof	Average percentile increase in the salaries of employees excluding managerial personnel during financial year 2023-24 was 11.08%. Whereas, there was no increase in remuneration of Executive Directors.

III. Affirmation that the remuneration is as per the remuneration policy of the Company:

Remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board

Ashok Kajaria

Chairman & Managing Director

DIN: 00273877

Place: New Delhi

Date: 23rd July, 2024

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

The Nomination and Remuneration Policy of Kajaria Ceramics Limited ('the Company') was originally formulated pursuant to the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder ('the Act') read with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI's Notification dated May 9, 2018 including amendments/modifications thereof (the 'Listing Regulations') and revised in accordance with the provisions the Act and the Listing Regulations.

This Policy is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

This Policy applies to Directors, Senior Management including Key Managerial Personnel ('KMPs') of the Company.

2. OBJECTIVES

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions.
- To determine remuneration based on the Company's size and financial position, cost of living, and trends and practices on remuneration prevailing in peer companies, in the tile industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

3. DEFINITIONS

'The Act' means the Companies Act, 2013 and rules made thereunder, as amended from time to time.

'The Board' means Board of Directors of the Company.

'Director' means a Director appointed to the Board of the Company.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 read with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

'Key Managerial Personnel' in relation to a Company means:

- The Managing Director / Joint Managing Director / Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer(s), as may be prescribed.

'Nomination and Remuneration Committee' or 'Committee' shall mean a Committee of the Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations.

'Policy' means Nomination and Remuneration Policy of the Company.

'Senior Management' shall mean officers/personnel of the Company, who are members of its core management team excluding Board of Directors and this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/ Whole-time Director (including Chief Executive Officer, in case he is not part of the Board) and shall also include the Company secretary and Chief financial officer of the Company.

4. APPLICABILITY

The Policy is applicable to:

- Directors (including Independent Directors);

- Key Managerial Personnel ('KMPs'); and
- Senior Management

5. CONSTITUTION OF COMMITTEE

The members of the Nomination and Remuneration Committee will be appointed by the Board and the Committee will comprise of three or more Non-executive Directors out of which not less than one-half shall be Independent Directors. The Chairman of the Committee shall be an Independent Director. The Chairman of the Nomination and Remuneration Committee shall be present at every Annual General Meeting or may nominate some other member to answer the shareholders' queries. The Chairman of the Company may be appointed as a member of the Committee.

The Board may re-constitute the Committee, whenever required, to comply with the provisions of the Act, Listing Regulations and other applicable statutory requirements.

6. ROLES OF THE NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Committee will, inter-alia, include the following:

1. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
2. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
3. While formulating the policy as above said, to ensure that:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

- (c) Remuneration to Directors, Key Managerial Personnel and Senior Management (one level below the functional heads including the Company Secretary and Chief Financial Officer) 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.
4. Recommending the Board, all remuneration, in whatever form, payable to senior management including the Company Secretary and the Chief Financial Officer;
 5. Formulating the criteria for evaluation of Independent Directors and the Board of Directors of the Company;
 6. To extend or continue the term of appointment of Independent Director, on the basis of performance evaluation of Independent Directors;
 7. Devising a policy on diversity of Board of Directors;
 8. To formulate the detailed terms and conditions of the Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') including the following:
 - a. issuing and allotment of equity shares [including share certificate(s)] of the Company to the ESOP holders and all matters related thereto, from time to time, pursuant to the ESOP Scheme 2015;
 - b. signing, execution and submission of necessary documents/papers for the listing of equity shares of the Company with the stock exchanges or other concerned authority(ies) and all matters related thereto;
 - c. making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions;
 - d. approval of list of employee(s) of the Company and/or its subsidiary(ies) [including quantum of ESOP grant] to whom ESOP options are to be granted under ESOP Scheme 2015;
 - e. determining the procedure for winding up of the ESOP Scheme 2015;

- f. other matters which may be relevant for administration of ESOP Scheme 2015, from time to time.
9. 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;
 10. For the purpose of identifying suitable candidates as above, the Committee may:
 - To use the services of an external agencies, if required;
 - To consider candidates from a wide range of backgrounds, having due regard to diversity;
 - To consider the time commitments of the candidates.
 11. To do all other acts as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

7. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMPs AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
2. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole time Director, who has attained the age of 70 years provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice

for such motion indicating the justification for extension of appointment beyond seventy years.

3. The Company shall not appoint a person or continue the Directorship of any person as a Non-executive Director who has attained the age of 75 years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Term / Tenure:

1. Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Joint Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- iii) Subject to the applicable provisions of the Listing Regulations and the Act, at the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

3. KMPs / Senior Management:

Term of appointment will be governed through a letter of appointment issued to the respective KMP / Senior Management.

Performance Evaluation:

The evaluation of performance of every Director, KMP and Senior Management Personnel shall be made in accordance with the applicable laws.

The major criteria for performance evaluation are as follows:

1. Role & Accountability:

- Application of knowledge for rendering advice to management for resolution of business issues.
- Active engagement with the management and attentiveness to progress of decisions taken.
- Fulfillment of Independence criteria by Independent Directors, as specified under the Act / the Listing Regulations.

2. Objectivity:

- Appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

3. Leadership & Initiative:

- Heading department / section/ Board Committees.
- Driving any function or identified initiative based on domain knowledge and experience.

4. Personal Attributes:

- Commitment to role & fiduciary responsibilities.
- Active participation.
- Proactive, strategic and lateral thinking.

Removal:

Due to reasons for any disqualification mentioned in the Act or the Listing Regulations or any other applicable Act, rules/regulations or in accordance with the contract of service / letter of appointment, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMPs or Senior Management Personnel.

Retirement:

The Director, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act or any other applicable Act, rules/regulations and the prevailing policy/guidelines of the Company. The Board will have the discretion to retain the Director, KMPs, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit/interest of the Company.

8. POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR (EXECUTIVE DIRECTOR), KMPs AND SENIOR MANAGEMENT PERSONNEL

General:

- The remuneration/compensation/commission etc., to the Whole-time Director (WTD), KMPs and Senior Management Personnel will be considered by the Committee and recommended to the Board for its approval. The remuneration/compensation/commission, etc. of WTD/MD shall be subject to the prior/post approval of the shareholders of the Company and the provisions of the Act & the Listing Regulations.
- The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/slabs/conditions as per the provisions of the Act & the Listing Regulations.
- Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director only.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- The fees/compensation payable to Executive Directors, who are promoters or members of the

promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if:

- o the annual remuneration payable to such Executive Director exceeds ₹5 Crore or 2.5% of the net profits of the Company, whichever is higher; or
- o where there is more than one such Executive Director, the aggregate annual remuneration to such Executive Directors exceeds 5% of the net profits of the Company.

The approval of the shareholders under Clause 8(v) above shall be valid only till the expiry of the term of such Executive Director.

Remuneration to the Managing Director, Whole-time Director, KMPs and Senior Management Personnel:

Remuneration to Whole-time Directors, KMPs and Senior Management consists of the following components:

1. Salary & Perquisites:

The Whole-time Director/Managing Director ('MD')/Joint Managing Director ('JMD'), KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, re-imbursment of gas electricity and water expenses, HRA, Club fees, etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be subject to approvals of shareholders of the Company and compliance of the Act & the Listing Regulations.

2. Commission:

MD/JMD would also be entitled for the commission in accordance with the provisions of the Act & the Listing Regulations.

3. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD/JMD/Whole-

time Director(WTD), subject to compliance of the applicable provisions of the Act/ the Listing Regulations.

4. Provisions for excess remuneration:

If any MD/JMD/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed in the Act and/or not in compliance of the applicable provisions of the Act, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted under the Act/ the Listing Regulations.

5. Stock Options:

A Director shall not be entitled to any stock option of the Company. However, KMPs and Senior Management may be granted the stock option in accordance with the scheme as may be approved by the Committee, from time to time.

Remuneration to Non- Executive / Independent Director

Remuneration to Non-executive Directors/Independent directors consists of the following components:

1. Sitting Fees:

The Non-executive/Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee(s) of the Company, as approved by the Board, from time to time, which will be subject to the limits prescribed under the Act.

2. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

9. SEVERANCE ARRANGEMENTS

The Contract of Employment with the Executive Director (WTD/MD/JMD) will provide for compensation of 3 months' pay or advance notice period and for other KMPs and Senior Management employees, the notice period will be 1 month or 1 month salary or as per appointment letter, whichever is higher. There will not be any severance fees.

10. DISCLOSURE

Information on the total remuneration of members of the Company's Board of Directors, WTD/MD/JMD and KMPs/Senior Management personnel will be disclosed in the Company's annual financial statements, etc., as per the provisions of Act, the Listing Regulations and other statutory requirements.

The disclosures regarding this Policy shall be made on the Company's website www.kajariaceramics.com and in the Annual Report of the Company, as per the provisions of the Act, the Listing Regulations and other statutory requirements.

11. EFFECTIVE DATE

This Policy shall be effective w.e.f. April 1, 2019.

12. REVIEW / AMENDMENT

The Board of Directors of the Company, on recommendation of the Committee, may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act/other applicable laws shall be binding even if not incorporated in this Policy.

Annexure – 5**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE YEAR ENDED MARCH 31, 2024

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

To,
The Members,
Kajaria Ceramics Limited
SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur Ghosi
Gurgaon, Haryana - 122001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Kajaria Ceramics Limited (hereinafter referred as "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 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:

- (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

- (iv) 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including erstwhile Regulations) to the extent applicable;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable**

Annexure-A

(vi) As confirmed and certified by the Management of the Company, there is no Law specifically applicable to the Company based on the sectors/businesses.

seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We have also examined compliance with the applicable clauses/ Regulations of the following:

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

(i) The Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that during the audit period there was no major events/actions had happened having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/Committee Meeting. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained, if any) and a system exists for

Date: 23rd July, 2024
Place: Delhi

For **Chandrasekaran Associates**

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 5715/2024

Rupesh Agarwal

Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN:A016302F000766150

Note:

- (i) This report is to be read with our letter of even date which is annexed as **Annexure-A** to this Report and forms an integral part of this report.
- (ii) This Report is limited to the Statutory Compliances on laws/ regulations/ guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to financial year ended March 31, 2024.

To,

The Members,

Kajaria Ceramics Limited

SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur Ghosi
Gurgaon, Haryana – 122001

- 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.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
- 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 **Chandrasekaran Associates**

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 5715/2024

Rupesh Agarwal

Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN:A016302F000766150

Date: 23rd July, 2024

Place: Delhi

Annexure - 6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

(i) Energy conservations measures taken

The manufacturing plants of the Company have continued their efforts to reduce the specific energy consumption and the same is monitored in order to minimize wastage and facilitate optimum utilization of energy. The initiatives are being planned and implemented. Maintenance and repairs of all equipment and machineries are carried out timely to ensure optimum energy efficiency. Apart from regular practices and measures for energy conservation, some of the key measures taken to enhance energy conservation during the financial year 2023-24 are as follows:

- Maintaining Power Factor near to Unity for effective utilisation of Grid power and reduction of apparent energy consumption. Utilisation of planned switching and effective use of VFD's with blowers resulting in reduction of apparent as well as active energy consumption.
- Installation of BEE (Bureau of Energy Efficiency) certified electrical items and equipment along with latest generation energy-efficient lighting (i.e. LED) with sensor and variable frequency drives in order to conserve energy and also drive down costs.
- Maintaining heat recovery system at Gailpur & Malootana (Rajasthan), Sikandrabad (U.P.), Srikalahasti (Andhra Pradesh) plants to attain considerable fuel savings by allocating the exhaust heat of kilns to vertical/horizontal driers. Some of heat recovery blowers are equipped with VFD to get the maximum efficiency.
- Initiation of Energy Management System (EMS) software development, which will generate real-time data and help to monitor, analyze, & report and also compare the power consumption across all plants of the Company.
- Installation of bio mass fuel based hot air generator in all spray driers at Gailpur (Rajasthan) and Sikandrabad (U.P.) plants of the Company to minimize the energy cost.

- Auto switching on and off of conveyors, blowers, etc., when not in use.
- Air leakage audit conducted and the air leakage arrested.
- Installation of Natural ventilators in Press area.
- In continual efforts of Green energy, replacement of HSD forklifts into battery forklifts at all plants of the Company.

(ii) Utilising alternate sources of energy

a. Solar Energy:

Total installed rooftop solar energy capacity is 7.36 MW at Gailpur & Malootana (Rajasthan), Sikandrabad, (U.P.) and Srikalahasti (Andhra Pradesh) plants of the Company.

For the financial year 2023-24, the solar project has generated about 87.79 Lacs units, which is about 4.89 % of electricity consumption across all the plants of the Company.

b. Wind Energy:

The Company is utilizing wind turbines at Gailpur (Rajasthan) plant to produce green energy. During the financial year 2023-24, the wind turbine project generated about 35.75 Lacs units, which is about 1.99 % of electricity consumption across all the plants of the Company.

(iii) Capital investment on energy conservation equipments

The Company has spent ₹44.48 Lacs on energy conservation equipments, during the financial year 2023-24.

B. TECHNOLOGY ABSORPTION

The Company has been acquiring, developing, and utilizing technological knowledge to deliver a large variety of technologically advanced products to its customers. The Company focuses on development of innovative products and improvement of processes, so

as to achieve the Company's business goal in long-term perspective. The entire product portfolio is based on in-house technology developed by internal team.

(i) Major efforts made towards technology absorption

- Installation of new technology of pressing system (i.e. Continuous and Roller Pressing Technology) at Sikandrabad (U.P.) and Srikalahasti (Andhra Pradesh) plants of the Company to make bigger size slab tiles.
- Installation of digital printing machines for glaze/dry application to make various structures, complete glaze application at Sikandrabad (U.P.) plant of the Company.
- The Company's R&D and technical experts constantly visit international markets to identify and keep pace with the latest technologies.
- The Company has fully adopted the latest technology available for producing tiles and putting the Company in the same league as other manufacturers in the Chinese and European markets.
- Expansion (Phase II) at Gailpur (Rajasthan) plant of the Company carried out with HLT presses and DLT drier & Kiln. All the machines are equipped with VFD's and thus the energy efficiency has been improved.

(ii) Benefits derived through such efforts

- The production capacity enhanced through its continuous value generation process by way of formulation, re-engineering, sourcing efficiency, process optimization, searching of new raw material / techniques.
- The Company has developed a culture of staying informed about the latest developments in related technology as well as constantly updating our equipment and processes. Such innovations have led the Company to be in the forefront amongst its competitors.
- Technology absorption efforts have not only allowed the Company to develop new

products but also improve its existing ones and reduce the cost of products.

- Installation of new technology of pressing system at Sikandrabad (U.P.) and Srikalahasti (Andhra Pradesh) plants of the Company provides best surface flatness and uniform pressing buk density across the tile surface which improves the quality as well as productivity. This technology is also an environment friendly and an energy efficient technology having high flexibility in production and low time required for size changeover which increases the flexibility of bigger size slab tiles.
- Expansion (Phase II) at Gailpur (Rajasthan) plant of the Company with HLT presses and DLT drier & Kiln, enabled to produce new size of tile (i.e. 80X160 sq.mm) also.

(iii) Technology imported

No technology has been imported during the last three years.

(iv) Expenditure incurred on Research and Development ('R&D')

(₹ in Crores)

Particulars	2023-24	2022-23
a) Capital	1.18	0.73
b) Recurring	9.63	7.54
Total	10.81	8.27
Total R&D expenditure as a percentage of total turnover	0.26%	0.21%

C. FOREIGN EXCHANGE EARNING AND OUTGO

Foreign exchange earned in terms of actual inflow during the financial year 2023-24 was ₹ 32.78 Crores (equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflow during the financial year 2023-24 was ₹128.15 Crores (equivalent value of various currencies).

For and on behalf of the Board

Ashok Kajaria

Place: New Delhi
Date: 23rd July, 2024

Chairman & Managing Director
DIN: 00273877

Annexure - 7

NAME OF EMPLOYEES OF THE COMPANY

[As per Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(a) Top Ten Employees in terms of Remuneration drawn including the Employees who was in receipt of remuneration exceeding ₹1.02 crores per annum, who was employed throughout the financial year 2023-24:

Sl. No.	Name	Age	Designation	Qualification	Experience	Date of commencement of employment	Remuneration received during the financial year 2023-24 (₹ in Crores)	Particular of last employment
1.	Mr. Ashok Kajaria	77	Chairman & Managing Director	B.Sc., BSME, UCLA (California), USA	48	01.01.1987	5.67	Managing Director -Kajaria Exports Limited
2.	Mr. Chetan Kajaria	49	Joint Managing Director	B. Engg. (Petrochem), Pune University, MBA from Boston College (USA)	24	15.01.2000	5.57	Managing Director -Kajaria Plus Limited
3.	Mr. Rishi Kajaria	46	Joint Managing Director	B.Sc. in Business Administration from Boston University (USA)	20	26.07.2003	5.57	Director - Kajaria Infotech Limited
4.	Mr. Ram Chandra Rawat	68	COO (A&T) & Company Secretary	M. Com. FCA, FCS	44	14.07.1987	2.11	Chief Accounts Officer - RCS Vanaspati Limited
5.	Mr. Sanjeev Agarwal	60	CFO	B.Com., CA	37	09.02.1994	2.13	Dy. Manager (Finance) - Orissa Synthetics Limited
6.	Mr. Gautam Seth	50	Sr. VP (Marketing & Technical)	BE- Mech. Engg.	25	01.09.2009	3.27	VP (Marketing) - Kajaria Plus Limited
7.	Mr. Pankaj Sethi	53	COO (Marketing)	BE - Civil Engg.	32	01.04.2003	3.00	Regional Manager -Kajaria Infotech Limited
8.	Mr. Vivek Goyal	55	Sr. VP (Marketing)	PGDBA (Marketing)	33	01.05.2000	2.61	DGM (Marketing) - Kajaria Plus Limited
9.	Mr. Bhupendra Vyas	66	COO (Marketing)	MMS	43	01.08.2016	2.44	Executive Director-City Tiles Limited
10.	Dr. Rajveer Choudhary	70	COO (Gailpur Plant)	M.A., Ph.D.	42	03.08.1998	2.17	VP - Venus Sugars Limited

Sl. No.	Name	Age	Designation	Qualification	Experience	Date of commencement of employment	Remuneration received during the financial year 2023-24 (₹ in Crores)	Particular of last employment
11.	Mr. Dipankar Bhattacharya	56	AVP (Marketing)	PGDBA	31	01.08.2007	2.06	AGM (Sales) - Vermora Granito Private Limited
12.	Mr. Balmukund Sharma	48	AVP (Marketing)	PGDBA	26	17.01.2005	1.68	Asst. Manager (Sales) - Kajaria Tiles (Aust.) Private Limited
13.	Mr. Amit S Jain	48	AVP (Marketing)	PGDBM (Marketing)	24	01.08.2000	1.44	Auditing - B.S. Sharma & Consultancy
14.	Mr. Rajiv Kumar Chauhan	50	AVP (Marketing)	PGDM (Marketing & IT)	29	06.04.1998	1.34	Sr. Marketing Executive - Kamakshi Electricals Limited
15.	Mr. Jaganathan B.	59	VP (Sales)	B.Com.	35	19.02.2018	1.33	VP (Sales & Marketing) - H&R Johnson (I) Limited
16.	Mr. Rajender Kumar Bhagat	58	AVP (Marketing)	B.Com.	37	15.06.1998	1.31	Sales Executive - Infra India Limited
17.	Mr. Thushar K G	50	AVP (Marketing)	PGDBM	28	17.01.2001	1.31	Sr. Sales Executive - Classic Paints & Chemicals
18.	Mr. G.P. Nirmal	63	Sr. VP (I&E)	B.Com (Hons.)	45	01.08.1997	1.29	Sr. Manager - Kajaria Exports Limited
19.	Mr. Atul Gupta	47	AVP (Marketing)	PGDBA (Marketing)	29	27.04.2007	1.15	Area Manager - Sogo Ceramics Private Limited
20.	Mr. Alok Kumar	58	Dy. VP (Accounts)	B.Com.	35	27.06.1989	1.13	-
21.	Mr. Arun Bagla	61	Dy. VP (Accounts)	B.Com. (Hons.), C.A.	37	01.08.2007	1.11	DGM (Accounts & Finance)- Kajaria Plus Limited
22.	Mr. Cheriyan M Tharakan	50	AVP (Marketing)	MBA	27	02.03.2020	1.11	General Manager - RAK Ceramics
23.	Mr. Ravi Jain	58	AVP (Marketing)	MBA (Marketing)	33	17.02.1998	1.05	Resident Executive - Rajasthan Explosive & Chemical
24.	Mr. Amit Kumar Jain	46	General Manager (Marketing)	MBA (Marketing)	20	11.09.2004	1.03	JPO - Standard Chartered Finance Limited

(b) Details of employee in receipt of remuneration exceeding ₹8.50 Lacs per month, who was employed for a part of financial year 2023-24:

Sl. No.	Name	Age	Designation	Qualification	Experience	Date of commencement of employment	Remuneration received during the financial year 2023-24 * (₹ in Crores)	Particular of last employment
1.	Mr. Joseph Singh A.	61	AVP (Marketing)	MBA	37	09.04.2007	1.49	Sales Manager - Bell Granito Ceramics Limited

* Retired on 31.12.2023.

(c) During the financial year 2023-24, no employee was in receipt of remuneration exceeding the remuneration drawn by the Managing Director or Whole-Time Director of the Company.**Notes:**

- Remuneration includes salary, allowances, perquisites and excludes Provident Fund, Gratuity Fund & Personal Accident Insurance as the same are paid for the Company as whole.
- All above mentioned employees are on the rolls of the Company and nature of employment is as per the appointment letter given by the Company.
- Mr. Ashok Kajaria, Mr. Chetan Kajaria, Mr. Rishi Kajaria, Mr. Gautam Seth, Mr. Pankaj Sethi, Mr. Vivek Goyal, Mr. Dipankar Bhattacharya, Mr. Balmukund Sharma, Mr. Amit S Jain, Mr. Rajender Kumar Bhagat, Mr. G. P. Nirmal and Mr. Ravi Jain hold 10,47,004 equity shares, 13,39,880 equity shares, 18,05,716 equity shares, 16,000 equity shares, 16,500 equity shares, 4,238 equity shares, 11,000 equity shares, 8,500 equity shares, 11,300 equity shares, 7,500 equity shares, 16,000 equity shares and 4,300 equity shares of the Company, respectively.
- None of the above referred employees, except as mentioned in Note No. 3 above, hold equity shares of the Company.
- Mr. Ashok Kajaria, Chairman & Managing Director is father of Mr. Chetan Kajaria and Mr. Rishi Kajaria, Joint Managing Directors, of the Company. Except this, no employee is relative of any Directors of the Company.

For and on behalf of the Board**Ashok Kajaria**

Chairman & Managing Director

DIN: 00273877

Place: New Delhi

Date: 23rd July, 2024

REPORT ON CORPORATE GOVERNANCE

The Company's Philosophy on Corporate Governance

Corporate governance at Kajaria Ceramics Limited ('Kajaria' / 'the Company') is strongly founded on its core values viz. passion, integrity, respect, and accountability in all its actions, operations and engagement with the stakeholders and society at large.

The Company believes that good corporate governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Being an industry leader for more than 3 decades, gives us immense pride and at the same time puts onus on us to raise our own bar of governance. Achieving milestones is important for us, but achieving them the right and ethical way is all the more important and essential.

In keeping with this responsibility, we continuously review our Corporate Governance framework and practices, to uplift them to align them with the best across the globe. The Company's Code of Conduct and Ethics and the Code of Conduct for Prevention of Insider Trading are an extension of our values and reflect our commitment to ethical business practices.

The governance structure at Kajaria is based on the principles of providing adequate authority to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and utmost responsibility so as to meet the expectation of all the stakeholders.

The Board of Directors ('the Board') are responsible and committed to sound principles of Corporate Governance in the Company. The Board of the Company plays a crucial role in overseeing how the management serves the short and long term interest of the shareholders and other stakeholders.

The Corporate Governance Philosophy of the Company is based on the following principles:

- Appropriate composition of the Board;
- Timely disclosure of material and financial information to the Board and Stakeholders;

- Systems and processes are in place to ensure financial control and compliance of applicable laws; and
- Proper Business Conduct by the Board, Committees, Senior Management and Employees.

Board of Directors

The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance in order to bring objectivity and transparency in the Management. The Board of Directors alongwith their Committees are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has vested with the requisite powers, authorities and duties.

Selection of the Board

In terms of the requirement of the provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the Nomination and Remuneration Committee has been designated to evaluate and recommend the Board, the need for change in the composition and size of the Board of the Company and to select members for filling the Board vacancies and nominating candidates for election by the shareholders at the General Meeting / Postal Ballot of the Company.

Composition

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors and Woman Director as required under the applicable legislations. The Board consists of eminent individuals from the Industry, management, technical, financial and marketing, etc. The Company is managed by the Board in co-ordination with their Committees and the Senior Management team. As on 31st March, 2024, the Company has Eight (8) Directors on its Board, out of which Three (3) are Executive Directors, One (1) is Non-executive Non-Independent Director and Four (4) are Non-executive-Independent Directors including one (1) Woman Non-executive Independent Director. The Board, on recommendation of the Nomination and Remuneration Committee periodically evaluates the need for change in composition and size of the Board of the Company.

The details of composition of the Board, category of Directorship, number of Directorships in other companies, Chairmanship/ Membership of the Committee of each Director in other Companies, attendance of the Directors at Board Meetings and last Annual General Meeting ('AGM') as on 31st March 2024 are given below:

Name	Category of Director	Board Meeting held during his/her tenure	Board Meeting attended	Last Annual General Meeting attended	Directorship* in other companies	Committee Chairmanship of other Boards**	Committee Membership of other Boards**
Mr. Ashok Kajaria (DIN: 00273877)	Chairman & Managing Director (Promoter)	6	6	Yes	1	0	2
Mr. Chetan Kajaria (DIN: 00273928) §	Joint Managing Director	6	6	Yes	1	0	1
Mr. Rishi Kajaria (DIN: 00228455) §	Joint Managing Director	6	6	Yes	1	0	0
Mr. Dev Datt Rishi (DIN: 00312882)	Director - (Non-Executive)	6	6	Yes	1	0	0
Mr. H. Rathnakar Hegde (DIN: 05158270) ^	Director (Non-Executive & Independent)	6	6	Yes	1	1	0
Mrs. Sushmita Singha (DIN: 02284266)	Director (Non-Executive & Independent)	6	6	Yes	4	0	1
Dr. Lalit Kumar Panwar (DIN: 03086982)	Director (Non-Executive & Independent)	6	6	Yes	1	0	1
Mr. Sudhir Bhargava (DIN: 00247515)	Director (Non-Executive & Independent)	6	6	Yes	2	3	0
Mr. Rajender Mohan Malla (DIN: 00136657) ^^	Director (Non-Executive & Independent)	-	-	-	9	2	2

* Excluded the Directorship held in private limited companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013, as per Regulation 26 of the Listing Regulations, but included Kajaria Ceramics Limited.

** Included only the Membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies as per Regulation 26 of the Listing Regulations, including Kajaria Ceramics Limited.

§ Promoter Group

^ Tenure of Mr. H. Rathnakar Hedge as the Independent Director of the Company completed on March 31, 2024. Hence, he ceased to be the Independent Director of the Company w.e.f. April 1, 2024.

^^ Mr. Rajender Mohan Malla has been appointed as an Independent Director of the Company for a period of five consecutive years effective from April 1, 2024.

The number of Directorships, Chairmanships and Committee memberships of each Director is in compliance with the relevant provisions of the Act and the Listing Regulations.

During the year 2023-24, none of the Independent Director resigned from the office before the expiry of his/her tenure.

Mr. Ashok Kajaria, Chairman & Managing Director of the Company is the father of Mr. Chetan Kajaria and Mr. Rishi Kajaria, Joint Managing Directors, of the Company. There is no inter-se relationship between any of the Non-executive/Independent Directors of the Company.

As mandated by the Listing Regulations, none of the Directors of the Company are members of more than ten Board level committees nor are the Chairperson of more than five Board level committees in public limited companies in which they are Directors.

Category of Directorship in other companies listed on recognized Stock Exchange(s):

Name of other companies listed at the recognised Stock Exchange(s) in which the Directors of the Company hold position of Directorship (alongwith category of Directorship), as on 31st March, 2024, are as under:

Name of Director	Name of other companies listed at the recognized Stock Exchange(s) in which hold Directorship*	Category of Directorship
Mr. Ashok Kajaria (DIN: 00273877)	-	-
Mr. Chetan Kajaria (DIN: 00273928)	-	-
Mr. Rishi Kajaria (DIN: 00228455)	-	-
Mr. Dev Datt Rishi (DIN: 00312882)	-	-
Mr. H. Rathnakar Hegde (DIN: 05158270) #	-	-
Mrs. Sushmita Singha (DIN: 02284266)	Radico Khaitan Limited	Non-executive & Independent Director
	Hindustan Tin Works Limited	Non-executive & Independent Director
Dr. Lalit Kumar Panwar (DIN: 03086982)	-	-
Mr. Sudhir Bhargava (DIN: 00247515)	-	-
Mr. Rajender Mohan Malla (DIN: 00136657) @	Waaree Technologies Limited	Non-executive & Independent Director
	Filatex India Limited	Non-executive & Independent Director
	IOL Chemicals and Pharmaceuticals Limited	Non-executive & Independent Director

* Excluded the Directorship held in Kajaria Ceramics Limited.

Tenure of Mr. H. Rathnakar Hedge as the Independent Director of the Company completed on March 31, 2024. Hence, he ceased to be the Independent Director of the Company w.e.f. April 1, 2024.

@Mr. Rajender Mohan Malla has been appointed as an Independent Director of the Company for a period of five consecutive years effective from April 1, 2024.

Number of shares held by Independent Directors/Non-executive Director

The details of equity shares of the Company held by the Independent / Non-Executive Directors as on 31st March, 2024 are as under:

Name of Independent / Non-executive Directors	Category	No. of equity shares of ₹1 each of the Company held as on 31 st March, 2024
Mr. Dev Datt Rishi	Non-executive Director	1240

No Independent Directors of the Company hold any equity share of the Company as on 31st March, 2024.

None of the Independent Directors of the Company is serving as an Independent Director in more than seven listed companies. Further, no Independent Directors of the Company hold positions of Whole-Time Director / Managing Director in another listed company.

Board Meetings

The Board meets at least once in every quarter in compliance of applicable laws, to discuss and decide on, inter-alia, business strategies/policies and review the financial performance of the Company and its subsidiaries and other items on agenda. Additional meetings are held from time to time as and when required.

The notice of each Board Meeting is given in writing to each Director of the Company. The agenda along with the relevant notes and other material information are sent to each Director in advance and in exceptional cases tabled at the meeting.

Also, the Board meetings of the Company have been held with proper compliance of the provisions of the Act, the Listing Regulations [including Notifications/Circulars issued thereunder, from time to time] and the Secretarial Standards, as applicable thereon.

During the financial year 2023-24, six (6) Board Meetings were held, at least one in every calendar quarter as permitted under the Act read with the Listing Regulations. The dates on which the Board Meetings were held, are as under:

16th May, 2023, 26th July, 2023, 28th August, 2023, 20th October, 2023, 28th December, 2023 and 31st January, 2024.

Post meeting follow up Mechanism

All the important decisions taken at the Board / Committee meetings are communicated to the concerned departments / divisions. Action Taken Report on decisions / minutes of previous meetings is also placed at the succeeding meeting of the Board.

Board Support

The Company Secretary attends the Board / Committee meetings and advises on compliances with applicable laws and governance

Separate Meeting for Independent Directors

The Independent Directors of the Company meet once in a financial year without the presence of non-Independent Directors and Management Personnel. Such Meeting reviews the performance of Non-Independent Directors and the Board as a whole, reviews the performance of Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors, assess the quality, quantity and timeliness of the flow of information between management and the Board that is necessary to effectively and reasonably perform its duties. A meeting of Independent Directors was held on 7th May, 2024.

Familiarization Programme for Independent Directors

At the time of appointment/re-appointment of Independent Directors, a formal letter of appointment is given to him/her, which, inter-alia, explains the role, functions, duties and responsibilities expected from him/her as an Independent

Director of the Company. The Independent Director is also explained in detail the nature, business model of the industry and compliances under the Act, the Listing Regulations and other relevant rules & regulations. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him with the Company's Operations. The Board Members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's Procedures and Practices. Periodic presentations are made at the Board and its Committee Meetings on the Company's Business, performance and other relevant updates.

The familiarization program alongwith details thereof has been uploaded on the Company's website at <https://www.kajariaceramics.com/pdf/FamiliarisationProgrammeForIndependentDirectors.pdf> / https://www.kajariaceramics.com/pdf/Details_of_Familiarisation_Programme_of_Independent_Directors_231021.pdf

Audit Committee

During the year 2023-24, the Committee met six (6) times i.e. 16th May, 2023, 26th July, 2023, 28th August, 2023, 20th October, 2023, 28th December, 2023 and 31st January, 2024. The Committee has been re-constituted by the Board of the Company by way of passing a circular resolution on April 11, 2024. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Sudhir Bhargava*	Non-executive & Independent	Chairman	6
Mr. H. Rathnakar Hegde**	Non-executive & Independent	Chairman	6
Mr. Ashok Kajaria	Executive	Member	6
Dr. Lalit Kumar Panwar	Non-executive & Independent	Member	6
Mr. Rajender Mohan Malla **	Non-executive & Independent	Member	-

* On April 11, 2024, Mr. Sudhir Bhargava and Mr. Rajender Mohan Malla have been appointed as the Chairman and the member of the Audit Committee of the Company, respectively.

**Mr. H. Rathnakar Hedge ceased to be the Independent Director of the Company on completion of his tenure as an Independent Director on March 31, 2024. Hence, he also ceased to be the Chairman of the Audit Committee of the Company.

The Committee's Composition meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Members of the Committee are financially literate and possess sound knowledge of accounts, audit, internal controls and financial management expertise.

Mr. Ram Chandra Rawat, COO (A&T) & Company Secretary of the Company acts as the Secretary of the Audit Committee. Mr. H. Rathnakar Hegde, the then Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 12th September, 2023.

Terms of Reference of Audit Committee

The term of reference of the Audit Committee, inter-alia, includes 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 the appointment, remuneration, terms of appointment of the Auditors of the Company and reviewing & monitoring the auditor's independence and performance and effectiveness of the audit processes;
- Approval for payment to the Statutory Auditors for any other permitted services rendered by Statutory Auditors;
- Reviewing and examining, with the management, the annual financial statements and the Auditors' 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 Section 134(3) (c) of the Act;
 - Changes, if any, in accounting policies and practices and 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 Auditors' report.
- Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
- Reviewing and monitoring, with the management, the statement of uses / application of funds raised through an issue/public offers (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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Approval (including omnibus approval) or any subsequent modification of transactions of the Company with related parties / statement of related party transactions;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems including evaluation of internal financial controls and risk management system and discussion with internal auditors any significant findings and follow up thereon;
- 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;
- Review the functioning of the Whistle Blower Policy (Vigil Mechanism);
- Approval of appointment of Chief Financial Officer ('CFO') after assessing the qualifications, experience & background, etc. of the candidate;

16. Reviewing the utilization of loans and/or advances from/ investment by the Company in its subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
17. Review of Management discussion and analysis of financial condition and results of operations and Management letters / letters of internal control weaknesses issued by the statutory auditors;
18. Review of Internal audit reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the Internal Auditors;
19. Review of Financial statement, in particular, investments made by the subsidiary company(s);
20. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
21. Any other role/functions as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

Nomination and Remuneration Committee

During the year 2023-24, the Committee met two (2) times i.e. 16th May, 2023 and 26th July, 2023. The Committee has been re-constituted by the Board of the Company by way of passing a circular resolution on April 11, 2024. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mrs. Sushmita Singha	Non-executive & Independent	Chairperson	2
Mr. Ashok Kajaria	Executive	Member	2
Mr. H. Rathnakar Hegde*	Non-executive & Independent	Member	2
Mr. Sudhir Bhargava	Non-executive & Independent	Member	2
Mr. Rajender Mohan Malla**	Non-executive & Independent	Member	-

*Mr. H. Rathnakar Hedge ceased to be the Independent Director of the Company on completion of his tenure as an Independent Director on March 31, 2024. Hence, he also ceased to be the member of the Nomination and Remuneration Committee of the Company.

**On April 11, 2024, Mr. Rajender Mohan Malla has been appointed as the member of the Nomination and Remuneration Committee of the Company.

The Composition of the Nomination and Remuneration Committee is as per Section 178 of the Act and Regulation 19 of the Listing Regulations.

Mrs. Sushmita Singha, the Chairperson of the Nomination and Remuneration Committee was present in the last Annual General Meeting of the Company held on 12th September, 2023.

Terms of reference (Role) of the Committee, inter-alia, includes the following:

1. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
2. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
3. While formulating the policy as above said, to ensure that:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - c) Remuneration to Directors, Key Managerial Personnel and Senior Management (one level below the functional heads including the Company Secretary and Chief Financial Officer) 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.
4. Recommending the Board, all remuneration, in whatever form, payable to senior management including the Company Secretary and the Chief Financial Officer;

5. Formulating the criteria for evaluation of Independent Directors and the Board of Directors of the Company;
6. To extend or continue the term of appointment of Independent Director, on the basis of performance evaluation of Independent Directors;
7. Devising a policy on diversity of Board of Directors;
8. To formulate the detailed terms and conditions of the Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') including the following:
 - a. issuing and allotment of equity shares [including share certificate(s)] of the Company to the ESOP holders and all matters related thereto, from time to time, pursuant to the ESOP Scheme 2015;
 - b. signing, execution and submission of necessary documents/papers for the listing of equity shares of the Company with the stock exchanges or other concerned authority(ies) and all matters related thereto;
 - c. making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions;
 - d. approval of list of employee(s) of the Company and/or its subsidiary(ies) [including quantum of ESOP grant] to whom ESOP options are to be granted under ESOP Scheme 2015;
 - e. determining the procedure for winding up of the ESOP Scheme 2015;
 - f. other matters which may be relevant for administration of ESOP Scheme 2015, from time to time.
9. 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;
10. For the purpose of identifying suitable candidates as above, the Committee may:
 - To use the services of an external agencies, if required;

- To consider candidates from a wide range of backgrounds, having due regard to diversity;
- To consider the time commitments of the candidates.

11. To do all other acts as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

Risk Management Committee

During the year 2023-24, the Committee met two (2) times i.e. 29th June, 2023 and 21st December, 2023. The details of meetings attended by the Directors / members of this Committee are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Ashok Kajaria	Executive	Chairman	2
Mr. Chetan Kajaria	Executive	Member	2
Mr. Rishi Kajaria	Executive	Member	2
Mr. Dev Datt Rishi	Non-Executive	Member	1
Mrs. Sushmita Singha	Non-Executive & Independent	Member	1
Mr. Ram Chandra Rawat	COO (A&T) & Company Secretary	Member	2
Mr. Sanjeev Agarwal	Chief Financial Officer	Member	2

The composition of the Risk Management Committee is as per Regulation 21 of the Listing Regulations.

Terms of reference (Role) of the Committee, inter-alia, includes the following:

1. To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

- b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
 4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 6. To review appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
 7. Any other role/function as be assigned by the Board of Directors or required under the applicable law, from time to time.

Performance Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the Board as a whole, its Committees and all Directors including the Chairman, in line with the criteria specified in the Nomination and Remuneration Policy and as per the recommendation of the Nomination and Remuneration Committee of the Company. The exercise was carried out through a structured evaluation process covering various aspects of the Board, its Committees, Chairman and all Directors' functioning such as composition of Board and its Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The Directors expressed their satisfaction with the evaluation process and performance of the Board, its Committees and the Directors including the Chairman. The Independent Directors also evaluated the performance of Non-Independent Directors, the Chairman and Board as a whole. They also assessed 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.

Remuneration

A. Remuneration to Independent / Non-executive Directors

The Independent / Non-executive Directors are paid remuneration by way of sitting fees for each meeting of the Board and Committee of Directors attended by them. The total amount of sitting fees paid during the financial year 2023-24 was ₹39.30 Lacs. The Independent/ Non-executive Directors do not have any pecuniary relationship or transactions with the Company. The criteria of making payment to Independent / Non-executive Directors are disclosed in the Nomination and Remuneration Policy of the Company. The said Policy is given as a part of Annexure- 4 to the Directors Report and is also disclosed on the website of the Company https://www.kajariaceramics.com/pdf/nomination_remuneration_policy.pdf

The details of remuneration paid to Independent / Non-executive Directors during the financial year ended 31st March 2024 is as under:

Sr. No.	Name of Independent/ Non-Executive Directors	Sitting Fees (₹ in Lacs)
1	Mr. H. Rathnakar Hegde*	9.60
2	Mr. Dev Datt Rishi	4.80
3	Mrs. Sushmita Singha	6.00
4	Dr. Lalit Kumar Panwar	9.00
5	Mr. Sudhir Bhargava	9.90
6	Mr. Rajender Mohan Malla**	-

* Tenure of Mr. H. Rathnakar Hedge as the Independent Director of the Company completed on March 31, 2024. Hence, he ceased to be the Independent Director of the Company w.e.f. April 1, 2024.

** Mr. Rajender Mohan Malla has been appointed as an Independent Director of the Company for a period of five consecutive years effective from April 1, 2024.

Other than sitting fees as mentioned above including reimbursement of expenses incurred for attending the meetings of the Board/its Committees, the Independent / Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year 2023-24.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman & Managing Director, Joint Managing Directors are governed by the recommendations of the Nomination and Remuneration

Committee and approvals by the Board and shareholders of the Company. The terms and conditions of appointment (including remuneration package) of the Chairman & Managing Director and Joint Managing Directors are governed by the respective agreements executed between them and the Company. Their remuneration package comprises of salary, perquisites and commission, if any, as approved by the shareholders at the General Meeting(s).

The details of remuneration paid to Executive Directors during the year ended 31st March 2024 are as under:

(₹ in Crores)

Name of Directors	Fixed Component		Performance Linked Incentive	Total
	Salary	Perquisites & other Benefits	Commission	
Mr. Ashok Kajaria	5.35	0.32	-	5.67
Mr. Chetan Kajaria	5.25	0.32	-	5.57
Mr. Rishi Kajaria	5.25	0.32	-	5.57

Presently, the Company does not have a scheme for grant of stock options to any Director. As per the contract entered into with the Executive Directors, there is a notice period of three months and there is no severance fee to be paid to the Executive Directors.

Stakeholders Relationship Committee

The Committee is responsible for the satisfactory redressal of investor's grievances and recommends measures for overall improvement in the quality of investor's services. During the year 2023-24, the Committee met four (4) times i.e. 4th April, 2023, 6th July, 2023, 4th October, 2023 and 8th January, 2024.

The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Sudhir Bhargava	Non-executive & Independent	Chairman	1
Mr. Ashok Kajaria	Executive	Member	4
Mr. Chetan Kajaria	Executive	Member	4

Mr. Ram Chandra Rawat, COO (A&T) & Company Secretary, is the Compliance Officer of the Company.

During the year 2023-24, fourteen (14) shareholders related complaints were received and one (1) complaint remained unresolved as on March 31, 2023. The said fifteen (15) complaints were duly addressed/disposed, during the year 2023-24. Other than that, none of the

complaints were pending, except the cases where the Registrar & Share Transfer Agent is constrained by dispute or legal impediment, if any or due to incomplete or non-submission of documents by the shareholders.

The role of the Committee, inter-alia, includes the following:

1. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. To review the measures taken for effective exercise of voting rights by shareholders of the Company;
3. To review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent of the Company;
4. To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. To consider all other matters related to the security holders/shareholders of the Company;
6. Any other role/function as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

Corporate Social Responsibility Committee

During the year 2023-24, the Committee met two (2) times i.e. 9th May, 2023 and 20th October, 2023. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mrs. Sushmita Singha	Non-executive & Independent	Chairperson	2
Mr. Chetan Kajaria	Executive	Member	2
Mr. Rishi Kajaria	Executive	Member	2

Terms of reference of the Committee, inter-alia, includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as per the provisions of the Companies Act, 2013 and rules made thereunder;
- Recommend the amount of expenditure to be incurred on the CSR activities; and
- Monitor the Corporate Social Responsibility Policy of the Company, from time to time.

Corporate Social Responsibility Policy (CSR Policy) of the Company

In compliance with the provisions of Section 135 of the Act and rules made thereunder, the Company has framed a CSR Policy, which is uploaded on the website of the Company i.e. www.kajariaceramics.com

As a part of initiative of CSR drive, the Company has implemented various CSR programmes/projects which made positive impacts mainly in the areas of health, sanitation, social relief, environment, sports and education, etc. The CSR programmes initiated by the Company includes taking steps for Swachh Bharat, preventive health care, constructing sanitation facilities in the schools, etc. near the manufacturing facilities, contributing to the education, social welfare, environment, sports protection of national heritage, etc. These projects/activities are also in accordance with Schedule VII of the Act.

Details of CSR initiative taken by the Company during the year is specified in the Annexure- 3 to the Directors Report.

Business Responsibility & Sustainability Committee

During the year 2023-24, the Committee met one (1) time i.e. 24th July, 2023. The composition of the Committee is as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Ashok Kajaria	Executive Director	Chairman	1
Mr. Chetan Kajaria	Executive Director	Member	1
Mr. Rishi Kajaria	Executive Director	Member	1
Dr. Rajveer Choudhary	COO (Works)	Member	1
Mr. Bhupendra Vyas	COO (Marketing)	Member	1
Mr. A Venkat Madhavan	Chief Human Resources Officer	Member	1

Terms of reference of the Committee, inter-alia, includes the following:

- o To oversee the implementation of the Business Responsibility Policy;
- o To review the Business Responsibility performance of the Company; and
- o To carry out such acts as may be delegated by the Board of Directors or as may be prescribed by the law.

Management Committee

The Company has a Management Committee of Directors set up to, inter-alia, oversee routine operations that arise in the normal course of the business such as decision on banking related matters, delegation of operational powers, authorisation for various acts / under statutes, etc. The Committee comprises of three Executive Directors of the Company. The Committee functions under the guidance/supervision of the Board and the minutes of meetings of this Committee are also placed before the Board.

Ethics/Governance Policies :

1. Code of Business Conduct and Ethics

In compliance with the Listing Regulations and the Act, the Company has framed and adopted a Code of Business Conduct and Ethics ('the Code'). The Company has in place a comprehensive Code of Conduct applicable to all Senior Management Personnel which would include the Directors of the Company, the Top Management Personnel and all functional head (including Management Personnel with Functional reporting to Directors and Top Management Personnel). The Code gives guidance and support needed for ethical conduct of business and compliance of laws. The Code reflects the values of the Company, viz. the Company value, Ownership Mind-set, Respect, Integrity, One team and Excellence.

A Code of Business Conduct and Ethics is available on the Company's website <https://www.kajariaceramics.com/pdf/CodeofBusinessConductethics.pdf>

The Code has been circulated to all the Directors and Senior Management Personnel. All members of the Board and Senior Officers have affirmed compliance to the Code as on 31st March, 2024.

A declaration signed by the Company's Chairman & Managing Director is published in this report.

2. Insider Trading Code

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including amendments thereto), the Company has adopted the Code of Conduct for Prevention of Insider Trading and the Code of Fair Disclosure. The Code of Conduct for Prevention of Insider Trading is applicable to all Designated Persons as defined in the above Code, who are expected to have access to unpublished Price Sensitive Information relating to the Company. The Company Secretary of the Company is the Compliance Officer for ensuring/monitoring the adherence to the said code/regulations.

3. Material Subsidiary Policy

The Company has adopted Material Subsidiary Policy. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and

to formulate a governance framework for subsidiaries of the Company. The Material Subsidiary Policy is available on the Company's website at <https://www.kajariaceramics.com/pdf/MaterialSubsidiaryPolicy-kajaria.pdf>

4. Related Party Transaction Policy

In compliance with the Listing Regulations and the Act, the Company has adopted Related Party Transaction Policy. This Policy is available at Company's website at <https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Party(ies). The Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Pursuant to the provisions of the Act read with the Listing Regulations, a statement on related party transactions is presented before the Audit Committee on a quarterly basis for its review.

5. Dividend Distribution Policy

Pursuant to the Regulation 43A of the Listing Regulations, the Company has adopted the Dividend Distribution Policy. The said policy is uploaded at the Company's website i.e. https://www.kajariaceramics.com/pdf/Dividend_Distribution_Policy.pdf

6. Risk Management Policy

The Company has adopted the Risk Management Policy and the same is uploaded at the Company's website i.e. https://www.kajariaceramics.com/pdf/Risk_Management_Policy.pdf

7. Business Responsibility & Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations (including notification(s)/circular(s) issued from time to time), a Business Responsibility and Sustainability Report for the financial year 2023-24 is given as **Annexure- A**. The Company has also framed and adopted the Business Responsibility Policy and the same is uploaded at the Company's website i.e. <https://www.kajariaceramics.com/pdf/BusinessResponsibilityPolicy.pdf>

General Body Meetings

a) The last three Annual General Meetings of the Company were held as per details given below:

Year	Date	Time	Venue	Details of Special Resolution(s) Passed, if any
2022-23	12 th September, 2023	1:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	-
2021-22	23 rd September, 2022	3:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	<ul style="list-style-type: none"> Appointment of Dr. Lalit Kumar Panwar as an Independent Director of the Company Appointment of Mr. Sudhir Bhargava as an Independent Director of the Company
2020-21	28 th September, 2021	3:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	<ul style="list-style-type: none"> Re-appointment of Mr. Ashok Kajaria as the Chairman & Managing Director of the Company Re-appointment of Mr. Chetan Kajaria as the Joint Managing Director of the Company Re-appointment of Mr. Rishi Kajaria as the Joint Managing Director of the Company

b) **Special Resolution passed through Postal Ballot:** Three Special Resolutions were passed on June 20, 2024 through Postal Ballot and the voting results for the said Special Resolutions are as under:

Special Resolution	No. of total valid votes received	Votes cast (No. of shares)	
		For	Against
Appointment of Mr. Rajender Mohan Malla as an Independent Director of the Company for a period of five consecutive years effective from April 1, 2024	14,06,34,536	13,98,53,587	7,80,949
Continuation of Mr. Rajender Mohan Malla as an Independent Director of the Company on attaining the age of seventy-five years	14,06,34,296	14,06,27,105	7,191
Continuation of Mr. Dev Datt Rishi as the Non-executive Director of the Company on attaining the age of seventy-five years	14,06,41,016	13,80,28,596	26,12,420

Mr. Shashikant Tiwari, Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi had conducted the Postal Ballot exercises for the above said Postal Ballot as the Scrutinizer and submitted the report in compliance of the applicable laws.

c) **Special Resolution proposed to be conducted through Postal Ballot:**

There is no Special Resolution proposed to be conducted through Postal Ballot.

d) **Procedure for Postal Ballot:**

- In compliance with Regulation 44 of the Listing Regulations read with Sections 108, 110 and other applicable provisions, if any, of the Act and the rules made thereunder and the Secretarial Standard on General Meetings ('SS-2'), the Company provides facility for casting votes by way of e-voting and/or postal ballot to all its shareholders, as may be permitted by the applicable laws. The Company engages the services of National Securities Depository Limited

(NSDL) for the purpose of providing e-voting facility to all its shareholders. The shareholders will have the option to vote either by physical ballot or e-voting, as may be permitted by the applicable laws.

e) Except above, the Company did not hold Extra-Ordinary General Meeting of the Shareholders during the financial year 2023-24.

Disclosures

a) **Materially Significant Related party transactions**

During the financial year 2023-24, there are no materially significant transactions with the related parties, viz. Promoters, Directors or the Management, their subsidiaries or relatives that had potential conflict with the Company's interest.

Suitable disclosure as required by Indian Accounting Standard ('Ind AS-24') has been made under Note No. 40 of the Financial Statements. The Related Party Transaction Policy is available on the Company's website: <https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf>

b) **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s) or the SEBI or any statutory authority, on any matter related to Capital Markets, during last three years:**

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchange(s) as well as regulations and guidelines of the SEBI. No penalties have been imposed or stricture has been issued by the SEBI, the Stock Exchange(s) or any statutory authorities on matters relating to Capital Markets during the last three years.

c) **Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and 177(10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy with vigil mechanism for the Directors and Employees of the Company to report to the management about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct, leakage or suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. No complaint has been received during the year 2023-24.

- The Company dispatches postal ballot notices, etc. to its shareholders whose names appear on the Register of Members / List of Beneficiaries as on the Cut-off date. The Postal Ballot Notice is sent to the shareholders in electronic form at the e-mail addresses registered with their depository participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding) as may be permitted by the applicable laws. Subject to the applicable laws, physical copy of notice is sent to the shareholders, whose email is not registered or who has requested for physical copy of notice. The Company also publishes a notice in the newspaper(s) declaring the details of completion of dispatch and other requirements as mandated under the Act and other applicable rules and regulations.
- Voting rights are reckoned on the paid-up value of the shares registered in the names of the shareholders as on the cut-off date. Subject to the applicable laws, shareholders desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutiniser on or before the closure of the voting period. Shareholders desiring to exercise their votes by electronic mode are requested to vote before the closure of the voting period.
- In compliance with the applicable laws, the Scrutiniser submits his report to the Chairman or a person authorised by the Chairman, after the completion of scrutiny, and consolidated results of the voting by postal ballot and e-voting are announced by the Chairman or a person authorised by the Chairman to do the same. The results are also displayed at the Company's Registered Office & the Corporate Office and also on the Company's website i.e. www.kajariaceramics.com, besides being communicated to the Stock Exchange(s), within the prescribed timeline.

The details of establishment of vigil mechanism (Whistle Blower Policy) have been disclosed by the Company on its website i.e. https://www.kajariaceramics.com/pdf/whistel_blowing_policy.pdf and in the Directors' Report.

d) A certificate on compliance with the conditions of the Corporate Governance under the Listing Regulations issued by Mr. Rupesh Agarwal, Managing Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi, forms part of this report.

e) In accordance with the provisions of the Regulation 24A of Listing Regulations, the Annual Secretarial Compliance Report for the year 2023-24 has been issued by Mr. Shashikant Tiwari, Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi, which forms part of this report.

f) A certificate issued by Mr. Rupesh Agarwal, Managing Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/the Ministry of Corporate Affairs or any such statutory authority, which forms part of this report.

g) The Board of the Company considered the declarations submitted by all Independent Directors of the Company that:

- They meet the criteria of independence as provided in Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act.
- They are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence as provided under the Listing Regulations.

Accordingly, in the opinion of the Board of the Company, all Independent Directors of the Company fulfill the conditions/criteria specified in the Listing Regulations read with the Act and rules made thereunder and they are also independent of the management.

Further, in the opinion of the Board of the Company, all Independent Directors of the Company have integrity,

expertise, experience as prescribed under the Companies (Appointment and Disqualification of Directors) Rules, 2014 read with the Companies (Accounts) Rules, 2014 (including amendment thereof).

h) During the year 2023-24, the Board of the Company had accepted all recommendations of the Committee(s) of the Company.

i) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted the Policy for Prevention of Sexual Harassment at the Workplace is available on the website of the Company at https://www.kajariaceramics.com/pdf/prevention_of_sexual_harassment_at_workplace.pdf

Details of compliant under said Policy read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

- Number of complaints filed during the year 2023-24: Nil
- Number complaints disposed of during the year 2023-24: Nil
- Number of complaints pending as at end of the year 2023-24: Nil

j) Details of all credit ratings obtained by the Company along with any revisions thereto during year 2023-24, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the year 2023-24, the Company has not issued any debt instruments or fixed deposit programme/scheme and no proposal of mobilization of fund by the Company. Thus, the Company has not obtained Credit rating for the above said purpose.

k) During the year 2023-24, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. Walker Chandio & Co LLP, Chartered Accountants, the Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditors is a part:

A. Payment to M/s. Walker Chandio & Co LLP, Chartered Accountants, Statutory Auditors of the Company

Sr. No.	Particulars	₹ in Lacs (exclusive of applicable taxes)
1	Audit Fee of Financial Statements (Standalone & Consolidated) for the financial year 2023-24 (including Limited Review)	95.00
2	Other Services and out of pocket expenses	7.61
	Total	102.61

B. Payment to M/s. Walker Chandio & Co LLP, Chartered Accountants, Statutory Auditors of the Company's subsidiaries

1. Kajaria Bathware Private Limited

Sr. No.	Particulars	₹ in Lacs (exclusive of applicable taxes)
1	Audit Fee of Financial Statements (Standalone & Consolidated) for the financial year 2023-24	10.00
2	Other Services and out of pocket expenses	0.29
	Total	10.29

2. Kajaria Sanitaryware Private Limited (Step-down subsidiary)

Sr. No.	Particulars	₹ in Lacs (exclusive of applicable taxes)
1	Audit Fee of Financial Statements for the financial year 2023-24	8.00
2	Other Services and out of pocket expenses	0.00
	Total	8.00

C. No Payment made to the network firm of M/s. Walker Chandio & Co LLP, Chartered Accountants, the Statutory Auditors of the Company

l) Skills/ Experience/Competencies of the Directors of the Company:

The Board of Directors of the Company have identified the Core Skills/Practical Experience/Competencies as required in the context of its business(es) and sector(s) for it to function effectively and the names of the Directors who have such skills/expertise/competence are as given below:

Skills/ Expertise/ Competencies	Mr. Ashok Kajaria	Mr. Chetan Kajaria	Mr. Rishi Kajaria	Mr. Dev Datt Rishi	Mrs. Sushmita Singha	Dr. Lalit Kumar Panwar	Mr. Sudhir Bhargava	Mr. Rajender Mohan Malla
Technology	Yes	Yes	Yes	Yes	-	-	-	-
Manufacturing process	Yes	Yes	Yes	Yes	-	-	-	-
Accountancy	Yes	Yes	Yes	-	-	Yes	Yes	Yes
Finance and financial management	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes
Law	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes
Economics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Risk Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Administration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Human Resources	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

m) Disclosures of transactions of the Company with the person or entity belonging to the Promoter/Promoter Group of the Company which hold(s) 10% or more shareholding in the Company are as under:

Sr. No.	Name of Entity belongs to Promoter/Promoter Group of the Company	Category	Nature of Transaction during the financial year 2023-24	Amount of Transaction during the financial year 2023-24 (₹ in Crores)
1	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	Promoter Group	Final/Interim Dividend Paid	23.28
2	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	Promoter Group	Final/Interim Dividend Paid	23.28

n) The Company has complied with all the corporate governance mandatory requirements specified in the Listing Regulations and following are the details of non-mandatory/discretionary requirements:

Details of Compliance with discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

The status of compliance with discretionary requirements of Part E of Schedule II of Listing Regulations is provided below:

- The Board:** The Company has appointed an Executive Chairman, being the promoter of the Company.
- Shareholders' Rights:** As the quarterly, half yearly and annual financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to household of each shareholders.
- Modified opinion(s) in Audit Report:** The Audit Report(s) on the Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2024, do not contain any modified opinion.
- Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** As per the Articles of Association of the Company and in accordance with the provisions of the Act, the Company continues to appoint one person as the Chairman and Managing Director of the Company
- Reporting of Internal Auditor:** Independent Internal Auditor has been appointed and is reporting directly to the Audit Committee.

o) CEO / CFO Certificate

The Chairman & Managing Director and the Chief Financial Officer ('CFO') of the Company have given the annual certification on the financial reporting and internal controls to the Board of the Company in accordance with the Listing Regulations. The Chairman & Managing Director and CFO of the Company also give quarterly certification on financial results while placing the financial results before the Board of the Company in terms of the Listing Regulations. The Annual Certificate given by the Chairman & Managing Director and CFO of the Company is published in this report.

p) Loans and advances in the nature of loans given by the Company and its subsidiaries to firms/companies in which Directors are interested:

i) By the Company:

Loans given to		Advances in the nature of loans given to	
Firm/companies	Amount (₹ in Crores) (Outstanding as on March 31, 2024)	Firm/companies	Amount (₹ in Crores) (Outstanding as on March 31, 2024)
Kajaria Bathware Private Limited	8.00		
Kajaria Sanitaryware Private Limited*	26.00		
Kajaria Plywood Private Limited	39.85		
Kajaria Infinity Private Limited	20.00		
Kajaria Vitrified Private Limited	123.00		Nil
South Asian Ceramic Tiles Private Limited	8.92		
Kajaria International DMCC	7.48		
Kerovit Global Private Limited*	49.00		

* Step-down subsidiary of the Company.

ii) By subsidiary(ies) of the Company:

Loans given to		Advances in the nature of loans given to	
Firm/companies	Amount (₹ in Crores) (Outstanding as on March 31, 2024)	Firm/companies	Amount (₹ in Crores) (Outstanding as on March 31, 2024)
	Nil		Nil

q) Details of material subsidiaries of the Company, as on 31st March, 2024:

Name of Material Subsidiaries	Date of Incorporation of Material Subsidiaries	Place of Incorporation of Material Subsidiaries	Name of Statutory Auditors of Material subsidiaries	Date of appointment of Statutory Auditors of Material subsidiaries
		Nil		

r) During the year 2023-24, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

s) As on March 31, 2024, details of Senior Management of the Company are as under:

Name	Designation
Mr. Ram Chandra Rawat	COO (A&T) & Company Secretary
Mr. Sanjeev Agarwal	Chief Financial Officer
Mr. Kartik Kajaria*	Head (Adhesive Division)
Dr. Rajveer Choudhary	COO (Gailpur Plant)
Mr. G. P. Nirmal^	Sr. VP (I&E)
Mr. Pankaj Sethi	COO (Marketing)
Mr. Vivek Goyal	Sr. VP (Marketing)

Name	Designation
Mr. Gautam Seth	Sr. VP (Marketing & Technical)
Mr. Bhupendra Vyas	COO (Marketing)
Mr. Arun Lath	Sr. VP (Works)
Mr. Jaganathan B.	VP (Sales)
Mr. A Venkat Madhavan	Chief Human Resources Officer
Mr. S P Rajendran	COO
Mr. Atul Nigam	VP (IT)

*Appointed during the year/^Retired during the year.

Except as mentioned above, there are no changes in the senior management since close of the previous financial year.

- t)** As on 31st March, 2024, the Company does not have any material unlisted subsidiary company as defined under the Listing Regulations.
- u) Details of information disclosed under Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations:** Not Applicable.

Date, Time and Venue of the 38th Annual General Meeting ('AGM')

Day & Date	: Friday, September 6, 2024
Time	: 01:00 P.M. (IST)
Venue	: Registered Office of the Company will be deemed as the venue of the AGM
Dates of	: Saturday, August 31, 2024 to
Book closure	: Friday, September 6, 2024 (Both days Inclusive)

Financial Year : April 1 to March 31

Financial Calendar (Tentative)

First Quarter Results	: 4 th week of July, 2024
Second Quarter / Half Yearly Results	: 4 th week of October 2024
Third Quarter / Nine Months Results	: 4 th week of January 2025
Fourth Quarter / Annual Results for the year ending 31 st March 2025	: 2 nd week of May, 2025

Dividend Payment date

Final Dividend will be paid to all eligible shareholders within 30 days from the date of declaration of dividend at the 38th Annual General Meeting.

Shareholders of the Company are informed that pursuant to the SEBI's Master Circular No: SEBI/HO/MIRSD/POD-1/CIR/2024/37 dated May 7, 2024 read with the SEBI's Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, a shareholder who holds shares in physical mode needs to update his/her KYC details (including PAN/contact details/bank details etc.) with the Company and effective from April 1, 2024, payment of dividend will only be made through

electronic mode. Thus, the shareholder who holds shares of the Company in physical mode, is requested to get updated KYC details including the bank account details, etc. with the Company / its Registrar and Share Transfer Agent.

Dividend history for the last 5 years is as under:

Year	Dividend Rate (%)	In per Share	Dividend Amount (₹ in Crores)
2022-23	300	₹3.00	47.78
2022-23*	600	₹6.00	95.54
2021-22	300	₹3.00	47.77
2021-22*	800	₹8.00	127.34
2020-21*	1000	₹10.00	159.08
2019-20*	300	₹3.00	47.69
2018-19	300	₹3.00	47.69

* Interim Dividend

During the year 2023-24, the Company has paid Interim Dividend @ ₹6 per share aggregating to ₹95.55 Crores.

Unpaid / Unclaimed Dividend:

The entire unpaid / unclaimed dividend up to the financial year 2015-16 has been transferred to Investor Education and Protection Fund ('IEPF'). No claims will lie against the Company in respect of unclaimed amount so transferred. The unclaimed dividend declared in respect of the financial year 2016-17 will become due to transfer to the IEPF on 13th September, 2024, as per the applicable laws.

Transfer of equity shares to Investor Education and Protection Fund ('IEPF') Authority:

The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 including its amendment (the 'IEPF Rules'), amongst other matters, provide for transfer of the shares, in respect of which dividend has not been paid or claimed for seven or more consecutive years, to IEPF Authority and the shares shall be credited to the Demat Account of IEPF Authority, within 30 days of such shares becoming due to be transferred to the IEPF.

Accordingly, pursuant to the IEPF Rules, the Company has transferred total 643568 equity shares of ₹1/- each, in respect of which dividend had not been claimed by the shareholders

for 7 consecutive years or more to IEPF Authority and as on 31st March, 2024, the IEPF Authority has released 39100 equity shares of ₹1/- each to the claimant(s).

Pursuant to the IEPF Rules, the unclaimed dividend for the financial year 2016-17 will become due for transfer in favour of the IEPF Authority on 13th September, 2024 (i.e. Due date) and accordingly, both the unclaimed dividend and shares in respect of which dividend had not been claimed by the shareholders for 7 consecutive years or more will be transferred to the IEPF Authority within 30 days of the Due date.

Market Price Data: Monthly High and Low quotation of shares traded on BSE/ NSE during the year 2023-24:

Month	BSE		NSE	
	High	Low	High	Low
April, 2023	1140.30	1044.10	1139.65	1046.20
May, 2023	1304.00	1084.60	1304.25	1084.40
June, 2023	1325.40	1219.45	1325.00	1219.00
July, 2023	1489.55	1214.45	1490.00	1224.95
August, 2023	1522.00	1412.25	1523.80	1412.50
September, 2023	1498.95	1298.85	1495.00	1300.00
October, 2023	1381.00	1168.25	1382.40	1168.00
November, 2023	1340.85	1235.15	1340.15	1236.35
December, 2023	1441.00	1296.00	1442.00	1296.00
January, 2024	1432.30	1283.45	1433.10	1282.55
February, 2024	1410.50	1188.00	1412.60	1186.40
March, 2024	1299.65	1110.95	1296.00	1110.35

Listing on Stock Exchanges:

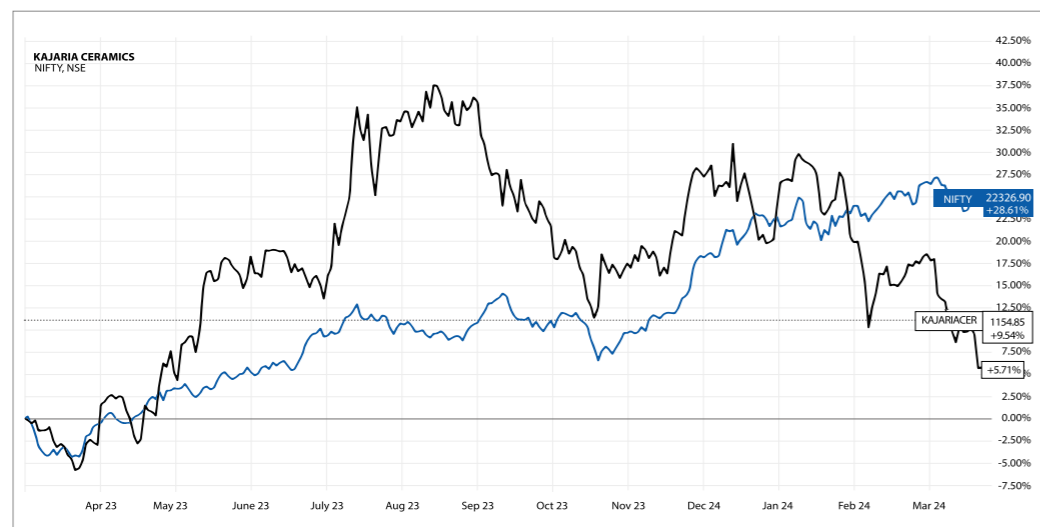
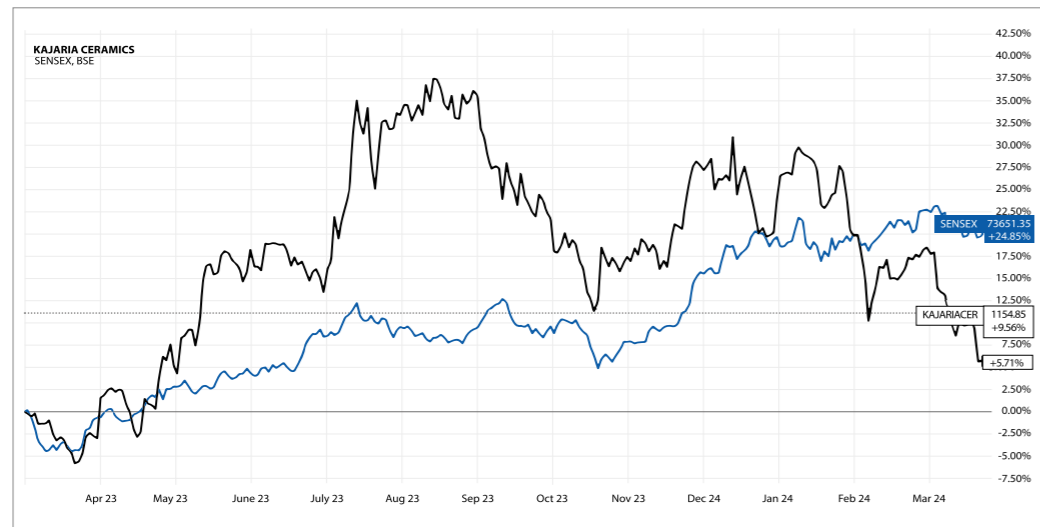
- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 ('BSE').
- National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 ('NSE')

Listing fees for the financial year 2024-25 have been paid by the Company within the stipulated time.

Stock Code : 500233 (BSE) / KAJARIACER (NSE)

ISIN : INE217B01036

Performance in comparison to Broad Based Indices of BSE & NSE:



Registrar & Share Transfer Agent

The correspondence address of the Company's Registrar and Share Transfer Agent, i.e. MCS Share Transfer Agent Limited is as follows:

MCS SHARE TRANSFER AGENT LIMITED
 F- 65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020
 Phone No.: +91-11-41406149-52, Fax No.: +91-11-41709881
 E-mail ID: admin@mcsregistrars.com

Share Transfer System

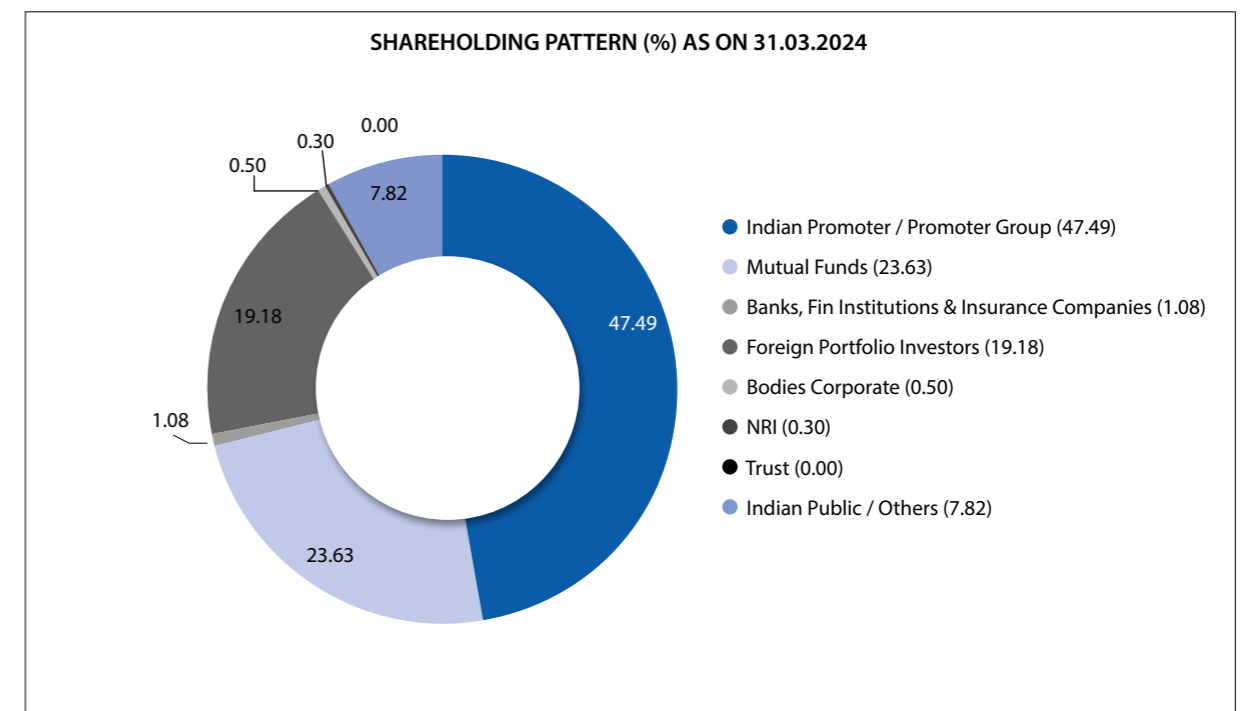
MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent ('RTA') for handling the share registry work relating to shares held in physical and electronic format at single point. Subject to the provisions of the applicable laws, the applications

received by the Company/its RTA for the transfer/transmission of shares are processed and the share certificate/letter of confirmation for the same are sent to the transferee within the stipulated period.

Pursuant to the amendment in the Regulation 40 of the Listing Regulations, with effect from 1st April, 2019, any request for transfer of shares held in physical form shall not be processed, except in case of transmission or transposition of shares or in case of transfer deed(s) once lodged with the Company prior to 1st April, 2019 and returned due to deficiency in the documents. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding, as the shares of the Company are under compulsory demat trading.

Shareholding Pattern as on 31.03.2024

Category	No. of Shares Held	Percentage of Shareholding
Promoters/Promoter Group		
Indian Promoters	75625231	47.49
Institutional Investors & Others		
Mutual Funds	37635474	23.63
Banks, Financial Institutions & Insurance Companies	1716463	01.08
Foreign Portfolio Investors	30540662	19.18
Bodies Corporate	804456	00.50
NRI	481278	00.30
Trust	6049	00.00
Indian Public/Others	12448687	07.82
Total	159258300	100.00



Distribution of Shareholding as on 31.03.2024

Category Range	No. of Shareholders		No. of Shares	
	Total	% of shareholders	Total	% of share capital
1-500	78095	95.50	3500304	2.20
501-1000	1688	2.06	1344691	0.84
1001-2000	932	1.14	1432692	0.90
2001-3000	316	0.39	812883	0.51
3001-4000	171	0.21	614681	0.39
4001-5000	105	0.13	490066	0.31
5001-10000	162	0.20	1170756	0.73
10001 and above	306	0.37	149892227	94.12
Total	81775	100.00	159258300	100.00

Dematerialisation of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in depository systems of both the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As at 31st March 2024, 158560787 equity shares out of 159258300 equity shares of the Company, forming 99.57% of the Company's paid up capital is held in dematerialised form. The status of shares held in demat and physical format is given below:

Particulars	No. of Shares	Percentage
Shares in Demat Form		
NSDL	149790761	94.06
CDSL	8770026	05.51
Shares in Physical Form	697513	00.43
Total	159258300	100.00

Reconciliation Audit for Share Capital as on 31st March, 2024

Reconciliation Audit for Share Capital is carried out at every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of the Company. The said Report, inter-alia, confirms that the total listed and paid up capital of the Company is an agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and in physical form.

Outstanding GDRs / ADRs / Warrants or other Convertible Instruments

The Company has not issued any GDR/ADR/Warrants or other convertible instruments during the year 2023-24.

Foreign Exchange Risk & Hedging Activities

There is no foreign currency loan outstanding as on 31st March 2024. The details of foreign currency exposure as on 31st March 2024 is provided in Note No. 48 of the Financial Statements. All import liabilities are unhedged because cost of forward premium was higher. However, all import liabilities are paid on the due date. There is no commodity price risk and commodity hedging risk during the financial year 2023-24.

Corporate Identification Number (CIN) of the Company: L26924HR1985PLC056150

Plant Locations

The Company's plants (Standalone) are located as under:

- A-27 to 30, Industrial Area, Sikandrabad, Distt.: Bulandshahr (U.P.) - 203205.
- Alwar Shahpura Road, Village & Post: Malootana, Tehsil: Thanagazi, Distt.: Alwar (Rajasthan) -301022.
- 19 KM Stone, Bhiwadi - Alwar Road, Village: Gailpur, Distt.: Alwar (Rajasthan) - 301707.
- Survey No. 129, Industrial Park, Opp. Bhavanisankarapuram, Thatiparthi (V), Thottambedu (M), Near Srikalahasti, Distt.: Chittoor (A.P.) - 517642

Address for Correspondence

Registered Office	Corporate Office
Kajaria Ceramics Limited SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana-122001 Telefax: +91-124-4081281	Kajaria Ceramics Limited J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044 Phone : +91-11-26946409 Fax : +91-11-26946407

Email ID for Investors

The Company has designated investors@kajariaceramics.com as an email address especially for investors' grievance(s).

Declaration related to the Code of Conduct to Directors/ Senior Management

In accordance with the Listing Regulations, I hereby declare that all Directors and Senior Management Personnel of the Company have confirmed the compliance with the Code of Conduct as adopted by the Company.

For and on behalf of the Board

Ashok Kajaria

Chairman & Managing Director
DIN: 00273877

Date: 23rd July, 2024

Place: New Delhi

CEO & CFO CERTIFICATE

To,
The Board of Directors of
KAJARIA CERAMICS LIMITED

Dear Sirs,

This is to certify that:

- A. We have reviewed financial statements and the cash flow statement of Kajaria Ceramics Limited for the year ended 31st March, 2024 and that to the best of our knowledge and belief we state that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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 our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024, which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. 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 taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year ended 31st March, 2024;
 2. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances to 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.

For and on behalf of the Board

Place: New Delhi
Date: 7th May, 2024

Ashok Kajaria
Chairman & Managing Director
DIN: 00273877

Sanjeev Agarwal
CFO

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
KAJARIA CERAMICS LIMITED

SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur Ghosi,
Gurgaon, Haryana, India, 122001

We have examined all relevant records of KAJARIA CERAMICS LIMITED ('the Company') for the purpose of certifying all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the financial year ended March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate 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.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under Listing Regulations.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 5715/2024

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN:A016302F000766249

Date: 23rd July, 2024
Place: Delhi

SECRETARIAL COMPLIANCE REPORT OF KAJARIA CERAMICS LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
KAJARIA CERAMICS LIMITED
SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur
Ghosi, Gurgaon, Haryana, India-122001

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **KAJARIA CERAMICS LIMITED** (hereinafter referred as '**the listed entity**'), having its Registered Office at SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur, Ghosi, Gurgaon, Haryana, India-122001. Secretarial Review was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We, Chandrasekaran Associates, Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report,

for the financial year ended March 31, 2024 ("**Review Period**") in respect of compliance with the provisions of:

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

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations 2015**");
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;

- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the review period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the review period**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client to the extent of securities issued;
- (j) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 to the extent applicable;
- (k) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company); **Not applicable during the review period.**

and circulars/guidelines issued thereunder and based on the above examination, we hereby report that, during the review period:

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

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
									Not Applicable

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

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports Observations made in the Secretarial Compliance Report for the year ended.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violations/deviations and actions taken/penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the practicing Company Secretary on the action taken by the listed entity.
					Not Applicable

We hereby report that during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entity. All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/ guidelines issued by SEBI 	Yes	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website 	Yes	
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013	Yes	Based on the confirmation received from the Directors of the Listed Company.
5.	Details related to Subsidiaries of listed entity have been examined w.r.t.: (a) Identification of material subsidiary companies	NA	The management had identified that during the period under review, there were no Material Subsidiary Company.
	(b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	

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

Assumptions & Limitation of scope and Review:

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.
5. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to financial year ended March 31, 2024.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
7. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No: 5715/2024

Shashikant Tiwari

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN:F011919F000413628

Date: 24th May, 2024

Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

KAJARIA CERAMICS LIMITED

SF-11, Second Floor JMD Regent Plaza

Mehrauli Gurgaon Road Village Sikanderpur Ghosi

Gurgaon, Haryana -122001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kajaria Ceramics Limited having CIN: L26924HR1985PLC056150 and having registered office at SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana 122001 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("DIN") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and based on the declarations received from respective Directors, we hereby certify that for the Financial Year ended on March 31, 2024 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Directors	DIN	Date of appointment in the Company
1	Mr. Ashok Kajaria	00273877	20/12/1985
2	Mr. Chetan Kajaria	00273928	15/01/2000
3	Mr. Rishi Kajaria	00228455	26/07/2003
4	Mr. Dev Datt Rishi	00312882	14/01/2015
5	Mr. H. Rathnakar Hegde	05158270	17/01/2012
6	Mrs. Sushmita Singha	02284266	30/03/2015
7	Mr. Sudhir Bhargava	00247515	23/09/2022
8	Dr. Lalit Kumar Panwar	03086982	23/09/2022
9	Mr. Rajender Mohan Malla*	00136657	01/04/2024

*Mr. Rajender Mohan Mall was appointed as Non-executive Independent Director with effect from April 1, 2024.

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 these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No: 5715/2024

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN:A016302F000766172

Date: 23rd July, 2024

Place: Delhi

Annexure - A

Business Responsibility and Sustainability Reporting

Along with growth in our business, we are committed to create a positive impact on surrounding environment, promote wellbeing of society and do our operations with transparency. We have always considered our focus on ESG to be a key driver of long term value creation for all our stakeholders, negligence of which could create negative impact on company, nation and globe at larger level.

The BRSR framework is based on the National Guidelines for Responsible Business Conduct (NGRBC).

SECTION A - GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity number	: L26924HR1985PLC056150
2. Name of the Listed Entity	: Kajaria Ceramics Limited ("the Company")
3. Year of incorporation	: 1985
4. Registered office address	: SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana- 122001
5. Corporate address	: J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
6. E-mail	: investors@kajariaceramics.com
7. Telephone	: 91-124-4081281 91-11-26946409
8. Website	: www.kajariaceramics.com
9. Financial year for which reporting is being done	: 2023-24
10. Name of the Stock Exchange(s) where shares are listed	: BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	: ₹ 15.93 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Investor Relations Cell 91-11-26946409 investors@kajariaceramics.com
13. Reporting boundary	: The boundary covers Kajaria Ceramics Limited and its subsidiaries namely: <ul style="list-style-type: none"> • Kajaria Infinity Pvt. Ltd. • Kajaria Vitrified Pvt. Ltd. • Kajaria Plywood Pvt. Ltd. • South Asian Ceramic Tiles Pvt. Ltd. • Kajaria Bathware Pvt. Ltd. • Kajaria Sanitaryware Pvt. Ltd. (Step-down subsidiary) • Kajaria International DMCC • Kerovit Global Pvt. Ltd. (Step-down subsidiary) • Kajaria Ramesh Tiles Limited – Nepal (Joint Venture)

14. Name of assurance provider	: N. A.
15. Type of assurance obtained	: N. A.

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
i	Tiles	Manufacturing and trading of ceramic and vitrified tiles	89%
ii	Others including bathware, sanitaryware, plywood products and tiles adhesives	Manufacturing and trading of sanitaryware and faucet and trading of plywood, laminates and tile adhesives	11%

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
i	Manufacturing and trading of Ceramic / Vitrified Tiles. This activity accounts for majority turnover by our Company	239 2392 23929	89%
ii	Manufacturing and trading of Faucets/ Sanitaryware	281 2813 28132 239 2392 23922	8%
iii	Trading of Plywood and Laminates	466 4663 46631	2%
iv	Trading of Tile Adhesives	242 2429 24295	1%

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	10	64	74
International	0	3	3

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	28
International (No. of countries)	39

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

1.58%

c. A brief on types of customers

Kajaria caters to a wide range of customers including home owners, architects, interior designers, contractors etc. through its entrenched dealer and sub-dealer network. The company also directly caters to the institutional customers like builders, corporates and government etc.

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)	2,545	2457	97%	88	3%
2.	Other than Permanent (E)	5	5	100%	0	0%
3.	Total employees (D + E)	2,550	2,462	97%	88	3%
Workers						
4.	Permanent (F)	1,939	1,870	96%	69	4%
5.	Other than Permanent (G)	2,905	2,834	98%	71	2%
6.	Total workers (F + G)	4,844	4,704	97%	140	3%

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)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
Differently Abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	Number and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	22%	15%	14%	21%	14%	11%	17%	12%
Permanent Workers	3%	7%	3%	10%	15%	10%	7%	4%	7%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

As on 31st March 2024, the Company has 7 subsidiaries and two step down subsidiary alongwith one Joint Venture. The holding Company is Kajaria Ceramics Limited. The details of the subsidiaries have been disclosed in the Annual Report for the financial year 2023-24. Our subsidiaries are listed below:

1. Kajaria Vitrified Private Limited.
2. Kajaria Infinity Private Limited.
3. South Asian Ceramic Tiles Private Limited
4. Kajaria Plywood Private Limited.
5. Kajaria Bathware Private Limited.
6. Kajaria Sanitaryware Private Limited (Step-down subsidiary)
7. Kajaria International DMCC
8. Kerovit Global Private Limited (Step-down subsidiary)
9. Kajaria Ramesh Tiles Limited (Joint Venture)

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/ Joint Venture	% 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	Kajaria Bathware Private Limited	Subsidiary	85%*	No
2	Kajaria Sanitaryware Private Limited	step-down subsidiary	0	No
3	Kajaria Plywood Private Limited (KPPL)	Subsidiary	100%	No
4	Kajaria Vitrified Private Limited	Subsidiary	95%	No
5	Kajaria Infinity Private Limited (KIPL)	Subsidiary	84.59%	No
6	South Asian Ceramic Tiles Private Limited	Subsidiary	59.50%	No
7	Kajaria International DMCC	Subsidiary	100%	No
8	Kerovit Global Private Limited	Step- down Subsidiary	100%	No
9	Kajaria Ramesh Tiles Limited	Joint Venture	50%	No

* Diluted basis

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013

Yes

(ii) Turnover :

₹4,578 Crore

(iii) Net worth:

₹2,617 Crore

VI. 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	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Communities	Yes, https://www.kajariaceramics.com/pdf/whistel_blowing_policy.pdf	0	0	0	0
Investors (other than shareholders)		0	0	0	0
Shareholders		14	0	7	1
Employees and workers		0	0	0	0
Customers		58	0	55	0
Value Chain Partners		0	0	0	0
Other (please specify)		0	0	0	0

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	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity

Refer materiality assessment section in Integrated Annual Report

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by the Ministry of Corporate Affairs advocates the following nine principles:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Disclosure Questions	Ethics & Transparency	Product Responsibility	Human Resources	Stakeholders Engagement	Respect for Human Rights	Responsible manufacturing	Public Policy Advocacy	Inclusive Growth	Customer Engagement
Policy and management processes									
1. a. 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.kajariaceramics.com/corporate-governance.php								
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)	The Company adheres to all the requirements of our BR policy and we also encourage our value chain partners to adopt best practices to achieve responsible business operations								
4. Name of the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	The Company has also adopted various standard specified by the International Organization for Standardization (ISO) at different plants, which are mentioned below: <ol style="list-style-type: none"> ISO 9001:2015 for Quality Management System ISO 14001:2015 for Environmental Management System ISO 45001:2018 for Occupational Health & Safety Management System ISO 22000:2005 for Preparation & Serving of Vegetarian Food/Non-Alcoholic Beverages for employees & visitors in its canteen ISO 50001:2011- Energy Conservation Membership: India Green Building Council (IGBC) 								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Disclosure Questions	Ethics & Transparency	Product Responsibility	Human Resources	Stakeholders Engagement	Respect for Human Rights	Responsible manufacturing	Public Policy Advocacy	Inclusive Growth	Customer Engagement
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.									
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									
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.									

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																			Annually
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																			We have internal control measures that check compliance on a regular basis.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.									

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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	% of persons in respective category covered by the awareness Programmes
Board of Directors	6 (as part of board Meetings)	Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. Topics covered includes: 1) Corporate Governance 2) Companies Act and rules made thereunder 3) SEBI Regulations 4) Environmental & Safety matters	100%
Key Managerial Personnel			
Employees other than BoD and KMPs	20	Our employees receive multiple trainings throughout the year on topics such as - Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, Energy efficiency, etc.	100%
Workers	20	Our workers receive multiple trainings throughout the year on topics such as - Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, Plantation activities, etc.	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:

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Punishment Fine					
Settlement			NIL		
Compounding fee					
	Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
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:

Not applicable

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.

The Company's Code of Business Conduct and Ethics affirms its commitment to the highest standards of integrity and ethics. The copy of the same is available on the website of the Company at <https://www.kajariaceramics.com/pdf/CodeofBusinessConductEthics.pdf>.

The Company also has a whistle-blower mechanism that allows to raise voice against any instances of unethical/fraudulent activities, etc. The Whistle-blower policy is available at https://www.kajariaceramics.com/pdf/whistel_blowing_policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors		
KMPs	NIL	NIL
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24	FY 2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors		NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs		NIL
Provide details of any corrective action taken or underway 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

7. Provide details of any corrective action taken or underway 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. However, we are constantly updating our systems for emerging risks and regulatory changes.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 23-24	FY 22-23
Number of days of accounts payables	36	38

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 23-24	FY 22-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable	Not Applicable
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	90%	91%
	b. Number of dealers / distributors to whom sales are made	2489	2268
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	9%	9%
Share of RPTs in*	a. Purchases (Purchases with related parties / Total Purchases)	46%	46%
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	72%	68%
	d. Investments (Investments in related parties / Total Investments made)	94%	100%

* With subsidiaries only.

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
12	Dealer Salesmen Training Program	100%
8	training programmes for frontline sales force and display centre employees	100%

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, all directors of the Company disclose their interest in the company(ies)/firm(s)/bodies corporate/other association of individuals and any changes therein, annually or upon any change. Further, Directors of the Company also provide a declaration under the Code of Business Conduct and Ethics confirming that there is no violation of the said code which also covers the processes to avoid the instances of conflict of interest. In the meeting of the Board, the Directors abstain from participating in the items in which they are concerned or interested.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATOR:

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of products 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	0%	0%	N.A,

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we endeavour that majority of our raw material is sourced within the district or the locations surrounding our plants. Wherever feasible, we ensure no hazardous materials are used and process wastes are reused or recycled into our manufacturing process.

2. b. If yes, what percentage of inputs were sourced sustainably?

Majority of the resources involved in our manufacturing process are sourced sustainably. We aspire to associate with raw material vendors, who comply with environment and labour laws. In addition, we encourage our vendors to be mindful of responsible business conduct principles such as prevention of environmental pollution, no child labour/forced labour, implementation of safety procedures, etc.

Most of our raw material vendors are located in proximity to our manufacturing units which helps to minimize transportation and related GHG emissions. The Company continuously strives for load and route optimization to ensure fuel efficiency of the fleets and subsequently lower GHG emissions

3. 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.

We are not undertaking reclamation of our products sold as our major products like tiles, sanitaryware and bathware products have a long lifespan.

4. 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.

EPR is not applicable to us.

LEADERSHIP INDICATOR:

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details:

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.

We have not conducted any LCA studies. However we recognize the importance of understanding the impact of our products on environmental and social aspects.

2. 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.

Name of Product / Service	Description of the risk / concern	Action Taken
	Our products are made from non-hazardous materials and we practice environment-friendly manufacturing processes while ensuring compliance with applicable regulations and laws. However, we recognize the importance of understanding the impact of our products on environmental and social aspects.	

3. 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 23-24	FY 22-23
		Not feasible to quantify

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics(including packaging)						
E-waste						
Hazardous waste						
Other waste						

Very small quantity of plastic is used in our packaging. There is no process of reclaiming it.

Not applicable, the Company does not sell electronic products

Not applicable, the Company does not sell products with hazardous substances

Not applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	We are not undertaking reclamation of our products sold as our tiles, sanitaryware and bathware products have a 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 INDICATOR

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

Category	Total (A)	% of employees covered by									
		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	2,457	675	27%	2,420	99%	0	0	0	0	0	0
Female	88	26	30%	88	100%	88	100%	0	0	0	0
Total	2,545	701	28%	2,508	99%	88	3%	0	0	0	0
Other than Permanent employees											
Male	3	0	0	3	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	3	0	0	3	100%	0	0	0	0	0	0

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

Category	Total (A)	% of workers covered by									
		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 workers											
Male	1,870	137	7%	1,835	98%	0	0	0	0	0	0
Female	69	0	0	69	100%	69	100%	0	0	0	0
Total	1,939	137	7%	1,904	98%	69	100%	0	0	0	0
Other than Permanent workers											
Male	2,834	0	0	0	0	0	0	0	0	0	0
Female	71	0	0	0	0	0	0	0	0	0	0
Total	2,905	0	0	0	0	0	0	0	0	0	0

- C. Spending on measures 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 wellbeing measures as a % of total revenue of the company	0.10%	0.12%

2. Details of retirement benefits.

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	97%	54%	Yes	97%	54%	Yes
Gratuity	98%	88%	Yes	100%	100%	Yes
ESI	3%	18%	Yes	5%	21%	Yes
Others – please specify	NIL			NIL		

*Permanent workers

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

Yes, we ensure differently abled persons do not face any issue in all Kajaria locations/facilities.

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.

Yes, our Business Responsibility policy clearly states our commitment as an equal opportunity employer. The policy is aligned with the Rights of Persons with Disabilities Act. The Company advocates a constructive business environment which ensures equal employment opportunities for all without any discrimination with respect to caste, creed, gender, nationality, colour, race, religion, disability or sexual orientation.

The weblink of policy is <https://www.kajariaceramics.com/pdf/BusinessResponsibilityPolicy.pdf>

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	80%	80%	100%	100%
Total	-	-	-	-

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	Yes, we have grievance redressal mechanism in place for all our employees and workers, irrespective of categories. At the same time, employees and workers at any level are encouraged to discuss any grievance with HoD and/or HR head
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	2,545	0	0	2,359	0	0
Male	2,457	0	0	2,271	0	0
Female	88	0	0	88	0	0
Total Permanent Workers	1,939	179	9%	2,020	191	9%
Male	1,870	179	10%	1,877	191	10%
Female	69	0	0	143	0	0

8. Details of training given to employees and workers (Permanent only) :

Category	F2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	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	2,457	401	16%	247	10%	2,271	405	18%	670	30%
Female	88	3	3%	-	0%	88	1	1%	15	17%
Total	2,545	404	16%	247	10%	2,359	406	17%	685	29%
Workmen										
Male	1,870	476	25%	772	41%	1,877	656	35%	662	35%
Female	69	40	58%	20	29%	143	51	36%	30	21%
Total	1,939	516	27%	792	41%	2,020	707	35%	692	24%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	2457	2457	100%	2274	2274	100%
Female	88	88	100%	88	88	100%
Total	2545	2545	100%	2362	2362	100%
Workers						
Male	1870	1870	100%	1877	1877	100%
Female	69	69	100%	143	143	100%
Total	1939	1939	100%	2020	2020	100%

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system**

Yes, we have a health and safety management system in all our locations. The health & safety team in all our location regularly undertakes audits & inspections including workers and supervisor's feedback. Recommendations are discussed and suitably implemented.

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

We follow our hazard identification framework and conduct regular site inspections to ensure all safety procedures are being followed. Subsequently, we encourage our employees and workers to report any unsafe conditions or unsafe acts or near miss incidents promptly to the health & safety team to ensure corrective action in timely manner.

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

All workers are permitted to work only after they are given safety briefing on the activities to be performed. Workers are encouraged to report any work related hazard through internal communication. All work hazard reported are actioned upon by health & safety team.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

The employees and workers of Kajaria Ceramics, Kajaria Bathware, Kajaria Sanitaryware and Kajaria Plywood have access to non-occupational medical and healthcare services.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) per one million-person hours worked*	Permanent Employees and Workers	0.3	0.4
	Contract Workers	0.8	0.9
Total recordable work-related injuries*	Permanent Employees and Workers	1	1
	Contract Workers	1	0
No. of fatalities	Permanent Employees and Workers	1	0
	Contract Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Permanent Employees and Workers	0	0
	Contract Workers	0	0

*includes all injuries with minimum 24 hours away from workplace

*injuries with minimum 48 hours away from workplace

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

At Kajaria, safety of our employees and workers are our utmost priority. Our safety team conducts safety trainings and inspections to ensure all workers follow safety guidelines. We track health & safety performance of all our plants on a regular basis. All incidents found are thoroughly investigated with a root cause analysis followed by corrective actions.

13. 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
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

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	We have not conducted any external assessment.
Working Conditions	

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 incidents reported are thoroughly investigated by the health & safety team to find the root cause followed by corrective actions and training.

LEADERSHIP INDICATOR**1. Does the entity extend any life insurance or any compensatory package in the event of death of :**

(A) Employees – Yes (Permanent)

(B) Workers – Yes (Permanent)

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

The Company ensures all applicable statutory dues related to transactions within its remit are deducted and deposited in accordance with regulations. These transactions are reviewed by our internal teams and external auditors. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

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 rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	FY 2023-24 and FY 2022-23	
	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
Employees	NIL	Not applicable
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	We expect all our value chain partners to follow applicable regulations and laws, including those related to health and safety practices and working conditions.
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

No such significant risks / concerns were identified during the year.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**ESSENTIAL INDICATOR****1. Describe the processes for identifying key stakeholder groups of the entity.**

The process involves identifying any individual or institution that adds value to the company through regular interactions. This inter alia includes Investors, Government and Regulatory Bodies, Industry Bodies and Associations, Employees, Consumers or end users, Communities, Suppliers and Dealers.

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	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Refer stakeholder engagement section of Integrated Annual Report				

LEADERSHIP INDICATOR**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.**

The processes for the consultation between stakeholders and the Board on economic, environmental, and social topics are mentioned in 'Stakeholder' Engagement' section at page no. 18 of this report. Once we receive the inputs/feedbacks from stakeholders, the same is discussed with the Board on the basis of matters of priority and importance from time to time.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. 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, we have engaged with our internal stakeholders to discuss risk and opportunities on Environment, Social & Governance topics. Consequently, we identified list of material topics important to the company and stakeholders. Refer materiality section in the annual integrated report for details.

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

There are no identified disadvantaged, vulnerable & marginalized stakeholders.

PRINCIPLE 5: Businesses should respect and promote human rights**ESSENTIAL INDICATOR****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent						
Other than permanent	0%					
Total						
Workmen						
Permanent						
Other than permanent	0%					
Total						

2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24					Total (D)	FY 2022-23			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	2,545	1	0	2,544	99.99%	2,359	0	0	2,359	100%
Male	2,457	1	0	2,456	99.99%	2,271	0	0	2,271	100%
Female	88	0	0	88	100%	88	0	0	88	100%
Other than Permanent	5	1	20%	4	80%	13	3	23%	10	77%
Male	5	1	20%	4	80%	13	3	23%	10	77%
Female	0	0	0	0	0	0	0	0	0	0
Workmen										
Permanent	1,939	0	0	1,939	100%	2,020	0	0	2,020	100%
Male	1,870	0	0	1,870	100%	1,877	0	0	1,877	100%
Female	69	0	0	69	100%	143	0	0	143	100%
Other than Permanent	3,178	774	24%	2,404	76%	2,962	1,513	51%	1,449	49%
Male	3,062	713	23%	2,349	77%	2,874	1,495	52%	1,379	48%
Female	116	61	53%	55	47%	88	18	20%	70	80%

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Per Annum)	Number	Median remuneration/ salary/ wages of respective category (Per Annum)
Board of Director (BOD)*	7	₹556.40 Lakhs	1	0
Key Managerial Personnel	2	₹201.37 Lakhs	0	0
Employees other than BoD and KMP (permanent)	2,455	₹7.58 Lakhs	88	₹3.92 Lakhs
Workers	1,870	₹4.24 Lakhs	69	₹2.13 Lakhs

*The Non-executive Directors of the Company are entitled for sitting fees only. The detail of remuneration of Non-executive Directors is provided in Corporate Governance Report and is governed by the Nomination and Remuneration. The sitting fees to Non-executive Directors is, therefore, not considered for the purpose above.

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

	FY 23-24	FY 22-23
Gross wages paid to females as % of total wages	2.4%	3.0%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Our Human Resources function is responsible for handling human rights related impacts and issues arising from our operations. In addition, our Business Responsibility committee along with the respective business heads are responsible for addressing any human rights issues caused or contributed by the business.

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

Our employees and workers can register any grievances through our suggestion or complaint boxes. Alternatively, they can write or consult the Chief Human Resource Officer or HR heads of respective plants.

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

	FY 2023-24 and FY 2022-23	
	Filed during the year	Pending resolution at the end of year
Sexual Harassment		
Discrimination at workplace		
Child Labor	NIL	NIL
Forced Labor/ Involuntary Labor		
Wages		
Other Human Rights related issues		

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)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

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

Stakeholder are encouraged to express freely, responsibly, and in an orderly way the opinions and feelings about any problem or complaint of harassment. We ensure protection against retaliation to complainants, witnesses, committee members and other employees involved in prevention and complaint resolution.

Our whistleblower policy provides the following guiding principles:

- ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- ensure complete confidentiality;
- not attempt to conceal evidence of the Protected Disclosure;
- take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- provide an opportunity of being heard to the persons involved especially to the subject.

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

We do not include the requirements in our contracts. However, we encourage our business partners to adhere to responsible business practices and follow all applicable laws and regulations.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	
Discrimination at workplace	We are not conducting formal assessments on these topics; however, we are in compliance with all applicable laws and regulations.
Child Labor	
Forced Labor/ Involuntary Labor	
Wages	
Human Rights Issues	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

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

During the reporting period, we have not received any grievance/complaint which required any modification or introduction of new business process pertaining to human right.

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

We have not conducted any formal due diligence procedures for human rights issues during the year.

However, we are an equal opportunity employer for all without any discrimination with respect to caste, creed, gender, nationality, colour, race, religion, disability or sexual orientation.

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?

We ensure differently abled persons do not face any issue in all Kajaria locations/facilities.

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	We have not conducted any formal assessments of our value chain partners. The Company expects all value chain partners to adopt responsible business principles and comply with applicable laws and regulations in all our dealings.
Discrimination at workplace	
Child Labor	
Forced Labor/Involuntary Labor	
Wages	
Others	

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

We have not conducted any formal assessments of our value chain partners. However, the company expects its value chain partners to adhere to the same values, principles and business ethics upheld by us in all their dealings.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATOR

1. Details of total energy consumption (Giga Joules) and energy intensity:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	66,456	44,731
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	66,456	44,731
From non-renewable sources		
Total electricity consumption (D)	9,04,259	9,33,779
Total fuel consumption (E)	74,56,533	72,09,700
Energy consumption through other sources (F)	0	0
Total energy consumed from non renewable sources (D+E+F)	83,60,792	81,43,479
Total energy consumed (A+B+C+D+E+F)	84,27,248	81,88,211
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00018	0.00019
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	.00421	.00428
Energy intensity in terms of physical output	0.104	0.102
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?

No independent assessment/ evaluation/assurance was carried out for the reporting period.

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? 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.

No, we are not a designated consumer of the PAT scheme.

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	1,84,674	3,38,967
(ii) Groundwater	8,28,621	8,04,432
(iii) Third party water	3,24,456	2,22,927
(iv) Seawater / desalinated water	0	0
(v) Others - municipality	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	13,37,751	13,66,325
Total volume of water consumption (in kiloliters)	13,37,751	13,66,325
Water intensity per rupee of turnover (Water consumed / turnover)	0.000029	0.000031
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00067	0.00071
Water intensity in terms of physical output	0.017	0.017
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?

No independent assessment/ evaluation/assurance was carried out for the reporting period.

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		Nil
- 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. No.

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

Yes, all the plants are zero liquid discharge facilities. We recycle all effluents in our ETP and STP and reuse the water recycled back into our manufacturing process.

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

Air emissions are monitored regularly to ensure that we are in compliance with the permissible limits of regulatory norms.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No independent assessment/ evaluation/assurance was carried out for the reporting period.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Tonnes CO ₂ e	5,82,438	5,04,367
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Tonnes CO ₂ e	1,80,393	1,84,161
Total Scope 1 and Scope 2 emissions	Tonnes CO ₂ e	7,62,831	6,88,528
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Tonnes CO ₂ e/ turnover	0.000017	0.000016
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 / Revenue from operations adjusted for PPP)		0.000381	0.000360
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.009480	0.008635
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?

No independent assessment/ evaluation/assurance was carried out for the reporting period.

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

We do not have dedicated projects to reduce GHG emissions. However, we do undertake measures to improve our energy efficiency and reduce our energy consumption, which impact our greenhouse gas emissions.

9. Provide details related to waste management by the entity:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2,373.6	1,537.3
E-waste (B)	3.8	1.1
Bio-medical waste (C)	0.0	0.0
Construction and demolition waste (D)	-	-
Battery waste (E)	14.1	9.2
Radioactive waste (F)	-	-
Other Hazardous waste (G)	68.6	137.7
Other Non-hazardous waste generated (Orange Category) (H)	111,348.7	110,166.0
Total (A+B + C + D + E + F + G + H)	113,808.8	111,851.2
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000002	0.000003

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000057	0.000058
Waste intensity in terms of physical output	0.0014	0.0014
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	107,426.8	94,448.7
(ii) Re-used	19,898.6	-
(iii) Other recovery operations (a+b)		
a) Sold to authorized vendors	784.9	138.8
b) Sold to scrap vendors	34,841.3	17,158.8
Total	162,951.5	111,746.2
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		Nil
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No independent assessment/ evaluation/assurance was carried out for the reporting period.

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

Waste generation is an inevitable part of manufacturing process. However, efforts have been taken to minimize generation of waste and at the same time create value from it. We have proactive maintenance schedule for all our machinery, engineering teams to handle any kind of spillage, leakages and periodic inspection schedule for machinery to minimize the quantity of waste generated. Simultaneously, majority of the broken and rejected tiles are reused as raw material.

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:

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
		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

During the reporting period no environmental impact assessments of projects undertaken.

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. If not, provide details of all such non-compliances:

Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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The company is in compliance with all environment related applicable legislations

LEADERSHIP INDICATOR

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

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

Plant (1):-

(i) Name of the area: Gailpur (Tijara block)

(ii) Nature of operations: tiles manufacturing

(iii) Water withdrawal, consumption, and discharge:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	4,59,616	4,55,890
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	4,59,616	4,55,890
Total volume of water consumption (in kiloliters)	4,59,616	4,55,890
Water intensity per rupee of turnover (Water consumed / turnover)	0.000010	0.000010
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify Wlevel of treatment		
(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		
- No treatment		
- With treatment – please specify level of treatment		
(v) To Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

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

No independent assessment/ evaluation/assurance was carried out for the reporting period

Plant (2):-

(i) Name of the area: Gailpur (Tijara block)

(ii) Nature of operations: faucet manufacturing

(iii) Water withdrawal, consumption, and discharge:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	9,152	9,256
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
Total volume of water withdrawal (in kiloliters)	9,152	9,256
Total volume of water consumption (in kiloliters)	9,152	9,256
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000002	0.0000002
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(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		
- No treatment		
- With treatment – please specify level of treatment		
(v) To Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Entire quantity of wastewater is recycled and used back in our plants

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

No independent assessment/ evaluation/assurance was carried out for the reporting period

Plant (3):-

(i) Name of the area: Sikandarabad

(ii) Nature of operations: Tiles manufacturing

(iii) Water withdrawal, consumption, and discharge:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	2,01,639	1,92,944
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
Total volume of water withdrawal (in kiloliters)	2,01,639	1,92,944
Total volume of water consumption (in kiloliters)	2,01,639	1,92,944
Water intensity per rupee of turnover (Water consumed / turnover)	0.000004	0.000004
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	Entire quantity of wastewater is recycled and used back in our plants	
- No treatment		
- With treatment – please specify level of treatment		
(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		
- No treatment		
- With treatment – please specify level of treatment		
(v) To Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

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

No independent assessment/ evaluation/assurance was carried out for the reporting period

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

We have not calculated Scope 3 GHG emissions

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

3. With respect to the ecologically sensitive areas reported at Question 10 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:

S. No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1	Utilization of process waste in production process to conserve natural resources and reduce wastages in all plants	We re-use majority of broken tiles, sludge and other process waste back into our manufacturing process	Lower waste generation during manufacturing process
2	Installation of rainwater harvesting structure to conserve water	We focus on rainwater harvesting thus reducing our usage of ground water resources	Lower dependency on ground water
3	Use of renewable fuel sources	We utilise renewable electricity wherever possible in our plants. In addition, our Srikalahasti plant uses biomass as one of the fuel options during the manufacturing process	Lower dependency on thermal energy, resulting in lower emission

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

Our Risk Committee is pivotal in defining our risk management strategies related to disaster management and business continuity. We have location-based emergency response plans which includes periodic mock drills against events such as fire, earthquake, etc. Our highly experienced team with right mix of people, and frequent knowledge exchange sessions between leadership team and plant representatives ensures 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.

We have not conducted formal assessment our value chain partners on their impact on environment. However, we expect our value chain partners to be mindful of their impacts on the environment and comply with applicable laws and regulations.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have not conducted formal assessment our value chain partners on their impact on environment.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENIAL INDICATOR

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

We are affiliated with eight trade and industry chambers and associations.

1. 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	Federation of Indian Chamber of Commerce and Industry	Pan India
2	PHD Chamber of Commerce	Pan India
3	Indian Council of Ceramic Tile and Sanitaryware	Pan India
4	Bhiwadi Manufacturers Association	Greater Bhiwadi
5	Sikandrabad Industries Association	Industrial Estate Sikandrabad
6	Indian Industries Association	Pan India
7	Bhiwadi Chamber of Commerce and Industries	Greater Bhiwadi
8	National Safety Council of India	Mumbai

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:

Name of Authority	Brief of the case	Corrective action taken
	The company has not received any order from the regulatory authority	

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	Web Link
The Company is associated with various chambers of commerce/associations with an intention of mutual learning and contribution in development process. As and when required the Company put forth its view on the issues faced by the industry with respective business forums/chambers		No	As per requirements	Not Applicable

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATOR

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 Web link
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The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has aligned its CSR programmes/ initiatives/ activities with the requirements of Companies Act, 2013. The Company's CSR activities are being monitored by the Corporate Social Responsibility Committee constituted by the Board. The details and impact of the CSR programmes/ initiatives/ activities taken by the Company in the recognized fields are detailed in the CSR annexure attached to the Annual Report of the Company.

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.

Grievance Redressal of community is paramount in strengthening our relations with them. This provides us the social license to operate and execution of CSR projects. Our local HR team regularly interact with community members to identify and address their concerns. We have not encountered any specific grievances from the community in the reporting period.

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	30%	22%
Directly from within India	Not measured	Not measured

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	48%	49%
Semi-urban	1%	0%
Urban	11%	16%
Metropolitan	40%	35%

LEADERSHIP INDICATOR:

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):

Details of negative social impact identified	Corrective action taken
	No Social Impact Assessment was conducted during the year.

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

State	Aspirational District	Amount spent (In ₹)
	None	

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

No, we do not have such procurement criteria

(b) From which marginalized /vulnerable groups do you procure?

No, we do not have such procurement criteria

(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:

Intellectual Property based on traditional knowledge	owned/ acquired	Benefit shared	Basis of calculating benefit share
			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:

Name of authority	Brief of the Case	Corrective action taken
		Not applicable

6. Details of beneficiaries of CSR Projects:

Please refer to director's report for CSR project details

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATOR

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

The Company is dedicated to deliver products that satisfy the unmet needs of the consumers. The Company value customer satisfaction as one of its greatest assets. Therefore, it has put in place effective redressal mechanism for addressing customer complaints and handling consumer cases. The system has been created keeping the interest of customers, so as to ensure minimum hassles. The system is periodically reviewed by management team as well. The Company regularly organizes feedback and awareness programs for its customers across various locations. The Company has also provided Toll Free Number facility to entertain the customer complaints and the Company always endeavors to resolve the complaints at the earliest. Further all the dealers are advised to ensure that the customer complaints are redressed in the shortest possible time.

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	0
Safe and responsible usage	100%
Recycling and/or safe disposal	0

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

	FY 2023-24	FY 2022-23
	Received during the year	Pending resolution at end of year
Data privacy		
Advertising		
Cyber-security		NIL
Delivery of essential services		
Restrictive Trade Practices		
Unfair Trade Practices		

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

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

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. –

We have a privacy policy which comprises of data protection, email, web and network protection. It also includes access control policy with two-factor authentication to protect the system from unauthorised access. Multiple security controls like firewall, end-point protection, web protection, etc. have been implemented to prevent data attacks and threats. Web link of the privacy policy is https://www.kajariaceramics.com/pdf/Privacy_Policy.pdf

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:**

a. **Number of instances of data breaches** - NIL

b. **Percentage of data breaches involving personally identifiable information of customers** - NIL

c. **Impact, if any, of the data breaches** - Not applicable

LEADERSHIP INDICATOR

1. **Channels / platforms where information on products and services of the entity can be accessed**

Customers have access to the Company's website which provides host of information on products and services. In addition, information is disseminated to the customers through dealer network, display boards, exhibitions, catalogues, advertisements, etc.

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

Our packaging provides information on safe and responsible usage of products.

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

None of our products are classified as essential services, hence it is not applicable.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. 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)**

No.

Independent Auditor's Report

To the Members of **Kajaria Ceramics Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Kajaria Ceramics Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the 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 opinion.

Key Audit Matters

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

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of non-current investments in and loans given to Kajaria Plywood Private Limited ('KPPL' / 'Subsidiary')</p> <p>(Refer note 3c(r) for material accounting policy information with respect to investments in and loans given to subsidiary company).</p> <p>The Company has a carrying value of ₹40.00 crores in respect of its investment in KPPL, a subsidiary company and has outstanding long-term loans recoverable from such subsidiary of ₹39.85 crores as at 31 March 2024.</p> <p>Considering KPPL has incurred losses and has negative net worth, the management has identified that indicators exist that requires the management to test the carrying value of such investments and loans for possible impairment in accordance with Ind AS 36, Impairment of assets ('Ind AS 36') and Ind AS 109, Financial Instruments ('Ind AS 109').</p> <p>Management's assessment of the recoverable amount of investments in and loans given to the aforementioned subsidiary company requires estimation and judgement around assumptions used in the discounted cash flow valuation model adopted by the Company. The principal driver of recoverable value is the estimated growth in the operations of the subsidiary company and ability to generate cash profits in the future. The key assumptions supporting management's assessment of such fair valuation include, but are not limited to projections of future cash flows, growth rates, risk premium and the discount rates applied.</p> <p>Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the carrying value of such assets.</p> <p>Considering the significance of the amounts involved and auditor attention required to test the appropriateness of accounting estimate that involves high estimation uncertainty and significant management judgement, Impairment assessment of non-current investments in and loans given to subsidiary has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures related to impairment assessment of non-current investments in and loans given to subsidiary, included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management's process, and evaluated the design and tested the operating effectiveness of controls on identification of indicators of impairment of the carrying value of investment and recoverability of loans in accordance with Ind AS 36 and Ind AS 109; • Assessed the professional competence, objectivity and capabilities of the valuation specialist used by the management for performing required valuations to estimate the recoverable value of the investment in and loan given to such subsidiary; • Involved auditor's experts to assess the appropriateness of the valuation model used by the management's expert and to test reasonability of the valuation assumptions used therein relating to discount rates, future cash flows, risk premium, growth rates etc.; • Reconciled the future business projections used for performing above said valuation for the subsidiary from the business plans approved by the board of directors of the subsidiary company and ensured its consistency with our understanding of future business plans of the subsidiary company obtained through inquiry with the management; • Obtained and evaluated sensitivity analysis performed by the management on key assumptions of implied growth rates during explicit period, terminal growth rates and discount rates; • Performed independent sensitivity analysis on aforesaid key assumptions to assess the effect of reasonably possible variations in the current estimated recoverable amount to evaluate sufficiency of headroom between recoverable value and carrying amount; • Tested the mathematical accuracy of the valuation workings performed by the management's expert; and • Evaluated the adequacy and appropriateness of disclosures given in the standalone financial statements, including disclosure of significant assumptions, judgements and sensitivity analysis performed, in accordance with the requirement of the applicable accounting standards.

Revenue recognition

Refer to the Company's material accounting policy information in note 3C(b) and the revenue related disclosures in note 26 of the standalone financial statements.

The Company recognises the revenue from customers in accordance with Ind AS 115 Revenue from Contracts with Customers ('Ind AS 115') when the performance obligation is satisfied which is determined to be at a point in time when the customer obtains controls of the goods in accordance with the terms of contracts with the customers. The revenue is measured based on the transaction price specified in the contract, net of discounts, returns and goods and services tax.

Owing to the diverse terms of contracts with customers, in line with the requirements of the standards of auditing, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 requires management to make certain judgements / estimates such as determining timing of revenue recognition and transaction price including impact of variable consideration in the form of rebates and discounts as per the terms of the contracts with customers.

The Company also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is critical as there is a risk of revenue being recognised before the control is transferred to the customers.

Considering the diverse terms of contracts with customers, size of distribution network, materiality of the amount involved and significant attention required by auditor as mentioned above, revenue recognition has been identified as a key audit matter for the current year audit.

Our audit procedures, related to revenue recognition, included, but were not limited to, the following:

- Evaluated the design and tested the operating effectiveness of Company's controls (including the automated controls) around revenue recognition (including rebates / discounts);
- Assessed the appropriateness of Company's accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115;
- Scrutinized sales ledgers to assess accuracy and completeness of sales transactions and revenue recognised during the year;
- Performed test of details on samples of revenue transactions recorded during the year, including during a specific period before and after year end. For the samples selected, inspected supporting documents such as price lists, invoices, proof of dispatches, agreements and approved incentives / discounts schemes, to ensure correct amount of revenue is recorded in the correct period;
- Tested the appropriateness of accruals for various rebates and discounts as at the year-end;
- Performed substantive analytical procedures on revenue recognised during the year which included review of price, quantity and product mix analysis etc.;
- Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; and
- Ensured the adequacy and appropriateness of related disclosures made in the standalone financial statements in accordance with the requirements of the applicable accounting standards.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these

standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. 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 Standards on Auditing 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.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, 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

purpose of our audit of the accompanying standalone financial statements;

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) The modification relating to the maintenance of accounts and other matters connected therewith is as stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- 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, as detailed in note 38 (b) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for

which there were any material foreseeable losses as at 31 March 2024;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(ii) (A) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(ii) (B) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the 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 performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The interim/final dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with Section 123 of the Act. Further, as stated in note 58 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 59 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nalin Jain

Partner

Place : New Delhi

Membership No.: 503498

Date : 07 May 2024

UDIN: 24503498BKFQAS9551

Annexure I referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Kajaria Ceramics Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets have been physically verified by the management

Description of property	Gross carrying value (₹ in Crores)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	12.42	Erstwhile Kajaria Tiles Private Limited (now merged with the Company)	No	More than 1 year	Refer note 4 IV and 39 to standalone financial statements.
Building	44.95				

- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) 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 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 4 to the standalone financial statements, are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:
- (b) As disclosed in note 51 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹5 crores by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.
- (iii) The Company has made investments in, provided guarantee or security and granted unsecured loans to companies or any other parties during the year in respect of which:
- (a) The Company has provided loans and guarantee to Subsidiaries/Joint Ventures/ Others during the year as per details given below:

(₹ in crores)

Particulars	Guarantees	Loans
Aggregate amount provided/granted during the year:		
- Subsidiaries	60.00	104.73
- Joint Ventures	68.13	Nil
- Others	Nil	51.33
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	60.00	84.73
- Joint Ventures	68.13	Nil
- Others	Nil	49.83

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has not granted any loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has granted loans which are repayable on demand as per details below:

(₹ in crores)

Particulars	All parties
Aggregate of loans	
- Repayable on demand (A)	50.39
Total (A)	50.39
Percentage of loans to the total loans	15%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.

- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been 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). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, 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 other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(₹ in crores)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	2.76	0.21	FY 2012-2015	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	1.51	0.15	FY 2010-2017	Appellate authorities till Commissioner level
Income Tax Act, 1961	Income Tax	0.18	-	FY 2020-2021	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	0.27	-	FY 2016-2017	Commissioner of Income Tax Appeals
Value Added tax, 2015	Value Added Tax	0.05	-	FY 2016-2017	Assistant Commissioner - Lucknow
Goods & Service Tax laws	Goods and Service Tax	0.60	-	FY 2017-2018	Assistant Commissioner

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and joint ventures.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud

- by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent

amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nalin Jain

Partner

Membership No.: 503498

UDIN: 24503498BKFQAS9551

Place : New Delhi

Date : 07 May 2024

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Kajaria Ceramics Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nalin Jain

Partner

Place : New Delhi

Membership No.: 503498

Date : 07 May 2024

UDIN: 24503498BKFQAS9551

Standalone Balance Sheet as at 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,076.86	951.80
(b) Right-of-use assets	37	63.11	37.48
(c) Capital work-in-progress	4	54.51	77.98
(d) Intangible assets	5	0.81	1.18
(e) Financial assets			
(i) Investments	6	201.52	143.52
(ii) Loans	7	282.25	287.12
(iii) Other financial assets	8	22.04	68.52
(f) Non-current tax assets (net)	9	12.13	9.34
(g) Other non-current assets	10	3.29	16.79
Total non-current assets		1,716.52	1,593.73
Current assets			
(a) Inventories	11	363.27	381.51
(b) Financial assets			
(i) Trade receivables	12	516.78	535.08
(ii) Cash and cash equivalents	13	86.71	6.61
(iii) Bank balances other than (ii) above	14	415.79	383.28
(iv) Loans	7	53.62	7.82
(v) Other financial assets	8	2.71	1.45
(c) Other current assets	10	16.84	32.87
Total current assets		1,455.72	1,348.62
Assets of disposal company classified as held for Sale	15	-	18.25
TOTAL ASSETS		3,172.24	2,960.60
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	15.93	15.92
(b) Other equity	17	2,554.59	2,304.02
Total equity		2,570.52	2,319.94
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	0.78	5.90
(ii) Lease liabilities	19	43.53	23.74
(b) Provisions	20	16.00	16.74
(c) Deferred tax liabilities (net)	21	77.06	70.59
(d) Other non-current liabilities	22	-	0.45
Total non-current liabilities		137.37	117.42
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	5.77	94.06
(ii) Lease liabilities	19	16.77	11.74
(iii) Trade payables	23		
- Total outstanding dues of micro enterprises and small enterprises; and		33.10	25.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises		237.81	205.32
(iv) Other financial liabilities	24	95.58	112.43
(b) Other current liabilities	22	65.32	62.26
(c) Provisions	20	10.00	7.70
(d) Current tax liabilities (net)	25	-	4.25
Total current liabilities		464.35	523.24
TOTAL LIABILITIES		601.72	640.66
TOTAL EQUITY AND LIABILITIES		3,172.24	2,960.60

Summary of material accounting policies and other explanatory information.

1-61

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013**Nalin Jain**
Partner
Membership no. : 503498**Place** : New Delhi
Date : 07 May 2024**For and on behalf of the Board of Directors of
Kajaria Ceramics Limited****Ashok Kajaria**
Chairman and Managing Director
(DIN: 00273877)**Chetan Kajaria**
Joint Managing Director
(DIN: 00273928)**Rishi Kajaria**
Joint Managing Director
(DIN: 00228455)**Ram Chandra Rawat**
COO (A&T) and Company Secretary
(FCS No. 5101)**Sanjeev Agarwal**
Chief Financial Officer**Standalone Statement of Profit and Loss** for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
INCOME			
Revenue from operations	26	4,103.02	3,970.75
Other income	27	68.56	50.71
TOTAL INCOME		4,171.58	4,021.46
EXPENSES			
Cost of materials consumed	28	660.74	687.54
Purchases of stock-in-trade		1,488.21	1,375.49
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	4.06	(79.67)
Employee benefits expense	30	380.27	354.00
Finance costs	31	8.17	10.80
Depreciation and amortisation expense	32	110.54	90.91
Other expenses	33	1,007.35	1,118.98
TOTAL EXPENSES		3,659.34	3,558.05
Profit before tax		512.24	463.41
Tax expense:	34		
Current tax		124.32	116.37
Deferred tax		6.47	2.65
Profit for the year		381.45	344.39
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit or loss			
- Re-measurement of defined benefit plans		(0.09)	(0.86)
- Income-tax relating to items that will not be reclassified to statement of profit or loss		0.02	0.22
Total other comprehensive income for the year, net of tax		(0.07)	(0.64)
Total comprehensive income for the year		381.38	343.75
Earnings per equity share (face value of ₹1 each)	35		
- Basic (in ₹)		23.95	21.63
- Diluted (in ₹)		23.93	21.62

Summary of material accounting policies and other explanatory information.

1-61

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013**Nalin Jain**
Partner
Membership no. : 503498**Place** : New Delhi
Date : 07 May 2024**For and on behalf of the Board of Directors of
Kajaria Ceramics Limited****Ashok Kajaria**
Chairman and Managing Director
(DIN: 00273877)**Chetan Kajaria**
Joint Managing Director
(DIN: 00273928)**Rishi Kajaria**
Joint Managing Director
(DIN: 00228455)**Ram Chandra Rawat**
COO (A&T) and Company Secretary
(FCS No. 5101)**Sanjeev Agarwal**
Chief Financial Officer

Standalone Statement of Cash Flows for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	512.24	463.41
Adjusted for :		
Depreciation and amortisation expenses	110.54	90.91
Interest income	(52.70)	(44.13)
Interest expense	8.17	10.80
Share based payments to employees (net)	7.51	7.51
(Profit)/Loss on sale/discard of property, plant and equipment	(7.79)	1.12
Unrealised gain on foreign exchange fluctuation	(0.06)	(0.11)
Subsidy income	(0.55)	(0.54)
Bad Debts Written Off	1.06	-
Reversal /(creation) of provision for expected credit loss	(0.96)	0.20
Operating profit before working capital changes	577.46	529.17
Working capital adjustments:		
Movement in inventories	18.24	(94.72)
Movement in trade and other receivables	18.27	(93.35)
Movement in other assets	13.57	(22.05)
Movement in trade and other payables	52.93	18.44
Movement in provisions	1.47	1.68
Cash flow generated from operations	681.94	339.17
Less: Direct taxes (paid)(net)	(131.34)	(121.51)
Net cash generated from operations (A)	550.60	217.66
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital advances, capital work-in-progress, intangible assets, intangible assets under development and payable towards property, plant and equipment)	(222.15)	(184.27)
Proceeds from disposal of property, plant and equipment	21.35	7.82
Purchase of long-term investments	(58.00)	(42.65)
Proceeds from disposal of current investment	18.25	-
Loans given	(152.52)	(29.90)
Loans received back	111.59	38.42
Interest received	51.53	43.23
Movement in deposits having original maturity of more than 3 months (net)	15.33	35.09
Net cash used in investing activities (B)	(214.62)	(132.26)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(4.32)	(12.44)
Repayment of non-current borrowings	-	(5.19)
Proceeds/(repayments) of current borrowings (net)	(94.06)	64.06
Interest payment of lease liabilities	(3.20)	(2.80)
Principal payment of lease liabilities	(16.00)	(11.36)
Proceeds from issue of share capital including securities premium	1.10	1.21
Proceeds from dividend distribution tax paid earlier	3.92	-
Dividend paid	(143.32)	(143.31)
Net cash used in financing activities (C)	(255.88)	(109.83)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	80.10	(24.43)
Cash and cash equivalents at the beginning of the year	6.61	31.04
Cash and cash equivalents at the end of the year (refer note 13)	86.71	6.61

Standalone Statement of Cash Flows (Cont'd) for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Non-cash financing and investing activities		
- Acquisition of right of use assets	40.82	17.95
Components of cash and cash equivalents at the end of the year		
Balances with banks		
- Current accounts	86.42	6.25
Cash on hand	0.29	0.36
	86.71	6.61

Note :

1. This cash flow statement presented in accordance with "indirect method" as set out in Indian Accounting Standard - 7 'Statement of cash flows' as specified in Indian Accounting Standard Rules, 2015 (as amended)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

	Year ended 31 March 2024	Year ended 31 March 2023
Current borrowings	5.77	94.06
Lease liabilities	60.30	35.48
Non-current borrowings	0.78	5.90
Net debt	66.85	135.44

	Current borrowings (including current maturities)	Lease liabilities	Non-current borrowings	Total
Net debt as at 1 April 2022	30.00	30.40	9.96	70.36
Add : Lease liabilities on leased entered during the year	-	17.95	-	17.95
Interest expenses on lease liabilities	-	2.80	-	2.80
Cash flows (net)	64.06	(15.67)	(5.19)	43.20
Non-cash adjustments - Fair value adjustments*	-	-	1.13	1.13
Net debt as at 31 March 2023	94.06	35.48	5.90	135.44
Add : Lease liabilities on leased entered during the year	-	40.82	-	40.82
Interest expenses on lease liabilities	-	3.20	-	3.20
Cash flows (net)	(94.06)	(19.20)	-	(113.26)
Transfer of current maturities from non-current borrowings to current borrowings	5.77	-	(5.77)	-
Non-cash adjustments - Fair value adjustments*	-	-	0.65	0.65
Net debt as at 31 March 2024	5.77	60.30	0.78	66.85

* pertains to unwinding of interest cost on non-current borrowings.

Summary of material accounting policies and other explanatory information. 1-61

As per our report of even date attached

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no. : 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Standalone Statement of Changes in Equity for the year ended 31 March 2024

CIN: L26924HR1985PLC056150 (Amount in ₹ crores, unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the reporting year	15.92	15.92
Add: Changes in equity share capital during the year (refer note 16)	0.01	#
Balance at the end of the reporting year	15.93	15.92

(# rounded off to Nil)

B. Other equity (refer note 17)

Particulars	Reserves and surplus						Total other equity
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Capital reserve	Retained earnings	
Balance as at 1 April 2022	320.37	178.92	5.00	1.87	(29.57)	1,618.27	2,094.86
Profit for the year	-	-	-	-	-	344.39	344.39
Items of OCI for the year, net of tax	-	-	-	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	-	-	(0.64)	(0.64)
Total comprehensive income	-	-	-	-	-	343.75	343.75
Employee stock option scheme	-	-	-	7.51	-	-	7.51
Shares issued during the year	-	1.21	-	-	-	-	1.21
Transferred from share options outstanding account to security premium reserve on issue of shares	-	0.50	-	(0.50)	-	-	-
Dividend distributed	-	-	-	-	-	(143.31)	(143.31)
Balance as at 31 March 2023	320.37	180.63	5.00	8.88	(29.57)	1,818.71	2,304.02
Profit for the year	-	-	-	-	-	381.45	381.45
Items of OCI for the year, net of tax	-	-	-	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	-	-	(0.07)	(0.07)
Total comprehensive income	-	-	-	-	-	381.38	381.38
Employee stock option scheme	-	-	-	7.51	-	-	7.51
Shares issued during the year	-	1.09	-	-	-	-	1.09
Amount transferred from Share option outstanding account to Security premium on issue of shares	-	0.90	-	(0.90)	-	-	-
Dividend distribution tax paid earlier reversed	-	-	-	-	-	3.92	3.92
Dividend distributed	-	-	-	-	-	(143.33)	(143.33)
Balance as at 31 March 2024	320.37	182.62	5.00	15.49	(29.57)	2,060.68	2,554.59

Summary of material accounting policies and other explanatory information. 1-61

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no.: 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

1. Corporate information

KAJARIA CERAMICS LIMITED (KCL or the Company) is a limited company domiciled in India and was incorporated on 20 December 1985. Equity shares of the Company are listed in India on the Bombay stock exchange and the National stock exchange. The registered office of the Company is located at SF-11, Second Floor, JMD Regent Plaza Mehrauli Gurgaon Road, Village Sikanderpur Ghosi Gurgaon Haryana - 122001, India.

The Company is engaged in the business of a manufacturing, selling and distribution of Ceramic and Vitrified wall and floor tiles.

The financial statements for the year ended 31 March 2024 were authorised in accordance with a resolution of Board of Directors on 7 May 2024.

2. Application of Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorized have been considered in preparing these standalone financial statements.

3. Material accounting policies and other explanatory information

A. Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and guidelines issued by the Security Exchange Boards of India.

The financial statements have been prepared under the historical cost convention and amortised costs basis except for certain financial assets and liabilities which are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements of the Company are presented in Indian Rupees (₹/Rs.), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimals in Crores as per the requirement of Schedule III to the Act, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the

nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

B. Overall considerations

The standalone financial statements have been prepared using the material accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the standalone financial statements.

C. Material accounting policies

a. 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

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- 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.

b. Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognises revenue at the point in time, when control of the asset is transferred to the customer depending upon the terms of sale with the customers.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as goods and service tax is excluded from revenue.

Interest income and dividend:

Interest income is recognised using effective interest method.

Dividend income is recognised when the right to receive payment is established.

Export benefits:

The Company recognises income from duty drawback and export benefit on an accrual basis.

c. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores and spares, stock-in-trade and other products are carried at the lower of cost and net realizable value.

In determining the cost of raw materials, packing materials, stock-in-trade, stores and spares and other products, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

d. Property, plant and equipment

Measurement and recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

Capital work-in-progress and capital advances

Capital work in progress includes construction stores including material / equipment / services, etc. received at site for use in the projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalised at the time of commissioning of such assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as per requirement of Schedule III.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method (SLM) based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Particulars	Useful lives
Plant and machinery	7, 10 and 18 years
Fit-out and other assets at sales outlets	5 years
Roads	30 and 60 years

Freehold land is not depreciated. Leasehold improvements are amortised over the period of the lease or the useful life of the asset, whichever is lower.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition

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

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

e. Intangible Assets

Measurement and recognition

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

Amortisation

Intangible assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful economic life.

De-recognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

f. Research and development costs

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment utilized for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

g. Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

h. Foreign currency transactions

Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

i. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant (deferred income) is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. The loan or assistance is subsequently recognised in the statement of profit and loss on a straight line basis over the period of loan.

j. Taxes on income

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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 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.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

k. Employee benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-employment benefits:

I. Defined contribution plans:

The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

II. Defined benefit plans:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The net interest cost is calculated by applying the discount rate

to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other long-term employee benefits:

Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

I. Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

m. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of property leases. 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.

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.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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 shorter of 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 re-measured 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.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

n. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

o. 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.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

Contingent 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

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Earnings per share

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

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

q. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

r. Financial instruments

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

a) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade Receivables that does not contain a significant financial component are measured at transaction price.

Subsequent measurement

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

- **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.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities,

including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

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

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

- **Financial liabilities at fair value through profit or loss**

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

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

De-recognition

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

c) 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 realize the assets and settle the liabilities simultaneously

d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are

initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

s. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

t. Fair value measurement

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

D. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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 judgements, 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.

Judgements

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

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

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

written down to its recoverable amount.

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

(b) Defined benefit plans

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 future pension increases. 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) Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

(d) 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 markets, 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.

(e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses 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) Estimation of current tax and deferred tax

Management judgement is required for the calculation of provision of 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 these financial statements.

(g) Right-of-use assets and lease liability:

The Company has exercised judgement in determining the lease term as the no cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(h) Share based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). The details of variables used are given in note 43.

E. Recent pronouncements

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

4 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Display assets	Total
Gross carrying amount									
As at 1 April 2022	68.21	311.63	941.41	10.43	44.19	9.55	7.04	19.33	1,411.79
Additions	-	48.64	189.07	0.46	12.49	1.29	0.40	3.17	255.52
Disposals	-	1.77	28.16	0.66	5.80	0.96	0.01	2.37	39.73
As at 31 March 2023	68.21	358.50	1,102.32	10.23	50.88	9.88	7.43	20.13	1,627.58
Additions	-	17.43	194.90	0.89	17.45	1.49	0.57	0.87	233.60
Disposals	0.02	3.42	52.49	0.19	8.19	0.68	1.00	0.57	66.56
As at 31 March 2024	68.19	372.51	1,244.73	10.93	60.14	10.69	7.00	20.43	1,794.62
Accumulated depreciation									
As at 1 April 2022	-	93.87	487.67	6.47	16.97	6.46	4.40	14.13	629.97
Depreciation charge for the year (refer note 32)	-	8.80	59.07	0.63	5.37	0.73	0.78	1.22	76.60
Disposals	-	0.01	24.38	0.62	3.19	0.78	0.02	1.79	30.79
As at 31 March 2023	-	102.66	522.36	6.48	19.15	6.41	5.16	13.56	675.78
Depreciation charge for the year (refer note 32)	-	9.82	75.91	0.62	6.14	0.84	0.70	0.95	94.98
Disposals	-	1.59	43.84	0.17	5.29	0.62	0.94	0.55	53.00
As at 31 March 2024	-	110.89	554.43	6.93	20.00	6.63	4.92	13.96	717.76
Net carrying amount :									
As at 31 March 2024	68.19	261.62	690.30	4.00	40.14	4.06	2.08	6.47	1,076.86
As at 31 March 2023	68.21	255.84	579.96	3.75	31.73	3.47	2.27	6.57	951.80

Notes:

I. Property, plant and equipment pledged as security

Refer note 50 for information on property, plant and equipment pledged as security by the Company.

II. Contractual obligations

Refer to note 38 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

4 Property, plant and equipment (Cont'd)

III. Title deeds

Title deeds of all the immovable property held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

IV. As part of the merger, freehold land and buildings amounting to ₹12.42 Crore and ₹44.95 was merged, The Company has already initiated the process of changing the name with the Registrar of properties from erstwhile Kajaria Tiles Private Limited to Kajaria Ceramics Limited. (refer note 39 for details).

V. Capital work-in-progress

Capital work-in-progress amounting to ₹54.51 crores (31 March 2023 : ₹77.98 crores) mainly pertains to machinery pending installation and civil work being carried on at the plants of the Company.

VI. Details of Capital Work in Progress (CWIP) movement and ageing is as below:

Particulars	Amount
As at 01 April 2022	181.39
Add: Additions	64.36
Less: Capitalisations	(167.77)
As at 31 March 2023	77.98
Add: Additions	24.98
Less: Capitalisations	(48.45)
As at 31 March 2024	54.51

Ageing of CWIP

Capital work-in-progress	As at 31 March 2024				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	23.81	17.86	12.84	-	54.51

Capital work-in-progress	As at 31 March 2023				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	65.14	12.84	-	-	77.98

Note: There are no such project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

VII. Capital work-in-progress pledged as security

Refer note 50 for the Capital work-in-progress pledged as security.

VIII. Capital work-in-progress pledged as security

Refer note 38 for disclosure on contractual commitments for the acquisition of Capital work-in-progress.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

5 Intangible assets

Particulars	Software	Total
Gross carrying amount		
As at 1 April 2022	9.66	9.66
Additions	-	-
Disposals	-	-
As at 31 March 2023	9.66	9.66
Additions	-	-
Disposals	0.79	0.79
As at 31 March 2024	8.87	8.87
Accumulated amortisation		
As at 1 April 2022	7.61	7.61
Amortisation charge for the year (refer note 32)	0.87	0.87
Disposals	-	-
As at 31 March 2023	8.48	8.48
Amortisation charge for the year (refer note 32)	0.37	0.37
Disposals	0.79	0.79
As at 31 March 2024	8.06	8.06
Net carrying amount :		
As at 31 March 2024	0.81	0.81
As at 31 March 2023	1.18	1.18

6 Investments - Non-current

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments (unquoted)		
(a) Investments in subsidiaries (measured at cost)		
(i) Domestic Companies		
Kajaria Vitriified Private Limited (formerly known as Jaxx Vitriified Private Limited) 14,202,500 (31 March 2023: 14,202,500) equity shares of ₹10 each fully paid up	34.43	34.43
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited) 7,698,991 (31 March 2023: 7,008,561) equity shares of ₹10 each fully paid up	39.34	32.44
Kajaria Bathware Private Limited 25,000,000 (31 March 2023: 25,000,000) equity shares of ₹10 each fully paid up	40.00	40.00
Kajaria Plywood Private Limited* 40,000,000 (31 March 2023: 9,990,000) equity shares of ₹10 each fully paid up	40.00	9.90
South Asian Ceramic Tiles Private Limited 12,495,000 (31 March 2023: 10,710,000) equity shares of ₹10 each fully paid up	29.33	24.50
(ii) Overseas Company		
Kajaria International DMCC 1,000 (31 March 2023: 1,000) equity shares of United Arab Emirates (UAE) Dirham 1,000 each fully paid up	2.25	2.25

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

6 Investments - Non-current (Cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Investments in joint venture (measured at cost)		
Overseas Company		
Kajaria Ramesh Tiles Limited# 2,000,000 (31 March 2023 : nil) equity shares of Nepalese ₹100 each fully paid up	12.50	-
(c) Investments in other entity (measured at FVTPL)		
Sunsure Solarpark Two Private Limited 27,901 (31 March 2023: nil) equity shares of ₹10 each fully paid up	3.67	-
Total	201.52	143.52
Aggregate amount of unquoted investments	201.52	143.52
Aggregate amount of impairment in value of investments	-	-

*With respect to investments done amounting to ₹40.00 crore (previous year ₹9.90 crore) and loan given to this subsidiary company of ₹39.85 crore (previous year ₹45.75 crore) (refer note 40 for details), management, during the year, has done a detailed evaluation on the recoverability of this investment/ loan given wherein valuation of this subsidiary has been conducted by an independent valuer as at 31 March 2024 using the 'Discounted Cash Flow valuation model'. Basis such assessment done, management believes that the investment done/ loan given would be recoverable and accordingly no provision has been recorded in respect of recoverability of these balances as at the year end.

The Company has made investment in 2,000,000 equity shares of Kajaria Ramesh Tiles Limited, a 50% joint venture Company.

7 Loans#

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Considered good - unsecured				
Loans to other companies (refer note (i))	-	-	53.06	7.38
Loans to related parties (refer note (ii))	282.25	287.12	0.56	0.44
Total	282.25	287.12	53.62	7.82

Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Notes:

- (i) Loans to other companies represents interest bearing loans given for the business purposes.
- (ii) Represents loans given to subsidiary companies and Kajaria Ceramics Employee Gratuity Trust. The loan granted to these subsidiaries is used for business purposes (refer note 40 (4) for details).

8 Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Considered good - unsecured				
Deposits with original maturity of greater than twelve months	2.31	50.21	-	-
Interest accrued on deposits	-	-	2.37	1.20
Export benefit receivables	-	-	0.34	0.25
Security deposits	19.73	18.31	-	-
Total	22.04	68.52	2.71	1.45

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

9 Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provisions)#	12.13	9.34
Total	12.13	9.34

Includes tax receivable amounting to ₹6.24 crores (31 March 2023 ₹ 6.24 crores) recognised pursuant to the Scheme (also refer note 39)

10 Other assets

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Considered good- unsecured				
Capital advances	1.46	15.91	-	-
Advances other than above:				
Advance to suppliers	-	-	6.61	17.95
Prepaid expenses	1.83	0.88	6.53	6.48
Other loans	-	-	0.58	0.67
Balances with statutory authorities	-	-	3.12	7.77
Total	3.29	16.79	16.84	32.87

11 Inventories (valued at lower of cost or net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	38.36	39.92
Work-in-progress	10.58	7.88
Finished goods	238.28	245.26
Stock-in-trade	13.57	13.35
Stores and spares	44.90	56.39
Packing material	17.58	18.71
Total	363.27	381.51

For method of valuation refer Accounting policy number 3C (c)

12 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Considered good - unsecured	516.78	535.08
Credit impaired	5.66	6.62
Less: Allowance for expected credit losses	(5.66)	(6.62)
Total	516.78	535.08

Note:

- a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or amounts dues from firms or private companies in which any director is a partner, director or a member.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- b) All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Particulars	As at 31 March 2024					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	505.44	6.11	1.63	0.12	0.25	513.56
(ii) Undisputed Trade receivables - credit impaired	-	0.20	0.12	0.04	0.20	0.55
(iii) Disputed Trade receivables - considered good	-	-	-	-	3.22	3.22
(iv) Disputed Trade receivables - credit impaired	-	-	-	-	5.10	5.10
Less: Allowance for expected credit losses	-	(0.20)	(0.12)	(0.04)	(5.30)	(5.65)
Total	505.44	6.11	1.63	0.12	3.47	516.78

Particulars	As at 31 March 2023					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	528.34	2.20	0.17	0.13	0.20	531.04
(ii) Undisputed Trade receivables - credit impaired	-	0.08	0.05	0.01	0.44	0.58
(iii) Disputed Trade receivables - considered good	-	-	-	0.01	4.03	4.05
(iv) Disputed Trade receivables - credit impaired	-	-	-	0.02	6.02	6.04
Less: Allowance for expected credit losses	-	(0.08)	(0.05)	(0.03)	(6.46)	(6.62)
Total	528.34	2.20	0.17	0.14	4.23	535.08

Note: There are no unbilled receivables.

Note: There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

13 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- Current accounts	86.42	6.25
Cash on hand	0.29	0.36
Total	86.71	6.61

Note: There are no repatriation restrictions with regard to cash and cash equivalents as the end of the reporting period and prior period.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

14 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks in current accounts - unpaid dividends*	2.44	2.50
Deposits with original maturity of greater than three months and remaining maturity of less than twelve months**	413.35	380.78
Total	415.79	383.28

* These balances are not available for use by the Company and not due for deposit in the Investor Education and Protection Fund.

** Deposits amounting to ₹202.49 crores (31 March 2023 : ₹227.51 crores) have been pledged by the Company against facilities taken by various subsidiaries and against performance guarantees of the Company.

15 Assets of disposal company classified as held for Sale

Particulars	As at 31 March 2024	As at 31 March 2023
Investments held for sale (unquoted) - measured at FVTPL		
Vennar Ceramics Limited	-	18.25
	-	18.25
Aggregate amount of unquoted investments and market value thereof	-	18.25

Refer note 45 for the fair value disclosures

16 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised:		
770,000,000 equity shares of ₹1 each (31 March 2023: 770,000,000 of ₹1 each)	77.00	77.00
7,710,000 preference shares of ₹100 each (31 March 2023: 7,710,000 of ₹100 each)	77.10	77.10
Total	154.10	154.10
Issued and subscribed:		
159,258,300 equity shares of ₹1 each (31 March 2023: 159,232,550 equity shares of ₹1 each)	15.93	15.92
Total	15.93	15.92

A. Reconciliation of the authorised share:

There is no change in authorised capital of equity shares and preference share during the current year and previous year.

B. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
At the beginning of the reporting year	15,92,32,550	15.92	15,92,04,050	15.92
Add: issued on exercise of employee share option (# rounded off to Nil)	25,750	0.01	28,500	#
Outstanding at the end of the year	15,92,58,300	15.93	15,92,32,550	15.92

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

C. Terms/rights attached to equity shares

The Company has only one class of equity share having face value of ₹1 per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding.

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

The interim dividend for ₹6 per share (previous year ₹6 per share) has been distributed to the shareholders on approval of Board of Directors. During the year, The final dividend for ₹3 per share (previous year ₹3 per share) has been distributed to the shareholders of the Company.

D. Shares reserved for issue under options

Information relating to Kajaria Ceramics Employee Stock Option Plan, 2015, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 43.

E. Details of shareholders holding more than 5% shares in the Company*:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held having face value of ₹ 1 each	% of holding in class	Number of shares held having face value of ₹ 1 each	% of holding in class
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	8.12%	1,29,33,973	8.12%
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.25%
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.25%
Mirae Asset Mutual Fund	67,26,606	4.22%	80,04,433	5.03%

* As per the records of the Company, including its register of members

F. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and brought back during the last 5 years for each class of shares

The Company has issued equity shares aggregating 320,300 (up to 31 March 2023 : 294,550) shares of ₹1 each fully paid during the financial years 2018-2019 to 2022-23 (2017-18 to 2021-22) on exercise of option granted under the employee stock option plan wherein part consideration was received in form of employee service.

Nil (31 March 2023: Nil) equity shares bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013

The Company has issued Nil equity shares (31 March 2023 : Nil) as fully paid up bonus shares for which entire consideration not received in cash.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

G. Details of shares held by promoters:

As at 31 March 2024						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
4	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
5	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
6	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
7	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
8	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
9	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
10	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-
11	Mr. Raghav Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

As at 31 March 2023						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.25%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.25%	-
4	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
5	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
6	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
7	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
8	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
9	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
10	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

As at 31 March 2023 (Cont'd)						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
11	Mr. Raghav Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

17 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
a) General reserves		
Balance at the beginning/end of the year	320.37	320.37
b) Securities premium		
Balance at the beginning of the year	180.63	178.92
Share issued during the year (refer note 16)	1.09	1.21
Amount transferred from Share option outstanding account to Security premium on issue of shares	0.90	0.50
Balance at the end of the year	182.62	180.63
c) Capital redemption reserve		
Balance at the beginning/end of the year	5.00	5.00
d) Share options outstanding account		
Balance at the beginning of the year	8.88	1.87
Employee stock option scheme	7.51	7.51
Transferred to security premium on issue of shares	(0.90)	(0.50)
Balance at the end of the year	15.49	8.88
e) Capital reserve		
Balance at the beginning/end of the year	(29.57)	(29.57)
f) Retained earnings		
Balance at the beginning of the year	1,818.71	1,618.27
Profit for the year	381.45	344.39
Other comprehensive income (OCI) for the year, net of tax	(0.07)	(0.64)
Dividend distribution tax paid earlier reversed	3.92	-
Dividend distributed (including interim dividend)	(143.33)	(143.31)
Balance at the end of the year	2,060.68	1,818.71
Total other equity	2,554.59	2,304.02

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Nature and purpose of reserves -

a) General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

b) Securities premium

This reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

c) Capital redemption reserve

This reserve was created on redemption of preference shares in the financial year 2001-02. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

d) Share options outstanding account

The reserve is used to recognise the grant date fair value of the options issued to employees under Kajaria Ceramics Employee Stock Option Plan, 2015.

e) Capital reserve

The reserve was created on Scheme of Arrangement (the Scheme) between the Company and erstwhile Kajaria Securities Private Limited ('KSPL') in financial year 2017-18 and erstwhile Kajaria Tiles Private Limited ('KTPL') in the financial year 2021-22.

f) Retained earnings

Created from profit/loss of the Company, as adjusted for distributions to owners in the form of dividend and transfer to other reserve.

18 Borrowings

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Term loan - Secured				
Deferred payment liabilities	6.55	5.90	-	-
Interest free loan from Financial Institution (Sales tax deferment scheme - State of Uttar Pradesh)				
Less: current maturities of non-current borrowings	(5.77)	-	5.77	-
Working capital facility - Secured				
From banks	-	-	-	94.06
Current maturities of long term borrowing	-	-	-	-
Total	0.78	5.90	5.77	94.06

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Terms of borrowings

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2024	As at 31 March 2023			
Term loan - deferred payment liabilities	6.55	5.90	Nil	Secured against first charge on factory land and building of the Company at Sikandrabad, Uttar Pradesh.	Repayable in one instalment after 7 years from date of disbursement.
Working capital facility (secured)	-	94.06	31 March 2024: Nil (31 March 2023: 7.50% to 8.76% per annum)	Secured against first charge on inventories and book debts of the Company and second charge on immovable and movable assets of its factories at Sikandrabad, Uttar Pradesh and Gailpur, Rajasthan.	Repayable on demand

The above loans have been utilised as per the purpose for these loans were sanctioned.

The property on which mortgaged or any charged created has been duly registered with Registrar of companies.

19 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Lease liabilities (refer note 37)	43.53	23.74	16.77	11.74
	43.53	23.74	16.77	11.74

20 Provisions

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits obligation (refer note 36)				
Gratuity	-	1.69	7.81	5.93
Compensated absences	16.00	15.05	2.19	1.77
	16.00	16.74	10.00	7.70

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

21 Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Deferred tax liability on:		
Difference between book balance and tax balance of property, plant and equipment	85.47	78.89
	85.47	78.89
(b) Deferred tax assets on:		
Provision for compensated absences	4.58	4.23
Others	3.83	4.07
	8.41	8.30
Deferred tax liabilities (net)	77.06	70.59

Movements in deferred tax liabilities and deferred tax assets:

	Property, plant and equipment	Compensated absences	Others	Total
As at 1 April 2022	75.69	(3.80)	(3.95)	67.94
Charged/(credited) to the statement of profit or loss	3.20	(0.43)	(0.12)	2.65
As at 31 March 2023	78.89	(4.23)	(4.07)	70.59
Charged/(credited) to the statement of profit or loss	6.58	(0.35)	0.24	6.47
As at 31 March 2024	85.47	(4.58)	(3.83)	77.06

22 Other liabilities

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Advance received from customers	-	-	25.57	22.00
Statutory dues payable	-	-	39.32	39.73
Deferred government grant	-	0.45	0.43	0.53
Total	-	0.45	65.32	62.26

23 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 42)	33.10	25.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises	237.81	205.32
Total	270.91	230.80

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Total outstanding dues of micro enterprises and small enterprises	33.10	-	-	-	33.10
- Total outstanding dues of creditors other than micro enterprises and small enterprise	237.80	-	-	0.01	237.81
Total	270.90	-	-	0.01	270.91

Particulars	As at 31 March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Total outstanding dues of micro enterprises and small enterprises	25.48	-	-	-	25.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises	205.06	0.25	0.01	-	205.32
Total	230.54	0.25	0.01	-	230.80

Note: There are no unbilled dues.

24 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Unclaimed dividends*	2.45	2.50
Security deposits from customers	19.93	16.32
Security deposits others	19.03	16.47
Employee payable	52.63	48.31
Liabilities toward unspent corporate social responsibility (refer note 57)	0.60	0.88
Creditors for capital goods	0.94	27.40
Others	-	0.55
Total	95.58	112.43

* Not due for deposit to the Investor Education and Protection Fund.

25 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax liabilities (net)	-	4.25
Total	-	4.25

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

26 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products		
Tiles	4,098.90	3,967.60
Other operating revenues	4.12	3.15
Total	4,103.02	3,970.75

Disclosure pursuant to Ind AS-115 'Revenue from contracts with customers', are as follows:

(a) Disaggregation of revenue:

Revenue arises mainly from the sale of manufactured and traded goods.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from sale of tile	4,098.90	3,967.60
Total	4,098.90	3,967.60

Sale of products are net of discounts amounting to ₹ 178.26 Crores (31 March 2023 : ₹ 162.41 Crores)

(b) Assets and liabilities related to contracts with customers is as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities related to sale of goods		
Advance from customers	25.57	22.00
Security deposits from customers	19.93	16.32

(c) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 45 days from the completion of performance obligation.

There is no significant financing component in any transaction with the customers.

(d) Significant changes in contract assets and liabilities:

The change in contract liabilities (interest bearing deposit from customers and advances received from customer) during the year.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities (Advance from customers)		
Opening balance	22.00	31.31
Revenue recognised during the year	22.00	31.31
Addition during the year (net)	25.57	22.00
Closing balance	25.57	22.00

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities (Advance from customers)		
Opening balance	16.32	13.27
Receipt/(repayment) during the year (net)	3.61	3.05
Closing balance	19.93	16.32

27 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income measured at amortised cost on:		
Loan to subsidiaries (refer note 40)	22.21	20.25
Fixed deposits with banks	28.21	21.60
Other financial assets carried at amortised cost	0.64	0.64
Others	1.64	1.64
Gain on disposal of property, plant and equipment (net)	7.79	-
Net gain on foreign currency transaction and translation	0.87	2.15
Other non-operating income	7.20	4.43
Total	68.56	50.71

28 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Body material	316.81	317.28
Glaze, frits and chemicals	226.70	228.94
Packing material consumed	117.23	141.32
Total	660.74	687.54

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

29 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance		
Finished goods	245.26	159.51
Stock-in-trade	13.35	17.52
Work-in-progress	7.88	9.79
Total	266.49	186.82
Closing balance		
Finished goods	238.28	245.26
Stock-in-trade	13.57	13.35
Work-in-progress	10.58	7.88
Total	262.43	266.49
	4.06	(79.67)

30 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	349.50	324.88
Contribution to provident and other funds (also refer note 36)	16.13	15.19
Share based payments to employees	7.51	7.51
Less: Amounts recovered towards share based payments to employees of a subsidiary	(0.41)	(0.41)
Staff welfare expenses	7.54	6.83
Total	380.27	354.00

31 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses	3.80	7.29
Interest on lease liabilities	3.20	2.80
Other borrowing costs	1.17	0.71
Total	8.17	10.80

32 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 4)	94.98	76.60
Amortisation of intangible assets (refer note 5)	0.37	0.87
Depreciation on right-of-use assets (refer note 37)	15.19	13.44
Total	110.54	90.91

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

33 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	90.28	82.67
Power and fuel	614.15	783.74
Repairs and maintenance:		
- Buildings	6.61	5.29
- Plant and equipment	19.22	15.84
- Others	5.96	5.01
Rent (refer note 37d)	2.91	2.08
Rates and taxes	2.00	1.45
Traveling and conveyance	41.50	37.17
Insurance charges	4.30	4.14
Legal and professional charges	4.61	4.31
Payment to auditors as:		
- auditor	0.95	0.58
- for other services	0.04	0.48
- for reimbursement of expenses	0.04	0.05
Packing, freight and forwarding expenses	51.17	42.20
Advertisement, publicity and sales promotion	101.68	81.54
Sales commission	14.73	10.93
Loss on disposal of property, plant and equipment	-	1.12
Provision for expected credit loss	-	0.20
Bad debts	1.06	-
Corporate social responsibility expenditure (refer note 57)	9.03	8.31
Research and development expenses (refer note 56)	9.63	7.54
Miscellaneous expenses	27.48	24.33
	1,007.35	1,118.98

34 Income -tax expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Income-tax expense debited to statement of profit and loss		
Current tax		
Current tax on profits for the year	124.51	116.43
Adjustment of tax relating to earlier periods	(0.19)	(0.06)
Total current tax expense	124.32	116.37
Deferred tax		
Deferred tax charge for the year	6.47	2.65
	6.47	2.65
Total tax expense	130.79	119.02

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

34 Income -tax expenses (Cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(b) Income-tax expense credited to other comprehensive income		
Current tax		
Current tax credit for the year	(0.02)	(0.22)
	(0.02)	(0.22)

(C) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	512.24	463.41
Tax at the Indian tax rate of 25.168%	128.92	116.63
Adjustment of tax relating to earlier periods	(0.19)	(0.06)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses not allowed as deduction	2.06	2.45
Income-tax expense	130.79	119.02

35 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity holders of the Company for basic earnings (₹ in crores) for the year	381.45	344.39
Weighted average number of equity shares in calculating basic earnings per share (Nos.)	15,92,53,834	15,92,23,883
Weighted average number of equity shares in calculating diluted earnings per share (refer note below) (Nos.)	15,94,35,662	15,93,14,415
Earnings per share		
- Basic (₹)	23.95	21.63
- Diluted (₹)	23.93	21.62

Note: Weighted average number of equity shares used as denominator

Particulars	No. of shares	
	As at 31 March 2024	As at 31 March 2023
Weighted average number of equity shares used as denominator in calculating basic earnings per shares	15,92,53,834	15,92,23,883
Adjustments for calculation of diluted earnings per share:		
- Outstanding employee stock options	1,81,828	90,532
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	15,94,35,662	15,93,14,415

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

36 Employee benefits

The Company has following post-employment benefit plans:

A) Defined contribution plan

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. Company has no obligation, other than the contribution payable to the provident fund.

The Company's contribution to the provident fund is ₹10.48 crores (31 March 2023: ₹9.95 crores)

B) Defined benefit plans - Gratuity (funded)

The Company has defined benefit gratuity plan for its employees where annual contributions are deposited to an insurer to provide gratuity benefits by taking a scheme of insurance, whereby these contributions are transferred to the insurer. Gratuity is computed as 15 days last drawn salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The benefit vests on the employee completing 5 years of service. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. Plan assets also include investments and bank balances used to deposit premiums until due to the insurance company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:**Changes in the present value of the defined benefit obligation are as follows:**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation at the beginning of the year	55.69	49.90
Current service cost	3.90	3.49
Interest cost	4.56	4.21
Benefits paid	(1.98)	(2.44)
Actuarial loss/(gain) on obligations	0.03	0.53
Defined benefit obligation at the end of the year	62.20	55.69

Changes in the Fair value of plan assets are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Fair value of plan assets at the beginning of the year	48.07	43.11
Contribution during the year	5.00	4.71
Benefits paid	(1.98)	(2.44)
Expected return on plan assets	3.36	3.02
Actuarial loss on plan asset	(0.06)	(0.33)
Fair value of plan assets at the end of the year	54.39	48.07

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets	54.39	48.07
Defined benefit obligation	62.20	55.69
Net liability recognised in the Balance Sheet (refer note 20)	(7.81)	(7.62)
Current	7.81	5.93
Non current	-	1.69

Amount recognised in Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	3.90	3.49
Interest cost	4.56	4.21
Expected return on plan asset	(3.36)	(3.02)
Amount recognised in Statement of Profit and Loss	5.10	4.68

Breakup of actuarial gain/(loss)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial gain/(loss) on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	-	(0.48)
Actuarial gain/(loss) arising from experience adjustments	(0.03)	(0.05)
Actuarial gain/(loss) on plan assets	(0.06)	(0.33)
Amount of gain/(loss) recognised in other comprehensive income	(0.09)	(0.86)

The major categories of plan assets are as follows:**Gratuity**

Particulars	As at 31 March 2024	As at 31 March 2023
Investment details	Funded	Funded
Investment with gratuity funds	100%	100%

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.00%	7.00%
Expected rate of return on plan assets	7.00%	7.00%
Future salary increases	8.60%	8.60%
Attrition rate:-		
18-30 years	2.00%	2.00%
30-44 years	2.00%	2.00%
44-58 years	2.00%	2.00%
Retirement age	58 years	58 years
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Note:

- The discount rate is based upon the market yield available on government bonds at the accounting date relevant to currency of benefits payments for a term that matches the liability.
- The estimates for future salary increase rate taxes amount of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.
- The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Experience adjustment:

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Present value of defined benefit obligation	62.20	55.69	49.90	44.13	39.86
Experience gain/(loss) on liability	(0.03)	(0.05)	(0.46)	1.97	1.71

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 and 31 March 2023 is as shown below:

Gratuity plan	Sensitivity level		Impact on Defined benefit obligation	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Assumptions				
Discount rate	+1%	+1%	(5.13)	(4.76)
	-1%	-1%	5.92	5.55
Future salary increases	+1%	+1%	5.77	5.41
	-1%	-1%	(5.10)	(4.74)
Withdrawal rate	+1%	+1%	(0.58)	(0.55)
	-1%	-1%	0.65	0.61

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Effect of plan on Company's future cash flows

(a) Funding arrangements and funding Policy

The Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) The following payments are expected contributions to the defined benefit plan in future years (in absolute terms i.e. undiscounted):

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months (next annual reporting period)	7.89	5.93
Between 2 and 5 years	10.40	9.30
Beyond 5 years	43.91	40.46
Total expected payments	62.20	55.69

(c) Expected contribution for next year is ₹4.01 Crores (31 March 2023 : ₹3.68 Crores)

(d) Average duration of the defined benefit obligation at the end of reporting period is 11 years (31 March 2023 : 11 years)

(c) Other long-term employee benefits - Compensated absences (unfunded)

Particulars	As at 31 March 2024	As at 31 March 2023
Amounts recognised in the balance sheet		
Current	2.19	1.77
Non current	16.00	15.05
	18.19	16.82

37 Leases

a) The Company had adopted Ind AS 116 'Leases' from 1 April 2019 in the standalone financial statements.

b) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)
Building	52 (31 March 2023: 52)	1 to 5 years (31 March 2023 : 1 to 5 years)	2.57 years (31 March 2023 : 3.27 years)

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

There are no leases entered by the Company which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

(c) Amounts recognised in balance sheet and statement of profit and loss :

The balance sheet shows the following amounts relating to leases:

Particulars	Category of right-of-use assets		
	Land	Buildings	Total
Balance as at 1 April 2022	5.00	27.97	32.97
Add: Additions	-	17.95	17.95
Less: Depreciation charged on the right-of-use assets (refer note 32)	0.05	13.39	13.44
Balance as at 31 March 2023	4.95	32.53	37.48
Add: Additions	-	40.82	40.82
Less: Depreciation charged on the right-of-use assets (refer note 32)	0.06	15.13	15.19
Balance as at 31 March 2024	4.89	58.22	63.11

(d) Lease payments not recognised as lease liabilities:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expenses relating to short term leases (included in other expenses)	2.91	2.08
Total	2.91	2.08

e) The total cash outflow for leases (principal and interest) for the year ended 31 March 2024 is ₹19.20 Crores (31 March 2023: ₹14.16 Crores).

(f) Future minimum lease payments are as follows:

Minimum lease payments due	As at 31 March 2024		
	Lease payments	Finance charges	Net present values
Within 1 year	20.46	3.69	16.77
1 - 2 years	33.05	4.12	28.93
2 - 3 years	10.48	0.68	9.80
More than 3 years	4.94	0.14	4.80
Total	68.93	8.63	60.30

Minimum lease payments due	As at 31 March 2023		
	Lease payments	Finance charges	Net present values
Within 1 year	14.51	2.77	11.74
1 - 2 years	11.14	1.38	9.76
2 - 3 years	8.63	0.73	7.90
More than 3 years	6.43	0.35	6.08
Total	40.71	5.23	35.48

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

38 Commitments, contingencies and litigations

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	23.08	81.89
(b) Contingent liabilities		
(i) Corporate guarantees given (including undrawn amount)	243.24	195.99
(ii) Standby Letter of Credit in respect of loan taken by Joint Venture	68.13	-
((iii) Claims against the Company not acknowledged as debt*		
In respect of income tax, goods and service tax, value added tax and service tax demands pending before various authorities and in dispute	5.37	7.02
Others	2.70	2.13

* Company is contesting the above demands and the management, including its solicitor, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised.

The Company has certain litigations involving customers, vendors and based on legal advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

39 Scheme of Arrangement

The Hon'ble National Company Law Tribunal, vide its order dated 26 November 2021, approved a Scheme of Arrangement (the 'Scheme') between the Company and Kajaria Tiles Private Limited (erstwhile KTPL). Pursuant to the Scheme, all the properties, assets, rights, claims and obligations of the erstwhile KTPL were transferred and vested in the name of Company on a going concern basis w.e.f. 1 April 2019. The Company had accounted for the merger under the pooling of interest method retrospectively for all periods presented and accordingly these numbers had been restated as prescribed in Appendix-C of Ind AS 103 - Business Combinations of entities under common control.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

40 Related party disclosures as per Ind AS 24 - Related Party disclosures

A. List of related parties as per Ind AS 24

(a) List of entities substantially owned directly or indirectly by the Company:

Direct subsidiaries:

S. No.	Name	Country of incorporation	Ownership interest of Kajaria Ceramics Limited (%)	
			As at 31 March 2024	As at 31 March 2023
1	Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	India	95.00%	95.00%
2	Vennar Ceramics Limited #	India	-	-
3	Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	India	84.58%	77.00%
4	Kajaria Bathware Private Limited	India	85.00%	85.00%
5	Kajaria Plywood Private Limited	India	100.00%	100.00%
6	South Asian Ceramic Tiles Private Limited##	India	59.50%	51.00%
7	Kajaria International DMCC*	UAE	100.00%	100.00%

loss of control of subsidiary w.e.f. closing hours of 31 March 2023

became subsidiary of the Company w.e.f. 31 August 2022

* became subsidiary of the Company w.e.f. 19 September 2022

Indirect subsidiary:

Subsidiary of 'Kajaria Bathware Private Limited' (where control exists):

S. No.	Name	Country of incorporation	Ownership interest of Kajaria Ceramics Limited (%)	
			As at 31 March 2024	As at 31 March 2023
1	Kajaria Sanitaryware Private Limited	India	69.70%	69.70%
2	Kerovit Global Private Limited	India	85.00%	85.00%

(b) Key management personnel:

S. No.	Name	Designation
1	Mr. Ashok Kajaria	Chairman and Managing Director
2	Mr. Chetan Kajaria	Joint Managing Director
3	Mr. Rishi Kajaria	Joint Managing Director
4	Mr. Dev Datt Rishi	Non-Executive Director
5	Mr. Raj Kumar Bhargava	Independent Director (ceased to be director w.e.f. 23 September 2022)
6	Mr. Debi Prasad Bagchi	Independent Director (ceased to be director w.e.f. 23 September 2022)
7	Mr. Harady Rathnakar Hegde	Independent director (Ceased to be director w.e.f. closing hours of 31 March 2024)
8	Mrs. Sushmita Singha	Independent Director
9	Mr. Sudhir Bhargava	Independent Director
10	Mr. Lalit Kumar Panwar	Independent Director

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(c) Enterprises owned by Key Management Personnel or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise:-

S. No.	Name
1	Dua Engineering Works Private Limited
2	Malti Devi Kajaria Foundation
3	Kajaria Ceramics Employees Gratuity trust
4	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)
5	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)
6	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)
7	A.K. Kajaria (HUF)
8	Chetan Kajaria (HUF)
9	Rishi Kajaria (HUF)

(d) Close members of key management personnel

S. No.	Name
1	Mrs. Versha Devi Kajaria
2	Mrs. Rasika Kajaria
3	Mrs. Shikha Kajaria
4	Mr. Kartik Kajaria
5	Mr. Raghav Kajaria
6	Mr. Vedant Kajaria
7	Mr. Parth Kajaria

(e) Joint Venture

S. No.	Name	Remarks
1	Kajaria RMF Trading LLC (w.e.f. 04 January 2023)	50% Joint venture of Kajaria International DMCC
2	Kajaria UKP Limited (w.e.f. 08 November 2023)	50% Joint venture of Kajaria International DMCC
3	Kajaria Ramesh Tiles Limited (w.e.f. 04 May 2023)	50% Joint venture of Kajaria Ceramics Limited

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

B. Transactions with the related parties

(1) Details relating to remuneration of Key Managerial Personnel (KMP)

Name of KMP	Year ended 31 March 2024		Year ended 31 March 2023	
	Short-term employee benefits	Sitting fees	Short-term employee benefits	Sitting fees
Mr. Ashok Kajaria*	5.67	-	5.67	-
Mr. Chetan Kajaria*	5.57	-	5.57	-
Mr. Rishi Kajaria*	5.57	-	5.57	-
Mr. Dev Dutt Rishi	-	0.05	-	0.05
Mr. Raj Kumar Bhargava	-	-	-	0.03
Mr. Debi Prasad Bagchi	-	-	-	0.04
Mr. Harady Rathnakar Hegde	-	0.10	-	0.10
Mrs. Sushmita Singha	-	0.06	-	0.07
Mr. Sudhir Bhargava	-	0.10	-	0.06
Mr. Lalit Kumar Panwar	-	0.09	-	0.06

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Company as a whole.

(2) Dividend paid

	Year ended 31 March 2024	Year ended 31 March 2023
Key management personnel and relatives of KMP		
- Mr. Ashok Kajaria	0.94	0.94
- Mr. Chetan Kajaria	1.21	1.21
- Mr. Rishi Kajaria	1.63	1.63
- Mrs. Versha Devi Kajaria	1.60	1.60
- Mrs. Rasika Kajaria	0.51	0.51
- Mrs. Shikha Kajaria	0.54	0.54
- Mr. Kartik Kajaria	0.41	0.41
- Mr. Raghav Kajaria	0.41	0.41
- Mr. Vedant Kajaria	0.41	0.41
- Mr. Parth Kajaria	0.41	0.41

(3) Guarantees received/(released) during the year

	Year ended 31 March 2024	Year ended 31 March 2023
Key management personnel and close members of KMP		
- Mr. Ashok Kajaria	-	(31.40)

(4) Remuneration paid to close members of KMP during the year

	Year ended 31 March 2024	Year ended 31 March 2023
- Mr. Kartik Kajaria *	0.22	-

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Company as a whole.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

whole.

(5) The following transactions were carried out with related parties in the ordinary course of business:-

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Purchase of goods						
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	363.58	-	-	341.58	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	188.25	-	-	160.84	-	-
Vennar Ceramics Limited	-	-	-	67.35	-	-
Kajaria Bathware Private Limited	-	-	-	0.20	-	-
South Asian Ceramic Tiles Private Limited	137.74	-	-	56.50	-	-
Total	689.57	-	-	626.47	-	-
Sale of products						
Kajaria Bathware Private Limited	0.07	-	-	-	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	0.27	-	-	-	-	-
Kajaria RMF Trading LLC	-	-	6.97	-	-	3.23
Kajaria Sanitaryware Private Limited	0.12	-	-	-	-	-
Kajaria UKP Limited	-	-	2.44	-	-	-
Total	0.46	-	9.41	-	-	3.23
Sale of assets						
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	0.06	-	-	-	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	0.25	-	-	0.10	-	-
Total	0.31	-	-	0.10	-	-
Purchase of assets						
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	0.04	-	-	-	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Total	0.04	-	-	-	-	-
Rent paid						
Dua Engineering Works Private Limited	-	1.59	-	-	1.59	-
Vennar Ceramics Limited	-	-	-	0.05	-	-
South Asian Ceramic Tiles Private Limited (*rounded off to Nil)	0.01	-	-	-*	-	-
Total	0.01	1.59	-	0.05	1.59	-
Recovery of expenses						
Kajaria Bathware Private Limited	1.23	-	-	1.19	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	-	-	-	0.03	-	-
Kajaria Plywood Private Limited	0.02	-	-	0.04	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	0.32	-	-	0.07	-	-
Total	1.57	-	-	1.33	-	-
Reimbursement of expenses						
Kajaria International DMCC	0.80	-	-	0.15	-	-
Kajaria RMF Trading LLC	-	-	0.27	-	-	-
Total	0.80	-	0.27	0.15	-	-
Rent received						
Kajaria Bathware Private Limited	0.88	-	-	0.66	-	-
Kajaria Plywood Private Limited	0.01	-	-	0.01	-	-
Kajaria Sanitaryware Private Limited	-	-	-	0.03	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	0.32	-	-	0.02	-	-
Total	1.21	-	-	0.72	-	-
Corporate Guarantee charges received						
Kajaria Bathware Private Limited	0.44	-	-	-	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	0.42	-	-	-	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Sanitaryware Private Limited	0.22	-	-	-	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	0.57	-	-	-	-	-
Kerovit Global Private Limited	0.12	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	0.08	-	-	-	-	-
Total	1.85	-	-	-	-	-
Interest income						
Vennar Ceramics Limited	-	-	-	0.39	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	1.59	-	-	0.86	-	-
Kajaria Bathware Private Limited	1.13	-	-	1.61	-	-
Kajaria Sanitaryware Private Limited	2.47	-	-	2.98	-	-
Kerovit Global Private Limited	1.91	-	-	-	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	11.11	-	-	11.30	-	-
Kajaria Plywood Private Limited	2.89	-	-	2.71	-	-
South Asian Ceramic Tiles Private Limited	0.81	-	-	0.39	-	-
Kajaria International DMCC	0.30	-	-	0.01	-	-
Total	22.21	-	-	20.25	-	-
Investment						
Investments in equity instruments						
Kajaria International DMCC						
Nil (31 March 2023: 1000) equity shares of United Arab Emirates (UAE) Dirham 1000 each fully paid up	-	-	-	2.25	-	-
Kajaria Ramesh Tiles Limited 2,000,000 (31 March 2023 : nil) equity shares of Nepalese ₹100 each fully paid up	-	-	12.50	-	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Total	-	-	12.50	2.25	-	-
Loan given						
Kajaria Bathware Private Limited	-	-	-	8.00	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	-	-	-	7.00	-	-
Kajaria International DMCC	5.68	-	-	1.80	-	-
Kajaria Plywood Private Limited	30.05	-	-	12.50	-	-
Kerovit Global Private Limited	69.00	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	-	-	-	5.00	-	-
Kajaria Ceramics Employee Gratuity Trust	-	2.12	-	-	2.32	-
Total	104.73	2.12	-	34.30	2.32	-
Loan repaid						
Kajaria Bathware Private Limited	12.00	-	-	7.00	-	-
Kajaria Plywood Private Limited	35.95	-	-	-	-	-
Kajaria Sanitaryware Private Limited	11.00	-	-	8.00	-	-
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	30.57	-	-	20.00	-	-
Kerovit Global Private Limited	20.00	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	0.07	-	-	-	-	-
Vennar Ceramics Limited	-	-	-	1.00	-	-
Kajaria Ceramics Employee Gratuity Trust	-	2.00	-	-	2.42	-
Total	109.59	2.00	-	36.00	2.42	-
Guarantee/Standby Letter of Credit given/(released) during the year						
Kajaria Ramesh Tiles Limited	-	-	68.13	-	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	-	-	-	12.50	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Sanitaryware Private Limited	-	-	-	3.00	-	-
Kerovit Global Private Limited	60.00	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	-	-	-	38.24	-	-
Vennar Ceramics Limited	(12.75)	-	-	-	-	-
	47.25	-	68.13	53.74	-	-
Dividend paid						
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust) (refer note 16 E)	-	11.64	-	-	11.64	-
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust) (refer note 16 E)	-	23.28	-	-	23.28	-
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	-	23.28	-	-	23.28	-
A.K. Kajaria (HUF)	-	1.77	-	-	1.77	-
Chetan Kajaria (HUF)	-	0.04	-	-	0.04	-
Rishi Kajaria (HUF)	-	0.01	-	-	0.01	-
Total	-	60.02	-	-	60.02	-
Donation paid						
Malti Devi Kajaria Foundation	-	0.46	-	-	0.52	-
Total	-	0.46	-	-	0.52	-
Balances outstanding at year end:						
Loan given *						
Kajaria Bathware Private Limited	8.00	-	-	20.00	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	20.00	-	-	20.00	-	-
Kajaria International DMCC	7.47	-	-	1.80	-	-
Kajaria Plywood Private Limited	39.85	-	-	45.75	-	-
Kajaria Sanitaryware Private Limited	26.00	-	-	37.00	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	123.00	-	-	153.57	-	-
Kerovit Global Private Limited	49.00	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	8.93	-	-	9.00	-	-
Kajaria Ceramics Employee Gratuity Trust	-	0.56	-	-	0.44	-
Total	282.25	0.56	-	287.12	0.44	-
Trade payables/(advances given)						
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	46.95	-	-	23.13	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	9.47	-	-	(4.04)	-	-
South Asian Ceramic Tiles Private Limited	12.07	-	-	3.06	-	-
Total	68.49	-	-	22.15	-	-
Security deposit						
Dua Engineering Works Private Limited	-	0.60	-	-	0.60	-
Total	-	0.60	-	-	0.60	-
Receivables / (Payables)						
Kajaria International DMCC	0.03	-	-	0.12	-	-
Kajaria RMF Trading LLC	-	-	4.19	-	-	3.15
Kajaria UKP Limited	-	-	2.44	-	-	-
Total	0.03	-	6.63	0.12	-	3.15
Guarantees/Letter of Credit given outstanding at year end * #						
Kajaria Bathware Private Limited	20.00	-	-	20.00	-	-
Kerovit Global Private Limited	60.00	-	-	-	-	-
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	47.00	-	-	47.00	-	-
Kajaria Sanitaryware Private Limited	13.00	-	-	13.00	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	65.00	-	-	65.00	-	-
South Asian Ceramic Tiles Private Limited	38.24	-	-	38.24	-	-
Vennar Ceramics Limited	-	-	-	12.75	-	-
Kajaria Ramesh Tiles Limited	-	-	68.13	-	-	-
Total	243.24	-	68.13	195.99	-	-

* The aforementioned loans and guarantees have been given for business purposes.

The aforementioned guarantees given represents the guarantees given by the Company in respect of original sanction limits of the working capital borrowings taken by the respective entity.

All the related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

41 Segment information

According to Ind AS 108 'Operating Segment', identification of operating segments is based on Chief Operating Decision Maker ('CODM') approach for making decisions about allocating resources to the segment and assessing its performance. In Company, the decision makers view the operating results internal division wise (Ceramic, Glazed, Polished). Accordingly, such segments may be presented under Ind AS 108. However, these segments have been aggregated because the core principles, economic characteristics, nature of products, production process, distribution method, regulatory environment and type of customers in all the divisions are similar. Hence the disclosure requirement of Ind AS 108 is not considered applicable.

42 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSME Act)		
Principal amount due to micro and small enterprises	33.10	25.48
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

43 Share based payments

a) Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan') was approved by the Board of Directors and the shareholders of the Company on 7 September 2015. The plan entitles employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹425
Vesting conditions	45,800 options 24 months after the grant date ('First vesting') 91,600 options 36 months after the grant date ('Second vesting') 137,400 options 48 months after the grant date ('Third vesting') 183,200 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	458,000
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹850 per option which is 7.42% below the stock price i.e. ₹918.10 per share on the date of grant, i.e. 20 October 2015.

During the year ended 31 March 2017, face value of equity shares of the Company was sub-divided to ₹1 per share from ₹2 per share. Accordingly, the exercise price also reduced to ₹425 per share from ₹850 per share and number of stock options increased to 458,000 equity shares from 229,000 equity shares. The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	54,250	425.00
Exercised during the year	(28,500)	425.00
At 31 March 2023	25,750	425.00
Exercisable as at 31 March 2023	25,750	425.00
Weighted average remaining contractual life (in years)	0.55	

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

	Number of options	Weighted average exercise price per option
At 1 April 2023	25,750	425.00
Exercised during the year	(25,750)	425.00
At 31 March 2024	-	-
Exercisable as at 31 March 2024	-	-
Weighted average remaining contractual life (in years)	-	-

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	20 October 2015	20 October 2015	20 October 2015	20 October 2015
Vesting date	20 October 2017	20 October 2018	20 October 2019	20 October 2020
Expiry date	20 October 2023	20 October 2023	20 October 2023	20 October 2023
Fair value of option at grant date	260.22	310.20	354.01	392.99
Exercise price	425.00	425.00	425.00	425.00
Expected volatility of returns	27.63%	27.63%	27.63%	27.63%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.40%	0.40%	0.40%	0.40%
Risk free interest rate	7.15%-7.30%	7.15%-7.30%	7.15%-7.30%	7.15%-7.30%

- b) Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹980
Vesting conditions	70,520 options 24 months after the grant date ('First vesting') 141,040 options 36 months after the grant date ('Second vesting') 211,560 options 48 months after the grant date ('Third vesting') 282,080 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	705,200
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹980 per option which is 9.36 % below the stock price i.e. ₹1,081.25 per share on the date of grant, i.e. 2 March 2022.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	7,05,200	980.00
Forfeited during the year	(20,600)	980.00
At 31 March 2023	6,84,600	980.00
Exercisable as at 31 March 2023	6,84,600	980.00
Weighted average remaining contractual life (in years)	6.92	
At 1 April 2023	6,84,600	980.00
Forfeited during the year	(40,800)	980.00
At 31 March 2024	6,43,800	980.00
Exercisable as at 31 March 2024	6,43,800	980.00
Weighted average remaining contractual life (in years)	5.92	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	02 March 2022	02 March 2022	02 March 2022	02 March 2022
Vesting date	02 March 2024	02 March 2025	02 March 2026	02 March 2027
Expiry date	02 March 2030	02 March 2030	02 March 2030	02 March 2030
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.68%	0.68%	0.68%	0.68%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

- c) Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹980
Vesting conditions	13,240 options 24 months after the grant date ('First vesting') 26,480 options 36 months after the grant date ('Second vesting') 39,720 options 48 months after the grant date ('Third vesting') 52,960 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	132,400
Method of settlement	Equity

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹980 per option which is 5.05 % below the stock price i.e. ₹ 1,032.10 per share on the date of grant, i.e. 19 April 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	-	-
Granted during the year	1,32,400	980.00
Forfeited during the year	(10,400)	980.00
At 31 March 2023	1,22,000	980.00
Exercisable as at 31 March 2023	1,22,000	980.00
Weighted average remaining contractual life (in years)	7.05	
At 1 April 2023	1,22,000	980.00
Forfeited during the year	(14,700)	980.00
At 31 March 2024	1,07,300	980.00
Exercisable as at 31 March 2024	1,07,300	980.00
Weighted average remaining contractual life (in years)	6.05	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	19 April 2022	19 April 2022	19 April 2022	19 April 2022
Vesting date	19 April 2024	19 April 2025	19 April 2026	19 April 2027
Expiry date	19 April 2030	19 April 2030	19 April 2030	19 April 2030
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.92%	0.92%	0.92%	0.92%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

44 A. Category wise classification of financial instruments

	As at 31 March 2024			As at 31 March 2023		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Financial assets						
Non-current						
(i) Investments #	-	3.67	-	-	-	-
(ii) Loans	-	-	282.25	-	-	287.12
(iii) Other financial assets	-	-	22.04	-	-	68.52
Current						
(i) Trade receivables	-	-	516.78	-	-	535.08
(ii) Cash and cash equivalents	-	-	86.71	-	-	6.61
(iii) Bank balances other than (ii) above	-	-	415.79	-	-	383.28
(iv) Loans	-	-	53.62	-	-	7.82
(v) Other financial assets	-	-	2.71	-	-	1.45
Assets of disposal Company classified as held for Sale	-	-	-	-	18.25	-
Total financial assets	-	3.67	1,379.90	-	18.25	1,289.88
#Excludes non-current investment measured at costs ₹ 197.85 crores (previous year ₹ 143.52 crores)						
Financial liabilities						
Non-current						
(i) Borrowings	-	-	0.78	-	-	5.90
(ii) Lease liabilities	-	-	43.53	-	-	23.74
Current						
(i) Borrowings	-	-	5.77	-	-	94.06
(ii) Lease liabilities	-	-	16.77	-	-	11.74
(iii) Trade payables	-	-	270.91	-	-	230.80
(iv) Other financial liabilities	-	-	95.58	-	-	112.43
Total financial liabilities	-	-	433.34	-	-	478.67

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 amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the Company's interest bearings 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.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- 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.

B. Fair value measurements

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out below:-

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Investment	201.52	201.52	143.52	143.52
Loans	335.87	335.87	294.94	294.94
Trade receivables	516.78	516.78	535.08	535.08
Cash and cash equivalents	86.71	86.71	6.61	6.61
Bank balances other than above	415.79	415.79	383.28	383.28
Other financial assets	24.75	24.75	1.45	1.45
Total financial assets	1,581.42	1,581.42	1,364.88	1,364.88
Financial liabilities				
Borrowings	6.55	6.55	99.96	99.96
Lease liabilities	60.30	60.30	35.48	35.48
Trade payables	270.91	270.91	230.80	230.80
Other financial liabilities	95.58	95.58	112.43	112.43
Total financial liabilities	433.34	433.34	478.67	478.67

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be same as their fair values, due to short term in nature. The carrying value of the amortised financial assets and liabilities are approximate to the fair values on the respective reporting dates.

Investment in subsidiaries and joint venture as at the close of the year ended March 31, 2024 are carried at cost, per the option availed by the Company under the relevant provision of Ind AS.

45 Fair value hierarchy

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2024 and 31 March 2023.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2024 and 31 March 2023 as follows:

As at 31 March 2024

	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67
Total	-	-	3.67	3.67

As at 31 March 2023

	Level 1	Level 2	Level 3	Total
Assets of disposal Company classified as held for Sale	-	-	18.25	18.25
Total	-	-	18.25	18.25

Valuation technique used to determine fair value:

Assets of disposal company classified as held for sales (AHFS): AHFS has been valued at fair value of consideration receivable from other shareholders of the disposal company as agreed between the Company and other shareholders of disposal group. Therefore sensitivity analysis is not available and accordingly not disclosed.

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair value, due to their short term nature.

46 Financial risk management objectives and policies

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below:

I. 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 risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, interest bearing deposits, loans and derivative financial instruments.

The sensitivity analyses of the above mentioned risk in the following sections exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in note 38.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However the risk is very low due to negligible borrowings. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

At the reporting date, the interest rate profile of the entity's interest bearing financial instrument is as its fair value:

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	6.55	5.90
Variable rate borrowings	-	94.06
Total borrowings	6.55	99.96

	Year ended 31 March 2024		Year ended 31 March 2023	
	Increase/ decrease in basis points	Effect on profit before tax	Increase/ decrease in basis points	Effect on profit before tax
INR	+50	(0.13)	+50	(0.32)
INR	-50	0.13	-50	0.32

B. Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant.

	Year ended 31 March 2024		Year ended 31 March 2023	
	% change in rate	Effect on profit before tax	% change in rate	Effect on profit before tax
USD	+5%	(0.34)	+5%	(0.61)
	-5%	0.34	-5%	0.61
Euro	+5%	#	+5%	(0.02)
	-5%	#	-5%	0.02

(# rounded off to zero)

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

other receivables. The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of bad debt risk other than that disclosed in note 12.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 44. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Movement in allowance for expected credit losses on trade receivable:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	6.62	6.42
Add: Allowance provided during the year	-	0.20
Less: allowance reversed during the year	0.96	-
Balance at the end of the year	5.66	6.62

B. Financial instruments and cash deposits

The management considers the credit quality of current accounts and deposits with banks to be good and reviews the banking relationships on an on-going basis.

The Company does not require any security in respect of the above financial assets. There are no impairment provisions as at each statement of financial position date against these financial assets, except as disclosed in respect of trade receivables above. The management considers that all the above financial assets that are not impaired or past due for each of the statement of financial position dates under review are of good credit quality.

III. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at 31 March 2024					
Borrowings	-	5.77	0.78	-	6.55
Lease liabilities	4.07	12.70	43.53	-	60.30
Trade payables	270.91	-	-	-	270.91
Other financial liabilities	95.58	-	-	-	95.58
	370.56	18.47	44.31	-	433.34
As at 31 March 2023					
Borrowings	94.06	-	5.90	-	99.96
Lease liabilities	2.94	8.80	23.74	-	35.48
Trade payables	230.80	-	-	-	230.80
Other financial liabilities	112.43	-	-	-	112.43
	440.23	8.80	29.64	-	478.67

47 Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as going concern; and
- to provide an adequate return to stakeholders

As at 31 March 2024, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

48 Unhedged foreign currency exposure

The Company has no outstanding derivative instruments at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under -

	As at 31 March 2024		As at 31 March 2023	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Foreign trade payables*				
USD (in crores)	0.08	6.45	0.20	16.99
EUR (in crores)	#	0.05	0.20	18.19
Foreign trade receivables*				
USD (in crores)	0.11	9.14	0.07	5.70

(# rounded off to zero)

*Also refer note 46B for sensitivity

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

49 Key Financials Ratio

S. No.	Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Variance (%age)	Reasons
1	Current Ratio	Current Assets	Current Liabilities	3.13	2.61	20.01%	
2	Debt Equity Ratio	Non Current Borrowings + Current Borrowings + Current Maturities of Non Current Borrowings (Total Debt)	Total Equity	0.00	0.04	-94.08%	Owing to non utilisation of cash credit limits due to availability funds generated from internal accruals in FY 2023-24.
3	Debt Service Coverage Ratio	Profit after tax + Depreciation & Amortisation + Interest on Long term loans + Proceeds from fresh long term loans	Interest on Long term loans + Principal repayments of long term loans	#	#	#	
4	Return on Equity (ROE)	Net profit after Tax-Preference Dividend (If any)	Average shareholder's Equity	15.60%	15.55%	0.32%	
5	Inventory Turnover Ratio	Cost of Goods Sold (Cost of Materials Consumed + Purchases + Changes in Inventories + Stores and Spares consumed + Power & Fuel)	Average Inventories	7.67	8.53	-10.03%	
6	Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivables	7.79	8.12	-4.05%	
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	12.53	14.39	-12.96%	
8	Net Capital Turnover Ratio	Net Sales	Working Capital	4.14	4.71	-12.07%	
9	Net Profit Ratio	Profit after tax	Total Sales	9.31%	8.68%	7.21%	
10	Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed	19.97%	19.23%	3.85%	
11	Return on Investment (ROI)	Interest Income during the year	Average Fixed Deposits	6.66%	4.82%	38.38%	Owing to more investment and higher rate of interest in FY 2023-24.

(# rounded off to zero)

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

50 Asset pledged as security (refer note 18)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Inventories	363.27	381.51
Trade receivables	516.78	535.08
Total current assets pledged as security	880.05	916.59
Non-current		
Property, plant and equipment (including CWIP)	569.59	486.88
Total non-current assets pledged as security	569.59	486.88

51 Reporting to banks

The Company is regular in submission of quarterly stock statements with banks for the borrowings sanctioned against hypothecation of current assets. Further, all the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

52 There are no loans which have been given to promoters, directors and KMP's.

53 **Struck off Companies:** Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at 31 March, 2024 (Nos).	Balance outstanding as at 31 March, 2023 (Nos).	Relation with struck off Company
Trivia Infotech Private Limited (CIN: U74990MH2010PTC198657)	Shares held by struck off company	2 equity shares of face value ₹1/- each	2 equity shares of face value ₹1/- each	Shareholder
Crystal Infowave Solutions Private Limited (CIN: U74900MH2009PTC198049)	Shares held by struck off company	2 equity shares of face value ₹1/- each	2 equity shares of face value ₹1/- each	Shareholder

The Company has no transaction other than payment of declared dividend with stuck off companies.

54 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami property:

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

(ii) Utilisation of borrowed funds and share premium:

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

- 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.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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

- 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

(iii) Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Undisclosed income:

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

(v) Details of crypto currency or virtual currency:

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

(vi) Valuation of Property plant and equipments, intangible asset and investment property:

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(viii) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.

55 Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are given in Note 6.
- Details of guarantees issued or loans given by the Company as at 31 March, 2024 and 31 March, 2023 are given in Note 7 and 40.

56 Research and development expenditure

Research and development expenditure incurred during the year ended 31 March 2024 and 31 March 2023 is as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	1.18	0.73
Revenue expenditure	9.63	7.54

57 Corporate social responsibility ('CSR')

As per Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend ₹9.09 Crores (31 March 2023: ₹8.27 Crores) for Corporate Social Responsibility activities. The Company has incurred CSR expenditure of ₹8.43 Crores during the current financial year (after adjustments of ₹0.06 Crores being excess CSR incurred in previous years) (31 March 2023: ₹7.43 Crores) on the projects/activities for the benefit of the public in general and in the neighbourhood of the manufacturing facilities of the Company. Further the Company has provided an amounting to ₹0.60 Crores (31 March 2023: ₹0.88 Crores) against the projects in hand of CSR in accordance with requirements of the Act.

Notes on the Standalone Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount required to be spent by the Company during the year	9.09	8.27
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset		
Paid in cash	1.49	1.02
Other than cash	1.89	2.19
(ii) On purposes other than (i) above		
Paid in cash	5.05	4.22
(iii) Projects in hand	0.60	0.88
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Education, healthcare and empowerment programs	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-
	9.03	8.31

58 Post reporting date events

No adjusting or significant non-adjusting event has occurred between 31 March 2024 and the date of authorisation of Company's standalone financial statements. However, the Board of Directors of the Company have recommended a final dividend of ₹6 per share (31 March 2023: ₹3 per share) on equity shares of ₹1 each for the year ended 31 March 2024, subject to the approval of shareholders at the ensuing annual general meeting.

59 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 01 April 2023.

The Company uses SAP S/4 HANA as the primary accounting software. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software SAP S/4 HANA used for maintenance of all the accounting records by the Company. However, the audit trail (edit log) at the application level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software.

60 The figures of the previous year have been re-classified according to current year classification wherever required. The impact of the same is not material to the users of the standalone financial statements.

61 The standalone financial statements for the year ended 31 March 2024 were approved by the Board of Directors on 07 May 2024.

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no. : 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Independent Auditor's Report

To the Members of **Kajaria Ceramics Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

- We have audited the accompanying consolidated financial statements of Kajaria Ceramics Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint ventures, as listed in Appendix 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
- 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 and on the other financial information of the subsidiaries and joint ventures the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint ventures, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, 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.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>Refer to the Group's material accounting policy information in note 3(E)(b) and the revenue related disclosures in note 27 of the Consolidated financial statements.</p> <p>The Group recognises the revenue from customers in accordance with Ind AS 115 "Revenue from Contracts with Customers" (Ind AS 115) when the performance obligation is satisfied which is determined to be at a point in time when the customer obtains controls of the goods in accordance with the terms of contracts with the customers. The revenue is measured based on the transaction price specified in the contract, net of discounts, returns and goods and services tax.</p> <p>Owing to the diverse terms of contracts with customers, in line with the requirements of the standards of auditing, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 requires management to make certain judgements / estimates such as determining timing of revenue recognition and transaction price including impact of variable consideration in the form of rebates and discounts as per the terms of the contracts with customers.</p> <p>The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is critical as there is a risk of revenue being recognized before the control is transferred to the customers.</p> <p>Considering the diverse terms of contracts with customers, size of distribution network, materiality of the amount involved and significant attention required by auditor as mentioned above, revenue recognition has been identified as a key audit matter for the current year audit.</p>	<p>Our audit procedures, related to revenue recognition, included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Evaluated the design and tested the operating effectiveness of Company's controls (including the automated controls) around revenue recognition (including rebates / discounts); • Assessed the appropriateness of Company's accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115; • Scrutinized sales ledgers to assess accuracy and completeness of sales transactions and revenue recognised during the year; • Performed test of details on samples of revenue transactions recorded during the year, including during a specific period before and after year end. For the samples selected, inspected supporting documents such as price lists, invoices, proof of dispatches, agreements and approved incentives / discounts schemes, to ensure correct amount of revenue is recorded in the correct period; • Tested the appropriateness of accruals for various rebates and discounts as at the year-end; • Performed substantive analytical procedures on revenue recognised during the year which included review of price, quantity and product mix analysis etc; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; and • Ensured the adequacy and appropriateness of related disclosures made in the consolidated financial statements in accordance with the requirements of the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's 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 consolidated 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 consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

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

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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 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 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 and its joint ventures 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 Group and its joint ventures to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. 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.
13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 Matter

15. We did not audit the financial statements of six subsidiaries, whose financial statements reflects total assets of ₹650.79 crores as at 31 March 2024, total revenues of ₹801.86 crores and net cash inflows amounting to ₹7.03 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹1.20 crores for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of three joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and 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 joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries and joint ventures, one subsidiary, and three joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, and joint ventures located outside India from accounting

principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries, and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and four subsidiaries, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that three subsidiaries, incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other

auditors on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors and except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries and taken on record by the Board of Directors of the Holding Company, its subsidiaries respectively, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements is as stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial

statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and

- 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 40 to the consolidated financial statements;
 - ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended 31 March 2024;
 - iv a. The respective managements of the Holding Company and its subsidiaries incorporated in India 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 their knowledge and belief, as disclosed in note 58(ii) (A) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiaries, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;;

- b. The respective managements of the Holding Company and its subsidiaries, incorporated in India 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 their knowledge and belief, as disclosed in the note 58(ii) (B) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other person(s) or entity(ies) 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 performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement
- v. The Interim/final dividend declared and paid by the Holding Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act. Further, as stated in note 50 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March

2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Further, the subsidiary companies have not declared or paid any dividend during the year ended 31 March 2024.

- vi. Based on our examination which included test checks and that performed by the respective auditors of subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, the Holding Company and its subsidiaries, in respect of financial year commencing on 01 April 2023, have used an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the

year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 64 to the consolidated financial statements. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nalin Jain

Partner

Place : New Delhi

Date : 07 May 2024

Membership No.: 503498

UDIN: 24503498BKFQAV5726

Appendix 1

List of Subsidiaries included in the Statement

1. Kajaria Vitrified Private Limited (Formerly known as Jaxx Vitrified Private Limited);
2. Kajaria Infinity Private Limited (Formerly known as Cosa Ceramics Private Limited);
3. Kajaria Plywood Private Limited;
4. Kajaria Bathware Private Limited;
5. Kajaria International DMCC;
6. South Asian Ceramic Tiles Private Limited;
7. Kajaria Sanitaryware Private Limited (step-down subsidiary); and
8. Kerovit Global Private Limited (step-down subsidiary).

List of Joint Ventures included in the Statement

1. Kajaria RMF Trading LLC;
2. Kajaria UKP Ltd (w.e.f. 08 November 2023), and
3. Kajaria Ramesh Tiles Limited (w.e.f 04 May 2023).

Annexure I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Kajaria Ceramics Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture companies, which are companies covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company, and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to

the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is 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 financial statements include 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 financial statements.

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

7. 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

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company, its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial control with reference to the consolidated

financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to five subsidiary companies, which are companies covered under the Act, whose financial statements / financial information reflect total assets of ₹642.10 crores and net assets of ₹144.16 crores as at 31 March 2024, total revenues of ₹801.86 crores and net cash inflows amounting to ₹8.62 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nalin Jain

Partner

Place : New Delhi

Membership No.: 503498

Date : 07 May 2024

UDIN: 24503498BKFQAV5726

Consolidated Balance Sheet as at 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,533.59	1,370.48
(b) Right-of-use assets	39	70.40	41.95
(c) Capital work-in-progress	4	67.93	81.71
(d) Goodwill	5	32.68	32.68
(e) Other intangible assets	6	1.03	1.45
(f) Investments accounted for using the equity method	7A	14.79	1.94
(g) Financial assets			
(i) Investments	7B	3.67	-
(ii) Other financial assets	8	28.92	75.70
(h) Non-current tax assets (net)	9	14.81	18.00
(i) Deferred tax assets (net)	22	3.73	2.68
(j) Other non-current assets	10	8.59	17.50
Total non-current assets		1,780.14	1,644.09
Current assets			
(a) Inventories	11	532.19	564.68
(b) Financial assets			
(i) Trade receivables	12	619.43	601.17
(ii) Cash and cash equivalents	13	98.32	10.50
(iii) Bank balances other than (ii) above	14	415.79	383.28
(iv) Loans	15	59.36	9.30
(v) Other financial assets	8	3.54	1.10
(c) Other current assets	10	34.14	41.00
Total current assets		1,762.77	1,611.03
Assets of disposal company classified as held for Sale	16	-	75.41
TOTAL ASSETS		3,542.91	3,330.53
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	15.93	15.92
(b) Other equity	18	2,600.60	2,310.86
Equity attributable to the shareholders of the Company		2,616.53	2,326.78
(a) Non-controlling interests		59.08	77.64
Total equity		2,675.61	2,404.42
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	63.45	51.78
(ii) Lease liabilities	20	49.13	28.00
(b) Provisions	21	4.19	21.13
(c) Deferred tax liabilities (net)	22	83.86	76.50
(d) Other non-current liabilities	23	-	0.45
Total non-current liabilities		200.63	177.86
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	107.14	157.49
(ii) Lease liabilities	20	19.22	12.55
(iii) Trade payables	24	-	-
- Total outstanding dues of micro enterprises and small enterprises; and		75.54	53.53
- Total outstanding dues of creditors other than micro enterprises and small enterprises		217.75	256.82
(iv) Other financial liabilities	25	134.75	136.81
(b) Other current liabilities	23	83.91	79.29
(c) Provisions	21	27.76	8.16
(d) Current tax liabilities (net)	26	0.60	5.06
Total current liabilities		666.67	709.71
Liabilities of disposal group classified as held for sale	16	-	38.54
TOTAL LIABILITIES		867.30	926.11
TOTAL EQUITY AND LIABILITIES		3,542.91	3,330.53

Summary of material accounting policies and other explanatory information.

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As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no.: 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
INCOME			
Revenue from operations	27	4,578.42	4,381.93
Other income	28	46.24	33.62
TOTAL INCOME		4,624.66	4,415.55
EXPENSES			
Cost of materials consumed	29	978.92	1,016.61
Purchases of stock-in-trade		982.95	882.06
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	15.08	(91.63)
Employee benefits expense	31	505.26	461.24
Finance costs	32	21.12	22.32
Depreciation and amortisation expense	33	147.99	132.86
Other expenses	34	1,396.52	1,521.64
TOTAL EXPENSES		4,047.84	3,945.10
Profit before share of profit and exceptional items and tax		576.82	470.45
Less: share in loss of joint venture		(1.20)	(0.08)
Profit before exceptional items and tax		575.62	470.37
Exceptional items	1	-	7.91
Profit before tax		575.62	462.46
Tax expense:			
Current tax	35	134.86	117.37
Deferred tax expense / (credit)		8.60	(1.11)
Profit for the year		432.16	346.20
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit and loss			
- Remeasurement of defined benefit plans		0.31	(0.86)
- Income-tax relating to items that will not be classified to statement of profit and loss		(0.05)	0.22
Items that will be reclassified to statement of profit and loss			
- Exchange differences on translation of foreign operations		(0.07)	(0.02)
- Income-tax relating to items that will be classified to statement of profit and loss		-	-
Total other comprehensive income for the year, net of tax		0.19	(0.66)
Total comprehensive income for the year		432.35	345.54
Profit for the year attributable to:			
(a) Owners of the Company		422.11	344.50
(b) Non-controlling interest		10.05	1.70
Other comprehensive income for the year attributable to:			
(a) Owners of the Company		0.15	(0.62)
(b) Non-controlling interest		0.04	(0.04)
Total comprehensive income for the year attributable to:			
(a) Owners of the Company		422.26	343.88
(b) Non-controlling interest		10.09	1.66
Earnings per equity share (face value of ₹1 each)	36		
- Basic (in ₹)		26.51	21.64
- Diluted (in ₹)		26.48	21.62

Summary of material accounting policies and other explanatory information.

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As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no.: 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Consolidated Statement of Cash Flows for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	575.62	462.46
Adjusted for :		
Depreciation and amortisation expense	147.99	132.86
Interest income	(31.07)	(24.34)
Interest expense	21.12	22.32
Share in loss of joint venture	1.20	0.08
Gain on disposal of current investments	-	(0.01)
Unrealised gain on foreign exchange fluctuation	(0.01)	0.06
Share based payments to employees (net)	7.51	7.51
Subsidy income	(0.55)	(0.54)
Bad Debts Written Off	1.06	-
Reversal /(creation) of provision for expected credit loss	(0.99)	0.38
(Profit)/Loss on sale/discard of property, plant and equipment	(7.80)	0.74
Exceptional items	-	7.91
Operating profit before working capital changes	714.08	609.43
Changes in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary		
Movement in inventories	32.49	(100.08)
Movement in trade and other receivables	(18.32)	(84.29)
Movement in other assets	6.41	(13.63)
Movement in trade and other payables	2.49	7.59
Movements in provisions	2.97	2.93
Cash flow generated from operations	740.12	421.95
Income taxes paid (net)	(138.47)	(126.45)
Net cash generated from operating activities (A)	601.65	295.50
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital advances, capital work-in-progress, intangible assets, intangible assets under development and capital creditors)	(300.37)	(231.65)
Proceeds from disposal of property, plant and equipment	21.90	23.48
Purchase of non-current investments	(17.73)	(2.02)
Transactions with non-controlling interest	(11.73)	(40.39)
Loan (given)/repatriated	(51.54)	6.12
Proceeds from disposal of assets held for disposal group	18.25	-
Interest received	30.33	27.01
Movement in deposits having original maturity of more than three months (net)	13.29	33.75
Net cash used in investing activities (B)	(297.60)	(183.70)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(16.76)	(16.57)
Proceeds from issue of share capital including securities premium	1.09	1.21
Proceeds from non-current borrowings	20.98	6.76
Repayment of non-current borrowings	(9.96)	(9.80)
Proceeds/(repayments) of current borrowings (net)	(50.35)	45.78
Principal payment of lease liabilities	(18.17)	(14.37)
Interest payment of lease liabilities	(3.70)	(4.50)
Proceeds from dividend distribution tax paid earlier	3.93	-
Dividend paid to company's shareholders including dividend distribution tax	(143.32)	(143.30)
Net cash used in financing activities (C)	(216.26)	(134.79)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	87.79	(22.99)

Consolidated Statement of Cash Flows (Cont'd) for the year ended 31 March 2024

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents at the beginning of the financial year	10.53	32.30
Add: Cash and cash equivalents of South Asian Ceramics Private Limited as on date of acquisition	-	1.22
Cash and cash equivalents at the end of the financial year	98.32	10.53
Non-cash financing and investing activities		
- Acquisition of right of use assets	45.97	17.95
Components of cash and cash equivalents at the end of the year		
Balances with banks		
- Current accounts	97.92	10.09
Cash on hand	0.40	0.41
Cash and cash equivalents at the end of the year	98.32	10.50
Cash and cash equivalents attributable to disposal group held for sale	-	0.03
Cash and cash equivalents at the end of the year (Including Cash and cash equivalents attributable to disposal group held for sale)	98.32	10.53

Note :

- This cash flow statement presented in accordance with "indirect method" as set out in Indian Accounting Standard - 7 'Statement of cash flows' as specified in Indian Accounting Standard Rules, 2015 (as amended)
- Refer note 51 for net debt reconciliation movement.

Summary of material accounting policies and other explanatory information. 1-65

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Nalin Jain
Partner
Membership no. : 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Place : New Delhi
Date : 07 May 2024

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

CIN: L26924HR1985PLC056150

A. Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the reporting year		
Add: Changes in equity share capital during the year (refer note 17)	15.92	15.92
Balance at the end of the reporting year	0.01	#
	15.93	15.92

(# rounded off to Nil)

B. Other equity (refer note 18)

Particulars	Reserves and surplus				Items of other comprehensive income (OCI)	Total other equity attributable to owners of the Company	Non-controlling interests (NCI)	Total
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account				
Balance at 1 April 2022	320.38	178.92	5.00	1.87	-	2,106.46	64.78	2,171.24
Profit for the year	-	-	-	-	-	344.50	1.70	346.20
Items of OCI for the year, net of tax	-	-	-	-	-	(0.60)	(0.04)	(0.64)
Remeasurement of defined benefit plans	-	-	-	-	(0.02)	(0.02)	-	(0.02)
Fair valuation of investment in equity instruments through OCI	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(0.02)	343.88	1.66	345.54
Shares issued during the year (refer note 17)	-	1.21	-	-	-	1.21	-	1.21
Employee stock option scheme	-	-	-	7.51	-	7.51	-	7.51
Transferred to security premium from stock options outstanding account on issue of shares	-	0.50	-	(0.50)	-	-	-	-
Dividend distributed	-	-	-	-	(143.31)	(143.31)	-	(143.31)
Transactions with holders of NCI	-	-	-	-	(4.89)	(4.89)	11.20	6.31
Balance at 31 March 2023	320.38	180.63	5.00	8.88	(0.02)	2,310.86	77.64	2,388.50
Profit for the year	-	-	-	-	-	422.11	10.05	432.16

Consolidated Statement of Changes in Equity (Cont'd)

for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

CIN: L26924HR1985PLC056150

Particulars	Reserves and surplus				Items of other comprehensive income (OCI)	Total other equity attributable to owners of the Company	Non-controlling interests (NCI)	Total
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account				
Items of OCI for the year, net of tax	-	-	-	-	0.22	0.15	0.04	0.19
Remeasurement of defined benefit plans	-	-	-	-	(0.07)	(0.07)	-	(0.07)
Total comprehensive income	-	-	-	-	422.33	422.26	10.09	432.35
Shares issued during the year (refer note 17)	-	1.09	-	-	-	1.09	-	1.09
Employee stock option scheme	-	-	-	7.51	-	7.51	-	7.51
Transferred to security premium from stock options outstanding account on issue of shares	-	0.90	-	(0.90)	-	-	-	-
Dividend distributed	-	-	-	-	(143.33)	(143.33)	-	(143.33)
Dividend distribution tax paid earlier reversed	-	-	-	-	3.93	3.93	-	3.93
Transactions with holders of NCI	-	-	-	-	(1.71)	(1.71)	(28.65)	(30.36)
Balance as at 31 March 2024	320.38	182.62	5.00	15.49	2,055.76	2,600.60	59.08	2,659.68

Summary of material accounting policies and other explanatory information. 1-65

As per our report of even date attached

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's registration no. 001076N/500013

Nalin Jain

Partner

Membership no.: 503498

Place : New Delhi

Date : 07 May 2024

**For and on behalf of the Board of Directors of
Kajaria Ceramics Limited**

Ashok Kajaria

Chairman and Managing Director
(DIN: 00273877)

Ram Chandra Rawat

COO (A&T) and Company Secretary
(FCS No. 5101)

Chetan Kajaria

Joint Managing Director
(DIN: 00273928)

Rishi Kajaria

Joint Managing Director
(DIN: 00228455)

Sanjeev Agarwal

Chief Financial Officer

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

1. Corporate information

KAJARIA CERAMICS LIMITED ("KCL" or the "Holding Company" or the "Company") is a limited company domiciled in India and was incorporated on 20 December 1985. Equity shares of the Company are listed in India on the Bombay stock exchange and the National stock exchange. The registered office of the Company is located at SF-11, Second Floor, JMD Regent Plaza Mehrauli Gurgaon Road, Village Sikanderpur Ghosi Gurgaon Haryana - 122001, India.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of the Company	Nature of activities	Principal Place of Business	% Shareholding and Voting Power	
			As at 31 March, 2024	As at 31 March, 2023
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	Manufacturing of Tiles	India	95.00%	95.00%
Kajaria infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	Manufacturing of Tiles	India	84.58%	77.00%
Kajaria Plywood Private Limited and Kajaria Bathware Private Limited	Trading of plywood	India	100.00%	100.00%
South Asian Ceramic Tiles Private Limited	Manufacturing of Tiles	India	59.50%	51.00%
Kajaria International DMCC	Trading	UAE	100.00%	100.00%
Kajaria Sanitaryware Private Limited (step-down subsidiary).	Manufacturing of sanitaryware products	India	69.70%	69.70%
Kerovit Global Private Limited (step-down subsidiary).	Manufacturing of sanitaryware products	India	85.00%	85.00%
Kajaria RMF Trading LLC	Trading in Tiles and Bath products	UAE	50.00%	50.00%
Kajaria UKP Limited	Trading in Tiles and Bath products	UK	50.00%	-
Kajaria Ramesh Tiles Limited	Trading in Tiles and Bath products	Nepal	50.00%	-

The Consolidated financial statements for the year ended 31 March 2024 were authorised in accordance with a resolution of Board of Directors on May 7, 2024.

2. Application of new and revised Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorized have been considered in preparing these consolidated financial statements.

3. Material accounting policies and other explanatory information

A. Statement of compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and guidelines issued by the Security Exchange Boards of India.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

B. Overall considerations

The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the consolidated financial statements.

C. Historical cost convention

These consolidated financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value.

D. Principals of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on 31 March 2024.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

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

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

E. Material accounting policies

a. 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.

b. Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognises revenue at the point in time, when control of the asset is transferred to the customer depending upon the terms of sale with the customers.

When either party to a contract has performed, an entity shall present the contract in the consolidated balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

Revenue includes only the gross inflows of economic benefits received and receivable by the

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Group, on its own account. Amounts collected on behalf of third parties such as goods and service tax is excluded from revenue.

Interest income and dividend:

Interest income is recognised using effective interest method.

Dividend income is recognised when the right to receive payment is established.

Export benefits:

The Group recognises income from duty drawback and export benefit on an accrual basis.

c. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores and spares, stock-in-trade, trading and other products are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

In determining the cost of raw materials, packing materials, stock-in-trade, stores and spares, trading and other products, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

d. Property, plant and equipment

Measurement and recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition,

items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalised at the time of commissioning of such

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method (SLM) based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Particulars	Useful lives
Plant and Machinery	7, 10 and 18 years
Fit-out and other assets at sales outlets	5 years
Roads	30 and 60 years

Freehold land is not depreciated. Leasehold improvements are amortised over the period of the lease or the useful life of the asset, whichever is lower.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

e. Intangible Assets

Measurement and recognition

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

Amortisation

Intangible Assets with finite lives are amortised on a Straight-Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful economic life of six years.

Derecognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

f. Research and development costs

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment utilized for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

g. Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

h. Foreign currency transactions

Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

i. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant (deferred income) is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. The loan or assistance is subsequently recognised in the statement of profit and loss on a straight line basis over the period of loan.

j. Taxes on income

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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 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 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.

k. Employee benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-employment benefits:

I. Defined contribution plans:

The Group makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

II. Defined benefit plans:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other long-term employee benefits:

Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Group determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

I. Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

m. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of property leases. 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.

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.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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 shorter of the lease term and useful life of the underlying asset.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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 re-measured 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.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

n. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

o. 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.

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

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Earnings per share

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

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

q. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

r. Financial instruments

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

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

a) Financial assets

Classification

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade Receivables that does not contain a significant financial component are measured at transaction price.

Subsequent measurement

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

- **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.

- **Financial assets at fair value through other comprehensive income**

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. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

b) Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

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

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not

designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Derecognition

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

c) 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 realize the assets and settle the liabilities simultaneously.

d) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

s. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

t. Fair value measurement

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

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

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

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

F. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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 judgements, 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.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

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.

Judgements

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

(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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

(b) Defined benefit plans

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 future pension increases. 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) Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

(d) 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

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

in active markets, 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.

(e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. 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) Estimation of current tax and deferred tax

Management judgement is required for the calculation of provision of income- taxes 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 these financial statements.

(g) Share based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). The details of variables used are given in note 43.

(h) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

G. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes on the Consolidated Financial Statements

(Amount in ₹ crores, unless otherwise stated)

for the year ended 31 March 2024

4 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Display assets	Total
Gross carrying amount										
As at 1 April 2022	79.29	6.63	423.35	1,293.12	14.97	50.70	15.27	8.28	26.50	1,918.11
Additions	12.13	-	56.01	296.26	0.91	14.30	1.47	0.51	4.28	385.87
Disposals	0.10	-	5.85	74.11	0.92	7.01	1.08	0.01	2.37	91.45
Adjustments (refer footnote viii below)	11.76	(6.63)	(10.12)	(3.06)	0.01	1.00	(3.79)	(0.22)	-	(11.05)
As at 31 March 2023	103.08	-	463.39	1,512.21	14.97	58.99	11.87	8.56	28.41	2,201.48
Additions	0.01	-	43.46	238.83	1.11	19.70	1.75	0.91	1.47	307.24
Disposals	0.12	-	3.43	61.40	0.18	8.95	0.69	1.06	0.58	76.41
As at 31 March 2024	102.97	-	503.42	1,689.64	15.90	69.74	12.93	8.41	29.30	2,432.31
Accumulated depreciation										
As at 1 April 2022	-	-	118.83	637.20	8.58	19.87	10.47	5.51	17.82	818.28
Depreciation charge for the year (refer note 33)	-	-	12.54	93.22	1.05	6.17	0.95	0.89	2.18	117.00
Disposals	-	-	1.42	54.51	0.80	4.10	0.88	0.01	1.79	63.51
Adjustments (refer footnote viii below)	-	-	(7.05)	(29.89)	(0.18)	(0.02)	(3.38)	(0.25)	-	(40.77)
As at 31 March 2023	-	-	122.90	646.02	8.65	21.92	7.16	6.14	18.21	831.00
Depreciation charge for the year (refer note 33)	-	-	13.05	105.09	1.07	7.12	1.05	0.86	1.79	130.03
Disposals	-	-	1.59	52.47	0.17	5.90	0.64	0.99	0.55	62.31
As at 31 March 2024	-	-	134.36	698.64	9.55	23.14	7.57	6.01	19.45	898.72
Net carrying amount :										
As at 31 March 2024	102.97	-	369.06	991.00	6.35	46.60	5.36	2.40	9.85	1,533.59
As at 31 March 2023	103.08	-	340.49	866.19	6.32	37.07	4.71	2.42	10.20	1,370.48

Notes:

- Property, plant and equipment pledged as security - refer to note 54 for information on property, plant and equipment pledged as security by the Group.
- Contractual obligations - refer to note 40 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- Title deeds of all the immovable property held by the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Group.
- With respect to property, plant and equipment (including capital work-in-progress) amounting to ₹76.82 Crore (included above) in respect of two subsidiary companies, management, during the year has done a detailed evaluation on the recoverability of these property, plant and equipment (including capital work-in-progress). Refer note no 5 for detailed assessment done.

Notes on the Consolidated Financial Statements

for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- Capital work-in-progress mainly pertains to Plant and Equipment pending installation and civil work being carried on at the plants of the Group.

(vi) Details of Capital Work in Progress (CWIP) movement and ageing is as below:

Particulars	Amount
As at 01 April 2022	263.36
Add: Additions	65.92
Less: Capitalized	247.57
As at 31 March 2023	81.71
Add: Additions	34.66
Less: Capitalized	48.44
As at 31 March 2024	67.93

Ageing of CWIP

Capital work-in-progress	As at 31 March 2024				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	37.23	17.86	12.84	-	67.93

Capital work-in-progress	As at 31 March 2023				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	68.87	12.84	-	-	81.71

Note : There are no such project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

- Adjustment are on account of business combination of South Asian Ceramic Tiles Private Limited (also refer note 59) and reclassification of investment in Vennar Ceramics Limited (also refer note 60).
- addition in property plant and equipments includes borrowing cost of ₹2.01 Crore (31 March 2023 : Nil).
- Refer note 54 for the Capital work-in-progress pledged as security.
- Refer note 40 for disclosure on contractual commitments for the acquisition of Capital work-in-progress.

5 Goodwill

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	32.68	8.45
Add: Goodwill recognised on business combination	-	27.29
Less: derecognition of goodwill on de-recognition on a subsidiary	-	3.06
Balance at the end of the year	32.68	32.68

Note:

The Group has conducted an impairment assessment to test the recoverability of the carrying value of its goodwill. Impairment indicator was noted with respect to two of its subsidiaries (carrying goodwill of ₹28.02 Crore), each subsidiary is representing a separate cash generating unit (CGU) with one engaged in manufacturing of tiles and other engaged in trading of plywood products. The recoverable amount of CGU related to such goodwill have been derived from value-in-use calculations. The calculation uses cashflow forecasts based on the most recently approved financial budgets and future projections. Key assumptions for the value in use calculation are forecasted revenue growth (4.5% - 44.3%), discount rate (14% -17%) and a terminal growth of 4.5% is forecasted. The pre-tax discount rate is derived from the Company's weighted average cost of capital.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

6 Other Intangible assets

Particulars	Software	Total
Gross carrying amount		
As at 1 April 2022	10.65	10.65
Additions	-	-
As at 31 March 2023	10.65	10.65
Additions	0.02	0.02
Disposals	0.79	0.79
As at 31 March 2024	9.88	9.88
Accumulated amortisation		
As at 1 April 2022	8.26	8.26
Amortisation charge for the year (refer note 33)	0.94	0.94
As at 31 March 2023	9.20	9.20
Amortisation charge for the year (refer note 33)	0.44	0.44
Disposals	0.79	0.79
As at 31 March 2024	8.85	8.85
Net carrying amount :		
As at 31 March 2024	1.03	1.03
As at 31 March 2023	1.45	1.45

7A Investments accounted for using the equity method

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments (unquoted)		
Investments in joint venture (measured at cost)		
Kajaria RMF Trading LLC	1.13	1.13
500 (31 March 2023: 500) equity shares of United Arab Emirates (UAE) Dirham 500 each fully paid up		
Share Application money pending for allotment in Kajaria RMF Trading LLC	0.89	0.89
Less: Adjustments for share in loss of joint venture	(0.23)	(0.08)
Kajaria UKP Limited	1.56	-
150,000 (31 March 2023: Nil) equity shares of 1 Great Britain Pound each fully paid up		
Less: Adjustments for share in loss of joint venture	(0.45)	-
Kajaria Ramesh Tiles Limited	12.50	-
2,000,000 (31 March 2023: Nil) equity shares of Nepalese ₹100 each fully paid up		
Less: Adjustments for share in profit/(loss) of joint venture	(0.61)	-
	14.79	1.94
Aggregate value of unquoted investments	14.79	1.94
Aggregate amount of impairment in value of investment	-	-

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

7B Investments in other entity (measured at FVTPL)

Particulars	As at 31 March 2024	As at 31 March 2023
Sunsure Solarpark Two Private Limited	3.67	-
27,901 (31 March 2023: nil) equity shares of ₹10 each fully paid up		
	3.67	-
Aggregate value of unquoted investments	3.67	-
Aggregate amount of impairment in value of investment	-	-

8 Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Considered good - unsecured				
Deposits with original maturity of greater than twelve months	5.23	51.09	-	-
Interest accrued on deposits	-	-	1.34	0.60
Security deposits*	23.69	24.61	0.12	0.13
Export benefit receivables	-	-	0.34	0.26
Others	-	-	1.74	0.11
Total	28.92	75.70	3.54	1.10

* Includes Security Deposit given to Related Party amounting to ₹ 0.60 crore (31 March 2023 ₹0.60 crore) (refer note 37)

9 Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provisions)#	14.81	18.00
Total	14.81	18.00

Includes tax receivable amounting to ₹6.24 crores (31 March 2023 ₹ 6.24 crores) recognised pursuant to the Scheme (also refer note 52)

10 Other assets

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Considered good- unsecured				
Capital advances	6.68	16.62	-	-
Advance other than capital advances:				
Advance to suppliers	-	-	14.91	20.33
Prepaid expenses	1.90	0.88	8.16	8.52
Balance with statutory authorities	0.01	-	8.12	8.94
Others	-	-	2.95	3.21
Total	8.59	17.50	34.14	41.00

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

11 Inventories (valued at lower of cost or net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	58.74	64.04
Work-in-progress	26.07	28.12
Finished goods	332.09	354.71
Stock-in-trade	42.52	32.59
Stores and spares	53.85	65.65
Packing material	18.92	19.57
Total	532.19	564.68

For method of valuation refer Accounting policy number 3E (c)

12 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Considered good-unsecured	619.43	601.17
Credit impaired	5.66	6.67
Less: Allowance for expected credit losses	(5.66)	(6.67)
Total	619.43	601.17

Note:

- No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person or amounts dues from firms or private companies in which any director is a partner, director or a member.
- All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Particulars	As at 31 March 2024					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivables - considered good	600.90	10.80	3.76	0.33	0.42	616.21
(ii) Undisputed Trade receivables - credit impaired	-	0.20	0.12	0.04	0.20	0.55
(iii) Disputed Trade receivables - considered good	-	-	-	-	3.22	3.22
(iv) Disputed Trade receivables - credit impaired	-	-	-	-	5.10	5.10
Less: Allowance for expected credit losses	-	(0.20)	(0.12)	(0.04)	(5.30)	(5.65)
Total	600.90	10.80	3.76	0.33	3.64	619.43

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2023					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	589.29	6.15	1.11	0.13	0.45	597.12
(ii) Undisputed Trade receivables - credit impaired	-	0.08	0.05	0.01	0.44	0.58
(iii) Disputed Trade receivables - considered good	-	-	-	0.01	4.03	4.05
(iv) Disputed Trade receivables - credit impaired	-	-	-	0.02	6.07	6.09
Less: Allowance for expected credit losses	-	(0.08)	(0.05)	(0.03)	(6.51)	(6.67)
Total	589.29	6.15	1.11	0.14	4.48	601.17

Note: There are no unbilled receivables.

13 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- Current accounts	97.92	10.09
Cash on hand	0.40	0.41
Total	98.32	10.50

Note: There are no repatriation restrictions with regard to cash and cash equivalents as the end of the reporting period and prior period.

14 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks in current accounts - unpaid dividends*	2.44	2.50
Deposits with original maturity of greater than three months and remaining maturity of less than twelve months**	413.35	380.78
Total	415.79	383.28

* These balances are not available for use by the Group and not due for deposit in the Investor Education and Protection Fund.

** Deposits amounting to ₹202.49 crores (31 March 2023 : ₹227.51 crores) have been pledged by the Holding Company against facilities taken by various subsidiaries and against performance guarantee of the Holding company.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

15 Loans#

Particulars	Current	
	As at 31 March 2024	As at 31 March 2023
Considered good - unsecured		
Loans to other companies (refer note (i))	53.53	7.38
Loans to related parties (refer note (ii))	5.83	0.44
Others	-	1.48
Total	59.36	9.30

Loans are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Notes:

- Loans to other companies represents interest bearing loans given for the business purposes and is repayable on demand.
- Represents loans given to Kajaria Ceramics Employee Gratuity Trust (refer note 37 for details).

16 Assets of disposal company classified as held for Sale

Particulars	As at 31 March 2024	As at 31 March 2023
Assets of disposal group classified as held for Sale (refer note 60)	-	75.41
Liabilities of disposal group classified as held for sale (refer note 60)	-	38.54

17 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised:		
770,000,000 equity shares of ₹1 each (31 March 2023: 770,000,000 of ₹1 each)	77.00	77.00
7,710,000 preference shares of ₹100 each (31 March 2023: 7,710,000 of ₹100 each)	77.10	77.10
	154.10	154.10
Issued and subscribed:		
159,258,300 equity shares of ₹1 each (31 March 2023: 159,232,550 equity shares of ₹1 each)	15.93	15.92
	15.93	15.92

A. Reconciliation of the authorised share capital:

There is no change in authorised capital of equity shares and preference share during the current year and previous year.

B. Reconciliation of the Issued and Subscribed shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
At the beginning of the reporting year	15,92,32,550	15.92	15,92,04,050	15.92
Add: issued on exercise of employee share option	25,750	0.01	28,500	#
Outstanding at the end of the year	15,92,58,300	15.93	15,92,32,550	15.92

(# rounded off to Nil)

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

C. Terms/rights attached to equity shares

The Holding Company has only one class of equity share having face value of ₹1 per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding. The interim dividend has been distributed to the shareholders on approval of Board of Directors.

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

The interim dividend for ₹6 per share (previous year ₹6 per share) has been distributed to the shareholders on approval of Board of Directors. During the year, The final dividend for ₹3 per share (previous year ₹3 per share) has been distributed to the shareholders of the Holding Company.

D. Shares reserved for issue under options

Information relating to Kajaria Ceramics Employee Stock Option Plan, 2015, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 43.

E. Following shareholders hold equity shares more than 5% of the total equity shares of the Holding Company*:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held having face value of ₹ 1 each	% of holding in class	Number of shares held having face value of ₹ 1 each	% of holding in class
Promoters:				
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	8.12%	1,29,33,973	8.12%
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.25%
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.25%
Mirae Asset Mutual Fund	67,26,606	4.22%	80,04,433	5.03%

* As per the records of the Holding Company, including its register of members

F. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and brought back during the last 5 years for each class of shares

The Holding Company has issued equity shares aggregating 320,300 (up to 31 March 2023 : 294,550) shares of ₹1 each fully paid during the financial years 2018-2019 to 2022-23 (2017-18 to 2021-22) on exercise of option granted under the employee stock option plan wherein part consideration was received in form of employee service.

Nil (31 March 2023: Nil) equity shares bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013

The Holding Company has issued Nil equity shares (31 March 2023 : Nil) as fully paid up bonus shares for which entire consideration not received in cash.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024*(Amount in ₹ crores, unless otherwise stated)***G. Details of shares held by promoters:**

As at 31 March 2024						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
4	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
5	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
6	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
7	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
8	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
9	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
10	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-
11	Mr. Raghav Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

As at 31 March 2023						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.25%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.25%	-
4	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
5	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
6	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
7	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
8	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
9	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
10	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-

Notes on the Consolidated Financial Statements for the year ended 31 March 2024*(Amount in ₹ crores, unless otherwise stated)*

As at 31 March 2023 (Cont'd)						
S No.	Promotor Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
11	Mr. Raghav Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

18 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
a) General reserves		
Balance at the beginning/end of the year	320.38	320.38
b) Securities premium		
Balance at the beginning of the year	180.63	178.92
Share issued during the year (refer note 17)	1.09	1.21
Transferred to security premium from stock options outstanding account on issue of shares	0.90	0.50
Balance at the end of the year	182.62	180.63
c) Capital redemption reserve		
Balance at the beginning/end of the year	5.00	5.00
d) Share options outstanding account		
Balance at the beginning of the year	8.88	1.87
Employee stock option scheme	7.51	7.51
Transferred to security premium on issue of shares	(0.90)	(0.50)
Balance at the end of the year	15.49	8.88
e) Capital reserve		
Balance at the beginning/end of the year	21.45	21.45
f) Retained earnings		
Balance at the beginning of the year	1,774.54	1,578.84
Profit for the year	422.11	344.50
Items of OCI for the year, net of tax	0.22	(0.60)
Dividend distributed	(143.33)	(143.31)
Dividend distribution tax paid earlier reversed	3.93	-
Transactions with holders of NCI	(1.71)	(4.89)
Balance at the end of the year	2,055.76	1,774.54

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
g) Other comprehensive income		
Foreign currency translation reserves		
Balance at the beginning of the year	(0.02)	-
Movement during the year	(0.07)	(0.02)
Balance at the end of the year	(0.09)	(0.02)
Equity attributable to the owners of the Group	2,600.60	2,310.86

Nature and purpose of reserves

a) General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

b) Securities premium

This reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

c) Capital redemption reserve

This reserve was created on redemption of preference shares in the financial year 2001-02. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

d) Share options outstanding account

The reserve is used to recognise the grant date fair value of the options issued to employees under Kajaria Ceramics Employee Stock Option Plan, 2015.

e) Capital reserve

The reserve was created on Scheme of Arrangement (the Scheme) between the Company and erstwhile Kajaria Securities Private Limited ("KSPL").

Further, it includes difference between the amount by which the carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary where changes in the Group's ownership interest in a subsidiary does not result in the Group losing control of the subsidiary.

g) Foreign currency translation reserves

Foreign currency translation reserves represents difference arisen on translation of wholly owned subsidiary in to reporting currency.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

19 Borrowings

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Term loan - Secured				
(i) From banks	63.54	42.71	-	-
Less: current maturities of non-current borrowings	(9.30)	(5.96)	9.30	5.96
(ii) Deferred payment liabilities Interest free loan from Financial Institution (Sales tax deferment scheme - State of Uttar Pradesh)"	0.78	5.90	-	-
Term loan - Unsecured				
From others	8.43	9.13	-	-
Working capital facility				
Secured				
From banks	-	-	77.01	151.53
Unsecured				
From others	-	-	20.83	-
Total	63.45	51.78	107.14	157.49

Terms of borrowings

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2024	As at 31 March 2023			
Term loan - from banks (secured)	1.37	2.75	Rate of interest is variable and linked to MCLR. Interest rate is 9.10%	Term loan is secured against the PPE of Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited) (Buildings and Plant & Machinery). Above loan is further secured by directors of Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited) and corporate guarantee to the extent of 100% by the Holding Company.	Repayable in 48 monthly instalments commencing from February 2021.
Term loan - from banks (secured)	20.98	-	Rate of interest is at 31 March 2024 is 8.60%	Term loan is secured against exclusive charge on immovable and movable assets and current assets of Kerovit Global Private Limited, both present and future. Above loan is further secured by guarantee of Holding Company.	The loan is repayable in 20 equal quarterly instalments starting after moratorium of 12 months from the date of first drawdown.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2024	As at 31 March 2023			
Term loan - from banks (secured)	35.14	39.49	Rate of interest is variable and linked to MCLR. As on 31 March 2024 rate of interest is 8.75%.	Secured against first charge on immovable and movable assets (present and future) of South Asian Ceramic Tiles Private Limited. Hyderabad, Telangana.	Repayable in 36 and 75 monthly instalments commencing from Jan 22 and May 24 respectively
Term loan - from banks (secured)	0.28	0.47	Rate of interest is varying for each loan ranging between 8% to 9.50%	Secured against respective assets of South Asian Ceramic Tiles Private Limited. Hyderabad, Telangana.	Various vehicle and assets loan Repayable in 23 to 60 monthly instalments.
Deferred payment liabilities Interest free loan from Financial Institution	6.55	5.90	Nil	Secured against first charge on factory land and building of the Holding Company at Sikandrabad, Uttar Pradesh.	Repayable in one instalment after 7 years from date of disbursement.
Loan from others - Unsecured	8.43	9.13	8% per annum	Not applicable	Payable after 31 March 2025
Working capital facility (secured)	29.78	25.00	Rate of interest is variable and linked to MCLR. Interest rate is 8.75%	Secured by first charge on current assets (both present and future) of Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited) (at its factories at Morbi, Gujarat). Above loan is further secured by personal guarantee of one of director of Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited) and corporate guarantee by the Holding Company.	On demand
Working capital facility (secured)	17.21	15.00	Rate of interest is variable and linked to MCLR. Interest rate is 8.75%	Secured by first charge on inventories and book debts and second charge on immovable and movable assets of Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited) (at its factories at Morbi, Gujarat).	On demand

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2024	As at 31 March 2023			
Working capital facility (secured)	8.65	3.76	Rate of interest is variable and linked to LIBOR plus spread.	Secured against hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book debts of Kajaria Bathware Private Limited, both present and future. Above loan is further secured by guarantee of Holding Company.	Upto 154 days
Working capital facility (secured)	-	94.06	7.50% to 8.76% per annum. (31 March 2023: 7.50% to 8.76% per annum)	Secured by first charge on inventories and book debts and second charge on immovable and movable assets of the Holding Company (at its factories at Sikandrabad, Uttar Pradesh and Gailpur, Rajasthan).	On demand
Working capital facility (secured)	-	2.35	Rate of interest is variable and linked to MCLR. Interest rate is 8.65%	Secured against first charge on Inventories and Book debts of Kajaria Bathware Private Limited, both present & future. Above loan is further secured by guarantee of Holding Company.	On demand
Working capital facility (secured)	2.01	-	Rate of interest is variable and linked to MCLR. Interest rate is 8.65%	Secured against first charge on Inventories and Book debts of Kajaria Sanitaryware Private Limited, both present & future. Above loan is further secured by guarantee of Holding Company.	On demand
Working capital facility (secured)	19.36	11.36	Rate of interest is variable and linked to MCLR. Interest rate is 8.75%	Secured by first charge on inventories of South Asian Ceramic Tiles Private Limited.	On demand
Working capital facility (Unsecured)	20.83	-	Rate of interest is 31 March 2024 is 10.75%	Not applicable	Unsecured and repayable on demand within 12 months

The above loans have been utilised as per the purpose for these loans were sanctioned.

The property on which mortgaged or any charged created has been duly registered with Registrar of companies.

The Group has not defaulted in repayment of interest during the current financial year. Further, there have been no default in repayment of loan and no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

20 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Lease liability (refer note 39)	49.13	28.00	19.22	12.55
Total	49.13	28.00	19.22	12.55

21 Provisions

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits obligation (refer note 38)				
Gratuity	4.19	5.14	8.28	6.24
Compensated absences	-	15.99	19.48	1.92
Total	4.19	21.13	27.76	8.16

22 Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Deferred tax liability on:		
Difference between book balance and tax balance of property, plant and equipment	116.36	93.37
	116.36	93.37
(b) Deferred tax assets on:		
Provision for employee benefit obligations	11.33	4.35
Others (including MAT input credit)	24.90	15.20
	36.23	19.55
	80.13	73.82
Amount recognised in the consolidated balance sheet to the extent not netted off*:		
Deferred tax assets (net)	3.73	2.68
Deferred tax liabilities (net)	83.86	76.50

* The Group does not have legal enforceable right to offset the recognised deferred tax asset of one entity with the deferred tax liability of another entity within the Group.

Movements in deferred tax liabilities and deferred tax assets:

	Property, plant and equipment	Compensated absences	Other Provisions	Total
As at 1 April 2022	94.53	(3.95)	(18.01)	72.57
Charged/(credited) to the statement of profit or loss	(0.78)	(0.40)	0.07	(1.11)
Adjustments on account of loss of control over subsidiary	(4.57)	-	6.12	1.55
Adjustments on account of business combination	4.19	-	(5.52)	(1.33)
MAT credit adjusted during the year	-	-	2.14	2.14
As at 31 March 2023	93.37	(4.35)	(15.20)	73.82
Charged/(credited) to the statement of profit or loss	22.99	(6.98)	(9.70)	6.31
As at 31 March 2024	116.36	(11.33)	(24.90)	80.13

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

23 Other liabilities

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Advance received from customers	-	-	28.82	25.39
Statutory dues payable	-	-	54.66	53.37
Deferred government grant	-	0.45	0.43	0.53
Total	-	0.45	83.91	79.29

24 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 42)	75.54	53.53
- Total outstanding dues of creditors other than micro enterprises and small enterprises	217.75	256.82
Total	293.29	310.35

Note:

The carrying values of trade payables are considered to be a reasonable approximation of fair value.

Particulars	As at 31 March 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Total outstanding dues of micro enterprises and small enterprises	75.54	-	-	-	75.54
- Total outstanding dues of creditors other than micro enterprises and small enterprises	217.61	0.13	-	0.01	217.75
Total	293.15	0.13	-	0.01	293.29

Particulars	As at 31 March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Total outstanding dues of micro enterprises and small enterprises	53.43	0.10	-	-	53.53
- Total outstanding dues of creditors other than micro enterprises and small enterprises	255.96	0.48	0.07	0.31	256.82
Total	309.39	0.58	0.07	0.31	310.35

Note: There are no unbilled dues.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

25 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	0.13	0.12
Unclaimed dividends*	2.45	2.50
Interest bearing deposits from customers	25.49	17.24
Security deposits received	21.16	21.35
Employee payable	69.96	62.81
Liabilities towards unspent corporate social responsibility	0.60	0.88
Creditors for capital goods	13.36	30.21
Others	1.60	1.70
Total	134.75	136.81

* Not due for deposit to the Investor Education and Protection Fund.

26 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax liabilities (net of advance tax and tax deducted at source)	0.60	5.06
Total	0.60	5.06

27 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products		
Tiles	4,105.38	3,982.85
Others	463.26	388.66
	4,568.64	4,371.51
Other operating revenues		
Sale of scrap	9.78	10.42
Total	4,578.42	4,381.93

Disclosure pursuant to Ind AS-115 'Revenue from contracts with customers', are as follows:

(a) Disaggregation of revenue:

Revenue arises mainly from the sale of manufactured and traded goods.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from sale of tiles	4,105.38	3,982.85
Revenue from sale of others	463.26	388.66
Total	4,568.64	4,371.51

Sale of products are net of discounts amounting to ₹206.99 Crores (31 March 2023 : ₹186.20 Crores).

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(b) Liabilities related to contracts with customers are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities related to sale of goods		
Advance from customers	28.82	25.39
Security deposits from customers	25.49	17.24

(c) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 45 days from the completion of performance obligation.

There is no significant financing component in any transaction with the customers.

(d) Significant changes in the contract assets and liabilities:

The movement in contract liabilities (interest bearing deposits from customers and advance received from customers) during the year.

Movement for Contract liabilities are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities- Advance from customers		
Opening balance	25.39	33.49
Revenue recognised during the year	25.39	33.49
Addition during the year (net)	28.82	25.39
Closing balance	28.82	25.39

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities- Interest bearing deposits from customers		
Opening balance	17.24	14.17
Receipt/(repayment) during the year (net)	8.25	3.07
Closing balance	25.49	17.24

Notes on the Consolidated Financial Statements for the year ended 31 March 2024*(Amount in ₹ crores, unless otherwise stated)***28 Other income**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income measured at amortised cost on:		
Fixed deposits with bank	30.43	23.70
Other financial assets carried at amortised cost	0.64	0.64
Gain on disposal of current investments	-	0.01
Net gain on foreign currency transactions and translation	1.28	2.52
Expected credit loss written back	0.99	-
Gain on disposal of property, plant and equipment (net)	7.80	0.40
Other non-operating income	5.10	6.35
Total	46.24	33.62

29 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Body material	549.50	544.39
Glaze, frits and chemicals	277.48	290.90
Packing material	151.94	181.32
Total	978.92	1,016.61

30 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance		
Finished goods	354.71	252.22
Stock-in-trade	32.59	43.64
Work-in-progress	28.12	26.75
Total	415.42	322.61
Opening balance of South Asian Ceramic Tiles Private Limited as on the date of acquisition	-	12.45
Stock produced at during trial run	0.34	-
Closing balance		
Finished goods	332.09	354.71
Stock-in-trade	42.52	32.59
Work-in-progress	26.07	28.12
Total	400.68	415.42
Add: Adjustment on account of loss of control over subsidiary	-	11.27
	15.08	(91.63)

Notes on the Consolidated Financial Statements for the year ended 31 March 2024*(Amount in ₹ crores, unless otherwise stated)***31 Employee benefits expense**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	469.92	428.02
Contribution to provident fund and other funds (refer note 38)	18.92	17.54
Share based payments to employees	7.51	7.51
Staff welfare expenses	8.91	8.17
Total	505.26	461.24

32 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses	14.49	18.36
Interest on lease liabilities	3.70	2.99
Other borrowing costs	2.93	0.97
Total	21.12	22.32

33 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 4)	130.03	117.00
Amortisation of intangible assets (refer note 6)	0.44	0.94
Depreciation on right to use assets (refer note 39)	17.52	14.92
Total	147.99	132.86

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

34 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	133.50	118.70
Power and fuel	866.09	1,055.37
Repairs and maintenance		
- Building	7.51	5.71
- Plant and equipment	28.72	24.44
- Others	6.54	5.69
Rent (refer note 39)	5.73	4.49
Rates and taxes	2.14	2.13
Traveling and conveyance	56.49	48.65
Insurance charges	6.13	5.64
Legal and professional charges	5.83	5.73
Payment to auditor	1.42	1.50
Packing, freight and forwarding expenses	77.11	76.34
Advertisement, publicity and sales promotion	130.97	108.30
Sales commission	14.75	10.96
Loss on disposal of property, plant and equipment	-	1.14
Bad debts	1.06	-
Provision for expected credit loss	-	0.38
Corporate social responsibility expenditure	9.37	8.63
Research and development expenses (refer note 49)	9.63	7.54
Net loss on foreign currency transactions and translation	-	0.22
Miscellaneous expenses	33.53	30.08
	1,396.52	1,521.64

35 Income-tax expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Income-tax expense debited to statement of profit and loss		
Current tax		
Current tax on profits for the year	135.05	117.43
Adjustment of tax relating to earlier periods	(0.19)	(0.06)
Current tax expense on profits for the year	134.86	117.37
Deferred tax		
Deferred tax charge/(credit) for the year	8.60	(1.11)
	8.60	(1.11)
Total tax expense	143.46	116.26
(b) Income-tax expense debited/(credited) to other comprehensive income		
Current tax		
Current tax charge/(credit) for the year	0.05	(0.22)
	0.05	(0.22)

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(C) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	575.62	462.46
Tax at the Indian tax rate of 25.168%	144.87	116.39
Adjustments in respect of current income-tax of previous years	(0.19)	(0.06)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses not allowed as deduction	2.06	2.45
Deferred tax assets recognised by a subsidiary	(3.04)	-
Subsidiary company not recognised as deferred tax asset	3.07	-
Effect of difference in tax rate on one subsidiary	(3.31)	(2.52)
Income-tax expense	143.46	116.26

36 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity holders of the Holding company for basic earnings (₹ in crores) for the year	422.11	344.50
Weighted average number of equity shares in calculating basic earnings per share (Nos.)	15,92,53,834	15,92,23,883
Weighted average number of equity shares in calculating diluted earnings per share (refer note below) (Nos.)	15,94,35,662	15,93,14,415
Earnings per share		
- Basic (₹)	26.51	21.64
- Diluted (₹)	26.48	21.62

Note: Weighted average number of equity shares used as denominator

Particulars	No. of shares	
	As at 31 March 2024	As at 31 March 2023
Weighted average number of equity shares used as denominator in calculating basic earnings per shares	15,92,53,834	15,92,23,883
Adjustments for calculation of diluted earnings per share:		
- Outstanding employee stock options	1,81,828	90,532
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	15,94,35,662	15,93,14,415

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

37 Related party disclosures in accordance with Ind AS 24 - Related party disclosures

A. List of related parties as per Ind AS 24

(a) Key management personnel (KMP):

S. No.	Name	Designation
1	Mr. Ashok Kajaria	Chairman and Managing Director
2	Mr. Chetan Kajaria	Joint Managing Director
3	Mr. Rishi Kajaria	Joint Managing Director
4	Mr. Dev Dutt Rishi	Non Executive Director
5	Mr. Raj Kumar Bhargava	Independent Director (ceased to be director w.e.f. 23 September 2022)
6	Mr. Debi Prasad Bagchi	Independent Director (ceased to be director w.e.f. 23 September 2022)
7	Mr. Harady Rathnakar Hegde	Independent director (Ceased to be director w.e.f. closing hours of 31 March 2024)
8	Mrs. Sushmita Singha	Independent director
9	Mr. Sudhir Bhargava	Independent Director
10	Mr. Lalit Kumar Panwar	Independent Director

(b) Joint Venture

S. No.	Name	Remarks
1	Kajaria RMF Trading LLC (w.e.f. 04 January 2023)	50% Joint venture of Kajaria International DMCC
2	Kajaria UKP Limited (w.e.f. 08 November 2023)	50% Joint venture of Kajaria International DMCC
3	Kajaria Ramesh Tiles Limited (w.e.f. May 2023)	50% Joint venture of Kajaria Ceramics Limited

(c) Enterprises controlled by Key Management Personnel or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise:-

S. No.	Name of the Entity
1	Dua Engineering Works Private Limited
2	Malti Devi Kajaria Foundation
3	Kajaria Ceramics Employees Gratuity Trust
4	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)
5	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)
6	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)
7	A.K. Kajaria (HUF)
8	Chetan Kajaria (HUF)
9	Rishi Kajaria (HUF)

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(d) Close members of key management personnel

S. No.	Name
1	Mrs. Versha Devi Kajaria
2	Mrs. Rasika Kajaria
3	Mrs. Shikha Kajaria
4	Mr. Kartik Kajaria
5	Mr. Raghav Kajaria
6	Mr. Vedant Kajaria
7	Mr. Parth Kajaria

II Details of transaction with Key Managerial Personnel (KMP) and related to KMP are as follows:

(a) Details relating to remuneration to KMP:

Name of KMP	Year ended 31 March 2024		Year ended 31 March 2023	
	Short-term employee benefits	Sitting fees	Short-term employee benefits	Sitting fees
KMP of holding company:				
Mr. Ashok Kajaria*	5.67	-	5.67	-
Mr. Chetan Kajaria*	5.57	-	5.57	-
Mr. Rishi Kajaria*	5.57	-	5.57	-
Mr. Dev Dutt Rishi	-	0.05	-	0.05
Mr. Raj Kumar Bhargava	-	-	-	0.06
Mr. Debi Prasad Bagchi	-	-	-	0.07
Mr. Harady Rathnakar Hegde	-	0.10	-	0.07
Mrs. Sushmita Singha	-	0.06	-	0.07
Mr. Sudhir Bhargava	-	0.10	-	0.06
Mr. Lalit Kumar Panwar	-	0.09	-	0.06

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Group as a whole.

(b) Dividend paid

Key management personnel and relatives of KMP	Year ended 31 March 2024	Year ended 31 March 2023
	Mr. Ashok Kajaria	0.94
Mr. Chetan Kajaria	1.21	1.21
Mr. Rishi Kajaria	1.63	1.63
Mrs. Versha Devi Kajaria	1.60	1.60
Mrs. Rasika Kajaria	0.51	0.51
Mrs. Shikha Kajaria	0.54	0.54
Mr. Kartik Kajaria	0.41	0.41
Mr. Raghav Kajaria	0.41	0.41
Mr. Vedant Kajaria	0.41	0.41
Mr. Parth Kajaria	0.41	0.41

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(c) Guarantees/ Standby Letter of Credit given/(released) during the year

	Year ended 31 March 2024	Year ended 31 March 2023
Key management personnel and close member of KMP		
Mr. Ashok Kajaria	-	(31.40)
Kajaria Ramesh Tiles Limited	68.13	0.00

(d) Remuneration paid to close member of KMP during the year

	Year ended 31 March 2024	Year ended 31 March 2023
Mr. Kartik Kajaria*	0.22	-

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Group as a whole.

Details of transactions with enterprises over which KMP or their relatives are able to exercise significant influence:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(e) Sale of goods		
Kajaria RMF Trading LLC	6.97	3.23
Kajaria UKP Limited	2.44	-
(f) Rent paid		
Dua Engineering Works Private Limited	1.71	1.71
(g) Donation paid		
Malti Devi Kajaria Foundation	0.46	0.52
(h) Recovery of expenses		
Kajaria RMF Trading LLC	-	0.11
(i) Reimbursement of expenses		
Kajaria RMF Trading LLC	0.27	-
(j) Loan given		
Kajaria RMF Trading LLC	1.71	-
Kajaria UKP Limited	3.45	-
(k) Interest Income		
Kajaria RMF Trading LLC	0.12	-
Kajaria UKP Limited	0.05	-

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(l) Investment		
Investments in equity instruments		
Kajaria RMF Trading LLC	-	1.13
Nil (31 March 2023: 500) equity shares of AED 500 each fully paid up		
Share Application money pending for allotment in Joint Venture	-	0.89
Kajaria UKP Limited	1.56	-
150000 (31 March 2022: Nil) equity shares of 1 Great Britain Pound each fully paid up		
Kajaria Ramesh Tiles Limited	12.50	-
2,000,000 (31 March 2023: Nil) equity shares of Nepalese ₹100 each fully paid up		
(m) Loan given		
Kajaria Ceramics Employee Gratuity Trust	2.12	2.32
Kajaria RMF Trading LLC	1.71	0.11
Kajaria UKP Limited	3.45	-
(n) Loans repaid		
Kajaria Ceramics Employee Gratuity Trust	2.00	2.42
(o) Dividend paid		
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	11.64	11.64
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	23.28	23.28
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	23.28	23.28
A.K. Kajaria (HUF)	1.77	1.77
Chetan Kajaria (HUF)	0.04	0.04
Rishi Kajaria (HUF)	0.01	0.01
All the related party transactions were made on terms equivalent to those that prevail in arm's length transactions.		
(p) Outstanding balances as at year end:		
Loan given		
Kajaria Ceramics Employee Gratuity Trust	0.56	0.44
Kajaria RMF Trading LLC	1.71	-
Kajaria UKP Limited	3.45	-

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(q) Security deposit		
Dua Engineering Works Private Limited	0.60	0.60
(r) Receivable		
Kajaria RMF Trading LLC	4.42	3.26
Kajaria UKP Limited	2.49	-
(s) Guarantees/Standby Letter of Credit given outstanding at year end		
Kajaria Ramesh Tiles Limited	68.13	-

38 Employee benefits

The Group has following post-employment benefit plans:

A) Defined contribution plan

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. The Group has no obligation, other than the contribution payable to the provident fund.

The Group's contribution to the provident fund is ₹ 12.62 crores (31 March 2023: ₹ 11.86 crores).

B) Defined benefit plans - Gratuity

The Group has defined benefit gratuity plan for its employees where annual contributions are deposited to an insurer to provide gratuity benefits by taking a scheme of insurance, whereby these contributions are transferred to the insurer. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The benefit vests on the employee completing 5 years of service. The Group makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. Plan assets also include investments and bank balances used to deposit premiums until due to the insurance company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation at the beginning of the year	59.45	53.17
Current service cost	5.06	4.48
Interest cost	4.83	4.42
Benefits paid	(2.11)	(2.45)
Actuarial loss/(gain) on obligations	(0.37)	0.52
Adjustment on account of reclassification of subsidiary	-	(0.69)
Defined benefit obligation at the end of the year	66.86	59.45

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Changes in the fair value of plan assets are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Fair value of plan assets at the beginning of the year	48.07	43.57
Contribution during the year	5.00	4.82
Benefits paid	(1.98)	(2.46)
Expected interest income on plan assets	3.36	3.02
Actuarial gain/(loss) on plan asset	(0.06)	(0.34)
Adjustment on account of reclassification of subsidiary	-	(0.54)
Fair value of plan assets at the end of the year	54.39	48.07

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

Particulars	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets	54.39	48.07
Defined benefit obligation	66.86	59.45
Net (liability) recognised in the Consolidated Balance Sheet (refer note 20)	(12.47)	(11.38)
Current	8.28	6.24
Non current	4.19	5.14

Amount recognised in Consolidated Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	5.06	4.48
Interest expense	4.83	4.42
Expected return on plan asset	(3.36)	(3.02)
Amount recognised in Consolidated Statement of Profit and Loss	6.53	5.88

Breakup of actuarial gain/(loss)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial gain/(loss) arising on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	(0.06)	(0.47)
Actuarial gain/(loss) arising from experience adjustments	0.43	(0.05)
Actuarial gain/(loss) arising on plan assets	(0.06)	(0.34)
Amount of gain/(loss) recognised in other comprehensive income	0.31	(0.86)

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

The major categories of plan assets are as follows:

Gratuity

Particulars	As at 31 March 2024	As at 31 March 2023
Investment details	Funded	Funded
Investment with gratuity funds	100%	100%

Note : Gratuity is funded only for the Holding Company.

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

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7% - 7.25%	7% - 7.52%
Expected rate of return on Plan assets	7.00%	7.00%
Future salary increases	7% to 11.00%	6% to 10.00%
Attrition Rate :		
18-30 years	2.00%	2.00%
30-44 years	2.00%	2.00%
44-58 years	2.00%	2.00%
Retirement age	58 years	58 years
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Note:

- The discount rate is based upon the market yield available on government bonds at the accounting date relevant to currency of benefits payments for a term that matches the liability.
- The estimates for future salary increase rate takes amount of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.
- The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Experience adjustment:

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Present value of defined benefit obligation	66.86	59.45	53.17	46.71	41.95
Experience gain/(loss) on liability	0.43	(0.05)	(0.48)	2.04	1.72

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 and 31 March 2023 is as shown below:

Gratuity plan	Sensitivity level		Impact on Defined benefit obligation	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Assumptions				
Discount rate	+1%	+1%	(5.52)	(5.11)
	-1%	-1%	6.39	5.96
Future salary increases	+1%	+1%	6.22	5.82
	-1%	-1%	(5.49)	(5.09)
Withdrawal rate	+1%	+1%	(0.59)	(0.56)
	-1%	-1%	0.66	0.62

Note:

- The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
- Sensitivities due to mortality and withdrawals are insignificant and hence ignored.
- Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Effect of plan on Company's future cash flows

(a) Funding arrangements and funding Policy

The Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) Maturity Profile of Defined Benefit Obligation :

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months (next annual reporting period)	8.37	6.33
Between 2 and 5 years	11.35	10.12
Beyond 5 years	47.14	43.00
Total expected payments	66.86	59.45

(i) Expected contribution for next year is ₹4.76 Crores (31 March 2023 : ₹4.40 Crores)

(ii) The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (31 March 2023: 11 years).

C) Other long-term employee benefits - Compensated absences (unfunded)

Particulars	As at 31 March 2024	As at 31 March 2023
Amounts recognised in the consolidated balance sheet		
Current	19.48	1.92
Non current	-	15.99

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

39 Leases

- a) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	65	1 to 8 years	2.57 years to 5.5 years
	(31 March 2023: 59)	(31 March 2023 : 1 to 8 years)	(31 March 2023 : 2.40 years to 4.5 years)

There are no leases entered by the Group which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

b) (i) Amounts recognised in consolidated balance sheet and consolidated statement of profit and loss :

The consolidated balance sheet shows the following amounts relating to leases:

Particulars	Category of right-of-use assets		
	Land	Buildings	Total
Balance as at 1 April 2022 (on account of initial application of Ind AS 116)	5.00	33.92	38.92
Add: Additions	-	17.95	17.95
Less: Depreciation charged on the right-of-use assets (refer note 33)	0.05	14.87	14.92
Balance as at 31 March 2023	4.95	37.00	41.95
Add: Additions	-	45.97	45.97
Less: Depreciation charged on the right-of-use assets (refer note 33)	0.06	17.46	17.52
Balance as at 31 March 2024	4.89	65.51	70.40

c) Lease payments not recognised as lease liabilities:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expenses relating to short term leases (included in other expenses)	5.73	4.49
Total	5.73	4.49

- d) The total cash outflow for leases (principal and interest) for the year ended 31 March 2024 ₹21.87 Crores (31 March 2023 : ₹18.87 Crores)

e) Future minimum lease payments as on 31 March 2024 and 31 March 2023 are as follows:

Minimum lease payments due	As at 31 March 2024		
	Lease payments	Finance charges	Net present values
Within 1 year	23.51	4.29	19.22
1 - 2 years	35.87	4.49	31.38
2 - 3 years	12.72	0.86	11.86
More than 3 years	6.09	0.20	5.89
Total	78.19	9.84	68.35

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Minimum lease payments due	As at 31 March 2023		
	Lease payments	Finance charges	Net present values
Within 1 year	16.01	3.46	12.55
1 - 2 years	14.29	1.49	12.80
2 - 3 years	9.84	0.85	8.99
More than 3 years	6.57	0.36	6.21
Total	46.71	6.16	40.55

40 Commitments, contingencies and litigations

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	26.89	81.89
(b) Contingent liabilities		
Standby Letter of credit in respect of Loan taken by Joint Venture	68.13	-
Claims against the Group not acknowledged as debt		
- In respect of income tax, goods and service tax, value added tax, service tax and excise duty demands pending before various authorities and in dispute	6.02	7.68
- In respect of consumer cases	2.70	2.13

The Group is contesting the above demands and the management, including its solicitor, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the consolidated financial statements for the tax demand raised.

The Group has certain litigations involving customers and vendors and based on legal advice of in-house legal team, the management believes that no material liability will devolve on the Group in respect of these litigations.

41 Segment reporting

Basis of segment reporting

The Group has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes:

Reportable segment	Operations
Tiles	Manufacturing and trading of ceramic and vitrified wall and floor tiles
Others including bathware, sanitaryware and plywood products	Manufacturing of sanitaryware and faucet and trading of Ply and laminates

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker. The measurement principles of segments are consistent with those used in material accounting policies.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Tiles	Others	Total	Tiles	Others	Total
A. Segment revenue	4,110.56	467.86	4,578.42	3,988.90	393.03	4,381.93
B. Segment results	542.12	9.58	551.70	447.15	12.00	459.15
C. Reconciliation of segment result with profit after tax						
Segment results	542.12	9.58	551.70	447.15	12.00	459.15
Add/(Less):						
Other income			46.24			33.62
Finance costs		-	(21.12)			(22.32)
Share of profit/(loss) from joint ventures			(1.20)			(0.08)
Exceptional items			-			(7.91)
Income taxes		-	(143.46)			(116.26)
Profit after tax as per Statement of Profit and Loss			432.16			346.20
D. Other information						
Segment assets	2,574.37	362.56	2,936.93	2,659.61	246.54	2,906.15
Un-allocable assets			605.98			424.38
Total assets			3,542.91			3,330.53
Segment liabilities	506.51	101.13	607.64	557.33	73.37	630.70
Un-allocable liabilities			259.66			295.41
Total liabilities			867.30			926.11

42 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
Principal amount due to micro and small enterprises	75.54	53.53
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

43 Share based payments

- a) Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan') was approved by the Board of Directors and the shareholders of the Company on 7 September 2015. The plan entitles employees of the group to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 425
Vesting conditions	45,800 options 24 months after the grant date ('First vesting')
	91,600 options 36 months after the grant date ('Second vesting')
	137,400 options 48 months after the grant date ('Third vesting')
	183,200 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	458,000
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹850 per option which is 7.42% below the stock price i.e. ₹918.10 per share on the date of grant, i.e. 20 October 2015.

During the year ended 31 March 2017, face value of equity shares of the Company was sub-divided to ₹1 per share from ₹2 per share. Accordingly, the exercise price also reduced to ₹425 per share from ₹850 per share and number of stock options increased to 458,000 equity shares from 229,000 equity shares. The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	54,250	425.00
Exercised during the year	(28,500)	425.00
At 31 March 2023	25,750	425.00
Exercisable as at 31 March 2023	25,750	425.00
Weighted average remaining contractual life (in years)	0.55	
At 1 April 2023	25,750	425.00
Exercised during the year	(25,750)	425.00
At 31 March 2024	-	-
Exercisable as at 31 March 2024	-	-
Weighted average remaining contractual life (in years)	-	-

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Grant date	20 October 2015	20 October 2015	20 October 2015	20 October 2015
Vesting date	20 October 2017	20 October 2018	20 October 2019	20 October 2020
Expiry date	20 October 2023	20 October 2023	20 October 2023	20 October 2023
Fair value of option at grant date	260.22	310.20	354.01	392.99
Exercise price	425.00	425.00	425.00	425.00
Expected volatility of returns	27.63%	27.63%	27.63%	27.63%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.40%	0.40%	0.40%	0.40%
Risk free interest rate	7.15%-7.30%	7.15%-7.30%	7.15%-7.30%	7.15%-7.30%

- b) Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹980
Vesting conditions	70,520 options 24 months after the grant date ('First vesting') 141,040 options 36 months after the grant date ('Second vesting') 211,560 options 48 months after the grant date ('Third vesting') 282,080 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	705,200
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹980 per option which is 9.36 % below the stock price i.e. ₹ 1,081.25 per share on the date of grant, i.e. 02 March 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	7,05,200	980.00
Forfeited during the year	(20,600)	980.00
At 31 March 2023	6,84,600	980.00
Exercisable as at 31 March 2023	6,84,600	980.00
Weighted average remaining contractual life (in years)	6.92	
At 1 April 2023	6,84,600	980.00
Forfeited during the year	(40,800)	980.00
At 31 March 2024	6,43,800	980.00
Exercisable as at 31 March 2024	6,43,800	980.00
Weighted average remaining contractual life (in years)	5.92	

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The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	02 March 2022	02 March 2022	02 March 2022	02 March 2022
Vesting date	02 March 2024	02 March 2025	02 March 2026	02 March 2027
Expiry date	02 March 2030	02 March 2030	02 March 2030	02 March 2030
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.68%	0.68%	0.68%	0.68%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

- c) Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 980
Vesting conditions	13,240 options 24 months after the grant date ('First vesting') 26,480 options 36 months after the grant date ('Second vesting') 39,720 options 48 months after the grant date ('Third vesting') 52,960 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	132,400
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹980 per option which is 5.05 % below the stock price i.e. ₹ 1,032.10 per share on the date of grant, i.e. 19 April 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2022	-	-
Granted during the year	1,32,400	980.00
Forfeited during the year	(10,400)	980.00
At 31 March 2023	1,22,000	980.00
Exercisable as at 31 March 2023	1,22,000	980.00
Weighted average remaining contractual life (in years)	7.05	

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At 1 April 2023	1,22,000	980.00
Forfeited during the year	(14,700)	980.00
At 31 March 2024	1,07,300	980.00
Exercisable as at 31 March 2024	1,07,300	980.00
Weighted average remaining contractual life (in years)	6.05	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	19 April 2022	19 April 2022	19 April 2022	19 April 2022
Vesting date	19 April 2024	19 April 2025	19 April 2026	19 April 2027
Expiry date	19 April 2030	19 April 2030	19 April 2030	19 April 2030
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.92%	0.92%	0.92%	0.92%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

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44 A. Category wise classification of financial instruments

	As at 31 March 2024			As at 31 March 2023		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Financial assets						
Non-current						
(i) Investments	-	3.67	-	-	-	-
(ii) Other financial assets	-	-	28.92	-	-	75.70
Current						
(i) Trade receivables	-	-	619.43	-	-	601.17
(ii) Cash and cash equivalents	-	-	98.32	-	-	10.50
(iii) Other bank balances	-	-	415.79	-	-	383.28
(iv) Loans	-	-	59.36	-	-	9.30
(v) Other financial assets	-	-	3.54	-	-	1.10
Assets of disposal group classified as held for Sale	-	-	-	-	75.41	-
Total financial assets	-	3.67	1,225.36	-	75.41	1,081.05
Excludes non-current investment measured at costs ₹14.79 crores (previous year ₹1.94 crores)						
Financial liabilities						
Non-current						
(i) Borrowings	-	-	63.45	-	-	51.78
(ii) Lease liabilities	-	-	49.13	-	-	28.00
Current						
(i) Borrowings	-	-	107.14	-	-	157.49
(ii) Lease liabilities	-	-	19.22	-	-	12.55
(iii) Trade payables	-	-	293.29	-	-	310.35
(iv) Other financial liabilities	-	-	134.75	-	-	136.81
Liabilities of disposal Group classified as held for sale	-	-	-	-	38.54	-
Total financial liabilities	-	-	666.98	-	38.54	696.98

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 amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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. The fair value of investments in mutual funds is determined using quoted 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.

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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 Group'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.

B. Fair value measurements

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out below:-

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Investment	3.67	3.67	-	-
Trade receivables	619.43	619.43	601.17	601.17
Cash and cash equivalents	98.32	98.32	10.50	10.50
Bank balances other than above	415.79	415.79	383.28	383.28
Loans	59.36	59.36	9.30	9.30
Other financial assets	32.46	32.46	76.80	76.80
Total financial assets	1,229.03	1,229.03	1,081.05	1,081.05
Financial liabilities				
Borrowings	170.59	170.59	209.27	209.27
Lease liabilities	68.35	68.35	40.55	40.55
Trade payables	293.29	293.29	310.35	310.35
Other financial liabilities	134.75	134.75	136.81	136.81
Total financial liabilities	666.98	666.98	696.98	696.98

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be same as their fair values, due to short term in nature. The carrying value of the amortised financial assets and liabilities are approximate to the fair values on the respective reporting dates.

45 Fair value hierarchy

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2024 and 31 March 2023.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2024 and 31 March 2023 as follows:

As at 31 March 2024

	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67

As at 31 March 2023

	Level 1	Level 2	Level 3	Total
Assets of disposal Group classified as held for sale	-	-	75.41	75.41
Liabilities of disposal Group classified as held for sale	-	-	38.54	38.54

Valuation technique used to determine fair value:

Assets/liabilities of disposal company classified as held for sales (AHFS): AHFS has been valued at fair value of consideration receivable from other shareholders of the disposal company as agreed between the Company and other shareholders of disposal group. Therefore sensitivity analysis is not available and accordingly not disclosed.

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair value, due to their short term nature.

46 Financial risk management objectives and policies

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. 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 risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, interest bearing deposits, loans and derivative financial instruments.

The sensitivity analyses of the above mentioned risk in the following sections exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in note 40.

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A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is based on the currently observable market environment.

At the reporting date, the interest rate profile of the entity's interest bearing financial instrument is as its fair value:

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	72.75	57.74
Variable rate borrowings	97.84	151.53
Total borrowings	170.59	209.27

	As at 31 March 2024		As at 31 March 2023	
	Increase/ decrease in basis points	Effect on profit before tax	Increase/ decrease in basis points	Effect on profit before tax
INR	+50	(0.78)	+50	(1.06)
INR	-50	0.78	-50	1.06

B. Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant.

	% change in rate	Effect on profit before tax	
		Year ended 31 March 2024	Year ended 31 March 2023
USD	+5%	(0.86)	(0.79)
	-5%	0.86	0.79
Euro	+5%	#	(0.28)
	-5%	#	0.28

(# rounded off to zero)

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

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II. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables. The Group has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The Group provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population. For such financial assets, the Group's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Group does not have any significant concentrations of bad debt risk other than that disclosed in note 12.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 44. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Movement in allowance for expected credit losses on trade receivable:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	6.67	6.42
Add: Allowance during the year	-	0.38
Less: Adjustment on account to reclassification of subsidiary	-	(0.13)
Less: Reclassification of expected credit loss for earlier years	0.02	-
Less: allowance reversed during the year	0.99	-
Balance at the end of the year	5.66	6.67

B. Financial instruments and cash deposits

The management considers the credit quality of current accounts and deposits with banks to be good and reviews the banking relationships on an on-going basis.

The Group does not require any security in respect of the above financial assets. There are no impairment provisions as at each statement of financial position date against these financial assets, except as disclosed in respect of trade receivables

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above. The management considers that all the above financial assets that are not impaired or past due for each of the statement of financial position dates under review are of good credit quality.

III. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at 31 March 2024					
Borrowings*	56.08	56.83	57.68	-	170.59
Lease liabilities	4.68	14.54	49.13	-	68.35
Trade payables	293.29	-	-	-	293.29
Other financial liabilities	134.75	-	-	-	134.75
	488.80	71.37	106.81	-	666.98
As at 31 March 2023					
Borrowings*	153.26	4.23	45.11	6.67	209.27
Lease liabilities	3.14	9.41	28.00	-	40.55
Trade payables	297.91	12.44	-	-	310.35
Other financial liabilities	134.32	2.49	-	-	136.81
	588.63	28.57	73.11	6.67	696.98

* In absolute terms i.e. discounted and including current maturity portion

47 Unhedged foreign currency exposure

The Group has no outstanding derivative instrument at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under:

	As at 31 March 2024		As at 31 March 2023	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Foreign trade payables/other payable				
USD in crores	0.08	6.89	0.24	20.33
EURO in crores	#	0.05	0.22	20.38
(# rounded off to zero)				
Foreign trade receivables				
USD in crores	0.11	9.14	0.08	6.43
Short term borrowings				
USD in crores	0.10	8.65	0.01	0.70
EUR in crores	-	-	0.03	3.06

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48 Capital management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as going concern; and
- to provide an adequate return to stakeholders

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Holding company. The Group manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing borrowings and lease liabilities less cash and cash equivalents.

	As at 31 March 2024	As at 31 March 2023
Total borrowings	170.59	209.27
Lease liabilities	68.35	40.55
Less: Cash and cash equivalents	(98.32)	(10.50)
Total debts	140.62	239.32
Capital employed	2,616.53	2,326.78
Total capital employed	2,616.53	2,326.78
Gearing ratio (%)	5.37%	10.29%

49 Research and development expenditure

Research and development expenditure incurred during the year ended 31 March 2024 and 31 March 2023 is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	1.18	0.73
Revenue expenditure	9.63	7.54
	10.81	8.27

50 Post reporting date events

No adjusting or significant non-adjusting event has occurred between 31 March 2024 and the date of authorisation of Company's consolidated financial statements. However, the Board of Directors of the Company have recommended a final dividend of ₹6 per share (31 March 2023: ₹3 per share) on equity shares of ₹1 each for the year ended 31 March 2024, subject to the approval of shareholders at the ensuing annual general meeting.

51 Reconciliation of liabilities arising from financing activities pursuant to Ind AS - 7 Cash flows

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at 31 March 2024	As at 31 March 2023
Current borrowings (including current maturities)	107.14	157.49
Lease Liabilities (including current portion)	68.35	40.55
Non-current borrowings	63.45	51.78
Net debt	238.94	249.82

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The changes of the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Current borrowings (including current maturities)	Lease Liabilities	Non-current borrowings
Net debt as at 1 April 2022	104.12	36.97	23.80
Add : Lease liabilities on leased entered during the year	-	17.95	-
Add : Adjustment on account of business combination	24.60	-	41.14
Interest on lease liabilities	-	4.50	-
Cash flows	45.78	(18.87)	(3.04)
Non-cash adjustments - Fair value adjustments	-	-	1.13
Adjustment on account of reclassification of subsidiary	(17.01)	-	(11.25)
Net debt as at 31 March 2023	157.49	40.55	51.78
Add : Lease liabilities on leased entered during the year	-	45.97	-
Interest on lease liabilities	-	3.70	-
Cash flows (net)	(50.35)	(21.87)	11.02
Non-cash adjustments	-	-	0.65
Net debt as at 31 March 2024	107.14	68.35	63.45

52 Scheme of Arrangement

The Hon'ble National Company Law Tribunal, vide its order dated 26 November 2021, approved a Scheme of Arrangement (the 'Scheme') between the Company and Kajaria Tiles Private Limited (erstwhile KTPL). Pursuant to the Scheme, all the properties, assets, rights, claims and obligations of the erstwhile KTPL have been transferred and vested in the name of Company on a going concern basis w.e.f. 1 April 2019. The Company has accounted for the merger under the pooling of interest method retrospectively for all periods presented and accordingly these numbers have been restated as prescribed in Ind AS 103 - Business Combinations of entities under common control.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

53 Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013

	Net assets as at 31 March 2024		Share in profit or loss (Including OCI) for the year 2023-24		Share in other comprehensive income (OCI) for the year 2023-24		Share in total comprehensive income for the year 2023-24	
	As % of consolidated net assets	Net assets (Total assets minus total liabilities)	As % of consolidated profit or loss	Profit/(Loss)	As % of consolidated OCI	OCI	As % of consolidated total comprehensive income	Total comprehensive income
A. Holding company								
Kajaria Ceramics Limited	96.07%	2,570.52	88.27%	381.45	-36.84%	(0.07)	88.21%	381.38
B. Subsidiaries								
Indian								
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	2.51%	67.03	8.78%	37.95	52.63%	0.10	8.80%	38.05
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	2.59%	69.34	1.01%	4.36	47.37%	0.09	1.03%	4.45
Kajaria Bathware Private Limited	4.14%	110.79	3.18%	13.73	57.89%	0.11	3.20%	13.84
Kajaria Plywood Private Limited	-0.71%	(18.95)	-2.62%	(11.34)	15.79%	0.03	-2.62%	(11.31)
South Asian Ceramic Tiles Private Limited	0.67%	18.05	2.13%	9.22	0.00%	-	2.13%	9.22
Foreign								
Kajaria International DMCC	0.04%	1.01	-0.20%	(0.88)	-36.84%	(0.07)	-0.22%	(0.95)
Share in profit/(loss) of joint venture	-0.02%	(0.61)	-0.14%	(0.61)	0.00%	-	-0.14%	(0.61)
Non-controlling interests in all subsidiaries	2.21%	59.08	2.33%	10.05	631.58%	1.20	2.60%	11.25
Elimination on account of consolidation	-7.50%	(200.65)	-2.72%	(11.77)	-631.58%	(1.20)	-3.00%	(12.97)
	100.00%	2,675.61	100.00%	432.16	100.00%	0.19	100.00%	432.35

	Net assets as at 31 March 2023		Share in profit or loss (Including OCI) for the year 2022-23		Share in other comprehensive income (OCI) for the year 2022-23		Share in total comprehensive income for the year 2022-23	
	As % of consolidated net assets	Net assets (Total assets minus total liabilities)	As % of consolidated profit or loss	Profit/ (Loss)	As % of consolidated OCI	OCI	As % of consolidated comprehensive income	Total comprehensive income
A. Holding company								
Kajaria Ceramics Limited	96.49%	2,319.94	99.48%	344.39	96.97%	(0.64)	99.48%	343.75
B. Subsidiaries								
Indian								
Kajaria Vitrified Private Limited (formerly known as Jaxx Vitrified Private Limited)	1.21%	28.98	1.67%	5.79	-6.06%	0.04	1.69%	5.83
Vennar Ceramics Limited	1.58%	38.01	-0.69%	(2.40)	3.03%	(0.02)	-0.70%	(2.42)
Kajaria Infinity Private Limited (formerly known as Cosa Ceramics Private Limited)	2.70%	64.89	0.20%	0.70	18.18%	(0.12)	0.17%	0.58
Kajaria Bathware Private Limited	4.07%	97.75	3.73%	12.93	0.00%	-	3.74%	12.93
Kajaria Plywood Private Limited	-1.57%	(37.74)	-3.00%	(10.37)	-15.15%	0.10	-2.97%	(10.27)
South Asian Ceramic Tiles Private Limited	0.37%	8.83	-0.16%	(0.56)	0.00%	-	-0.16%	(0.56)
Foreign								
Kajaria International DMCC	0.08%	1.96	-0.05%	(0.19)	3.03%	(0.02)	-0.06%	(0.21)
Share in profit/(loss) of joint venture			-0.02%	(0.08)		-	-0.02%	(0.08)
Non-controlling interests in all subsidiaries	3.23%	77.64	0.49%	1.70	-12.12%	0.08	0.52%	1.78
Elimination on account of consolidation	-8.14%	(195.84)	-1.66%	(5.71)	12.12%	(0.08)	-1.68%	(5.79)
	100.00%	2,404.42	100.00%	346.20	100.00%	(0.66)	100.00%	345.54

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

54 Asset pledged as security (refer note 19)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Inventories	532.19	564.68
Trade receivables	619.43	601.17
Total current assets pledged as security	1,151.62	1,165.85
Non-current		
Property, plant and equipment (including CWIP)	1,039.73	909.29
Total non-current assets pledged as security	1,039.73	909.29

55 Reporting to banks

The Group is regular in submission of quarterly stock statements with banks for the borrowings sanctioned against hypothecation of current assets. Further, all the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

56 There are no loans which have been given to promoters, directors and KMP's.

57 Struck off Companies: Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at 31 March, 2024 (Nos).	Balance outstanding as at 31 March, 2023 (Nos).	Relation with struck off Company
Trivia Infotech Private Limited (CIN: U74990MH2010PTC198657)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder
Crystal Infowave Solutions Private Limited (CIN: U74900MH2009PTC198049)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder

The Group has no transaction other than payment of declared dividend with struck off companies.

58 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami property:

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

(ii) Utilisation of borrowed funds and share premium:

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- (B)** The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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
- (iii) Compliance with number of layers of companies:**
The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (iv) Undisclosed income:**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (v) Details of crypto currency or virtual currency:**
The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vi) Valuation of PP&E, intangible asset and investment property:**
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (vii)** The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (viii)** The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

59 Business Combinations

Disclosure in accordance with Ind AS 103

(a) The name and a description of the acquiree:	South Asian Ceramic Tiles Private Limited (SACTPL). SACTPL is engaged into the business of manufacturing of tile. SACTPL has the manufacturing capacity of 4.75 MSM ceramic tiles.
(b) The acquisition date:	Wednesday, 31 August 2022
(c) The percentage of voting equity interests acquired:	51% in paid up capital
(d) The primary reasons for the business combination and a description of how the Company obtained control of the acquiree:	To have a foot fold in South India thereby enlarging the tiles markets to make more dealers and even to cater small size dealers, by reducing the transit time and by increasing the rotation of re-ordering by the dealers of the Company. The Company acquired the control by purchase of 51% equity shares from non controlling interest.
(e) a qualitative description of the factors that make up the goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition or other factors.	The Company did fair valuation from SEBI registered valuer and recognised the goodwill.
(f) the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:	
(i) cash;	₹24.50 crores

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

- (g) the amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed.

Particulars	Amount in ₹ Crores
Assets	
Property plant and equipment	75.68
Deferred tax assets	1.33
Other Non- current assets	1.30
Cash and Cash equivalent	1.22
Inventories	18.64
Trade and other receivable	6.29
Current financial assets - Loans	0.78
Other current assets	2.84
Total Assets acquired (A)	108.08
Liabilities	
Borrowings	65.74
Trade and other payable	20.50
Other financial liabilities	1.09
Total Liabilities (B)	87.33
Non controlling interest (NCI) (C)	23.54
Total Liabilities including NCI [D=(B+C)]	110.87
Consideration paid (E)	24.50
Goodwill recognised [F=(D+E-A)]	0.00

- (h) The total amount of goodwill that is expected to be deductible for tax purposes.
- The goodwill generated in business combination is not allowed as deducted under the Income-tax 1961
- (i) for each business combination in which the acquirer holds less than 100 per cent of the equity interests in the acquiree at the acquisition date:
- the amount of the non-controlling interest in the acquiree recognised at the acquisition date and the measurement basis for that amount; and ₹23.54 crores
 - for each non-controlling interest in an acquiree measured at fair value, the valuation technique(s) and significant inputs used to measure that value. ₹23.54 crores
- (j) the amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit and loss for the reporting period; and
- Revenue : ₹62.24 crores
Profit/(Loss) : ₹(0.56) crores

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

60 Ind AS 105 - Group assets and liabilities classified as held for disposal

The Board of Directors of Holding Company have approved, in its meeting held on 28 January 2023, disinvestment of entire stake of the Group in Vennar Ceramics Limited (Subsidiary) to non-controlling interest in a phased manner at a consideration of ₹18.25 Crore. Accordingly the assets and liabilities of Vennar Ceramics Limited have classified as assets and liabilities held for sale in these consolidated financial statements.

The disclosure of assets and liabilities held for sale are as under:

	As at 31 March 2024	As at 31 March 2023
A Assets of disposal Group classified as held for Sale		
Non-current assets		
(a) Property, plant and equipment	-	45.97
(b) Other intangible assets	-	0.01
(c) Financial assets		
Other Financial assets	-	1.09
(d) Deferred tax assets (net)	-	1.55
Current assets		
(a) Inventories	-	19.92
(b) Financial assets		
(i) Trade receivables	-	2.25
(ii) Cash and cash equivalents	-	0.03
(iii) Bank balances other than (ii) above	-	0.93
(iv) Other financial assets	-	2.82
(c) Other current assets	-	1.90
(d) Current tax assets (net)	-	0.08
Total Assets	-	76.55
Less : loss recognised on planned disinvestments	-	1.14
Total Assets	-	75.41
B Liabilities of disposal Group classified as held for sale		
Non-current liabilities		
(a) Financial liabilities		
Borrowings	-	11.25
(b) Provisions	-	0.30
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	17.01
(ii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	0.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	8.34
(iii) Other financial liabilities	-	0.52
(b) Other current liabilities	-	0.80
(c) Provisions	-	0.12
Total Liabilities	-	38.54

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

61 Summarised financial information of joint venture that is material to the Group:

Name of Entity	Principal Activity	Principal Place of business	As at 31 March 2024	As at 31 March 2023
Kajaria Ramesh Tiles Limited	Manufacturing of Tiles	Nepal	50%	-

The above joint venture is accounted for using equity method in the consolidated financial statements. There is no quoted market price for Kajaria Ramesh Tiles Limited.

(i) Summarised balance sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current Assets	96.79	-
Current Assets	15.73	-
Total Assets	112.52	-
Non Current Liabilities	24.84	-
Current Liabilities	63.98	-
Total liabilities	88.82	-

(ii) Summarised statement of profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue	-	-
Total Comprehensive income	(1.22)	-
Net Profit	(1.22)	-
Other Comprehensive income	-	-
Total	(1.22)	-

(iii) Reconciliation of summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

Particulars	As at 31 March 2024	As at 31 March 2023
Opening net assets	-	-
Add: shares issued during the year	25.00	-
Total net assets available to equity holders	25.00	-
Add: Profit during the year	(1.22)	-
Add: other comprehensive income/(loss) during the year	-	-
Closing net assets available to equity holders	23.78	-
Group's share in %	50%	-
Group's share in ₹	11.89	-
Carrying value of investment accounted for using equity method	11.89	-

The Group has no capital commitments relating to interest in Kajaria Ramesh Tiles Limited as at 31 March 2024. The joint venture has no obligations or capital commitments as at 31 March 2024.

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

62 Interest in material partly-owned subsidiaries

Financial information of subsidiary that have material non-controlling interests is provided below :

(i) Details of material partly-owned subsidiaries :

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)		Proportion of equity interest held by non-controlling interests (Direct)	
		As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
South Asian Ceramic Tiles Private Limited	India	40.50%	49.00%	40.50%	49.00%

(ii) Accumulated balances of non-controlling interest :

Particulars	As at 31 March, 2024	As at 31 March, 2023
South Asian Ceramic Tiles Private Limited	22.97	23.27
Aggregate amount of individually immaterial non-controlling interest	36.11	54.37
Total	59.08	77.64

(iii) Loss/ profit allocated to non-controlling interest :

Particulars	As at 31 March, 2024	As at 31 March, 2023
South Asian Ceramic Tiles Private Limited	4.50	(0.27)
Aggregate amount of individually immaterial non-controlling interest	5.59	1.93
Total	10.09	1.66

(iv) Summarised financial position :

The summarised financial position of this subsidiary is provided below. This information is based on amounts before inter-company eliminations:

Particulars	South Asian Ceramic Tiles Private Limited	
	As at 31 March, 2024	As at 31 March, 2023
Non-current assets		
Property, plant and equipment	63.88	63.51
Intangible assets	0.01	-
Other Financial assets	4.84	2.23
Other non-current assets	-	0.50
Non current tax assets (net)	-	0.11
Deffered tax assets (net)	0.81	4.01
Total	69.54	70.36

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	South Asian Ceramic Tiles Private Limited	
	As at 31 March, 2024	As at 31 March, 2023
Current assets		
Inventories	17.30	25.13
Trade receivables	12.18	3.65
Cash and cash equivalent	0.09	0.22
Other Financial assets	1.74	-
Other current assets	1.32	2.81
Total	32.63	31.81
Non-current liabilities		
Borrowings	44.49	51.05
Total	44.49	51.05
Current liabilities		
Financial liabilities	0.71	0.84
Borrowings	25.19	15.94
Trade paybles	12.16	24.96
Other current liabilities	1.57	0.55
Total	39.63	42.29
Total equity (A)	18.05	8.83
Equity share capital attributable to non-controlling shareholders (B)	8.51	10.29
Equity share capital attributable to equity holders of parents (C)	12.50	10.71
Net other equity for distrbution (D=A-B-C)	(2.95)	(12.17)
Other equity attributable to:		
Equity holders of parents	(1.76)	(6.21)
Non-controlling interests	(1.19)	(5.96)

Non controlling interests reconciliation

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening NCI / Fair value of NCI as on date of acquisition (Refer note 59 (i))	23.27	23.54
Add: share of profit after date of acquisition	4.50	(0.27)
Less: Transactions with NCI	(4.80)	-
Closing NCI	22.97	23.27

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

(v) Summarised statement of profit and loss for material joint venture:

The summarised financial statement of profit and loss of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Particulars	South Asian Ceramic Tiles Private Limited	
	As at 31 March, 2024	As at 31 March, 2023
Revenue from operations	138.72	62.24
Other income	0.12	1.77
Cost of material consumed	44.73	46.57
Changes of inventories	8.68	(6.29)
Employee benefits expense	8.42	0.74
Finance cost	6.82	4.23
Depreciation and amortisation	4.46	2.45
Other expenses	53.30	19.56
(Loss) / profit before tax	12.43	(3.25)
Tax expenses	3.21	(2.69)
(Loss) / profit for the year	9.22	(0.56)
Other comprehensive income	-	-
Total comprehensive income	9.22	(0.56)
% of NCI	40.50%	49.00%
Till 15 March 2024	4.32	-
16 March 2024 to 31 March 2024	0.18	-
Attributable to the non-controlling interests	4.50	(0.27)

The Holding Company has acquired additional stake in this subsidiary on 16 March 2024. Accordingly till 15 March 2024, the share of profits to NCI is 49%, and thereafter it is 40.50%. Hence, total profit attributable to NCI for the year is ₹4.50 Crores.

(vi) Summarised cash flow information :

The summarised cash flow information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Particulars	South Asian Ceramic Tiles Private Limited	
	As at 31 March, 2024	As at 31 March, 2023
Cash generated from/ (used in) in operating activities	11.41	7.20
Cash generated from/ (used in) investing activities	(7.40)	(2.82)
Cash (used in)/ generated from financing activities	(4.13)	(4.32)
Net (decrease)/ increase in cash & cash equivalents	(0.13)	0.06

Notes on the Consolidated Financial Statements for the year ended 31 March 2024

(Amount in ₹ crores, unless otherwise stated)

63 The figures of the previous year have been re-classified according to current year classification wherever required. The impact of the same is not material to the users of the consolidated financial statements.

64 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 01 April 2023.

The Holding Company and its seven subsidiaries uses SAP S/4 HANA as the primary accounting software. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software SAP S/4 HANA used for maintenance of all the accounting records by the Holding Company and its seven subsidiary companies. However, the audit trail (edit log) at the application level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software."

65 The consolidated financial statements are approved for issue by the Board of Directors at its meeting conducted on 07 May 2024.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013
Nalin Jain
Partner
Membership no. : 503498

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman and Managing Director
(DIN: 00273877)

Chetan Kajaria
Joint Managing Director
(DIN: 00273928)

Rishi Kajaria
Joint Managing Director
(DIN: 00228455)

Place : New Delhi
Date : 07 May 2024

Ram Chandra Rawat
COO (A&T) and Company Secretary
(FCS No. 5101)

Sanjeev Agarwal
Chief Financial Officer

Corporate Information

Notes

BOARD OF DIRECTORS

Mr. Ashok Kajaria	<i>(Chairman & Managing Director)</i>
Mr. Chetan Kajaria	<i>(Joint Managing Director)</i>
Mr. Rishi Kajaria	<i>(Joint Managing Director)</i>
Mr. Dev Datt Rishi	<i>(Non-Executive Director)</i>
Mrs. Sushmita Singha	<i>Independent Director</i>
Dr. Lalit Kumar Panwar	<i>Independent Director</i>
Mr. Sudhir Bhargava	<i>Independent Director</i>
Mr. Rajender Mohan Malla	<i>Independent Director</i>

KEY MANAGERIAL PERSONNEL

Mr. Ram Chandra Rawat	<i>COO (A&T) & Company Secretary</i>
Mr. Sanjeev Agarwal	<i>CFO</i>

COMMITTEE OF THE BOARD

Audit Committee

Mr. Sudhir Bhargava	<i>Chairman</i>
Mr. Ashok Kajaria	<i>Member</i>
Dr. Lalit Kumar Panwar	<i>Member</i>
Mr. Rajender Mohan Malla	<i>Member</i>

Stakeholders Relationship Committee

Mr. Sudhir Bhargava	<i>Chairman</i>
Mr. Ashok Kajaria	<i>Member</i>
Mr. Chetan Kajaria	<i>Member</i>

Nomination and Remuneration Committee

Mrs. Sushmita Singha	<i>Chairperson</i>
Mr. Ashok Kajaria	<i>Member</i>
Mr. Sudhir Bhargava	<i>Member</i>
Mr. Rajender Mohan Malla	<i>Member</i>

Corporate Social Responsibility Committee

Mrs. Sushmita Singha	<i>Chairperson</i>
Mr. Chetan Kajaria	<i>Member</i>
Mr. Rishi Kajaria	<i>Member</i>

Risk Management Committee

Mr. Ashok Kajaria	<i>Chairman</i>
Mr. Chetan Kajaria	<i>Member</i>
Mr. Rishi Kajaria	<i>Member</i>
Mr. Dev Datt Rishi	<i>Member</i>
Mrs. Sushmita Singha	<i>Member</i>
Mr. Ram Chandra Rawat	<i>Member</i>
Mr. Sanjeev Agarwal	<i>Member</i>

Business Responsibility and Sustainability Committee

Mr. Ashok Kajaria	<i>Chairman</i>
Mr. Chetan Kajaria	<i>Member</i>
Mr. Rishi Kajaria	<i>Member</i>
Dr. Rajveer Choudhary	<i>Member</i>
Mr. Bhupendra Vyas	<i>Member</i>
Mr. A. Venkat Madhavan	<i>Member</i>

REGISTERED OFFICE

SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon 122001, Haryana
Telephone: +91-124-4081281
CIN: L26924HR1985PLC056150

CORPORATE OFFICE

J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044
Telephone: +91-11-26946409
Fax No: +91-11-26946407

WORKS

- A-27 to 30, Industrial Area, Sikandrabad, Distt.: Bulandshahr (U.P.) - 203205.
- 19 KM Stone, Bhiwadi – Alwar Road, Village: Gailpur, Distt.: Alwar (Rajasthan) - 301707.
- Alwar Shahpura Road, Village & Post: Malootana, Tehsil: Thanagazi, Distt.: Alwar (Rajasthan) -301022.
- Survey No. 129, Industrial Park,Opp. Bhavanisankarapuram,Thatiparthi (V), Thottambedu (M), Near Srikalahasti, Distt.: Chittoor (A.P.) - 517 642

SUBSIDIARIES

1. Kajaria Bathware Private Limited
2. Kajaria Sanitaryware Private Limited (Step-down subsidiary)
3. Kajaria Plywood Private Limited
4. Kajaria International DMCC
5. Kerovit Global Private Limited (Step-down subsidiary)
6. Kajaria Vitrified Private Limited
7. Kajaria Infinity Private Limited
8. South Asian Ceramic Tiles Private Limited
9. Keronite Tiles Private Limited

JOINT VENTURE

Kajaria Ramesh Tiles Limited

AUDITORS

STATUTORY AUDITORS

Walker Chandiook & Co LLP

INTERNAL AUDITORS

Ernst & Young LLP

SECRETARIAL AUDITORS

Chandrasekaran Associates, Company Secretaries

BANKERS

State Bank of India
HDFC Bank
IDBI Bank
Canara Bank
Axis Bank

REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited
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