



CSL/2025-26/79
20th June, 2025

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

Sub: Annual Report for FY 2024-25 along with Notice of the 27th AGM

This is to inform that the 27th Annual General Meeting ("AGM") of the members of the Company will be held on Thursday, 17th July, 2025 at 11.30 a.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 30 and 34(1) of the SEBI (LODR) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2024-25 including the Notice convening 27th AGM which is being sent to the members through electronic mode. As per Regulation 36(1)(b) of the SEBI Listing Regulations, the letter mentioning web-link including the exact path, where complete details of the Annual Report are available, is being sent to those member(s) who have not registered their email address(es) with Depository / Company / Registrar and Share Transfer Agent (RTA).

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

You are requested to take the same on your records.

Thanking you,
For Cera Sanitaryware Limited.

Hemal Sadiwala
Company Secretary
Encl: As Above

Cera Sanitaryware Limited

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CIN No. : L26910GJ1998PLC034400

THE POWER OF
**BRAND
CERA.**

PREMIUM. CONTEMPORARY.
ENDURING.

CERA



CERA Sanitaryware Limited
Annual Report 2025

Disclaimer We have exercised the utmost care in preparing this report, which includes forecasts and/or information related to forecasts. These forecasts are based on facts, expectations, and/or historical data. However, as with all forward-looking statements, they are subject to known and unknown uncertainties, which may cause actual results to differ significantly from the forecasts. Forecasts prepared by third parties, as well as data or evaluations provided by third parties and mentioned in this communication, may be incomplete, inaccurate, or falsified. We cannot verify whether information in this report sourced from third parties, or used as a basis for our own evaluations, is accurate. Any such use will be explicitly stated in the report. Given the aforementioned circumstances, we make no warranties regarding the accuracy, completeness, or timeliness of the information obtained from third parties, or regarding any forward-looking statements, whether they come from third parties or from us. Readers should consider this in their evaluation of the report. We are under no obligation to publicly update any forward-looking statements, whether due to new information, future events, or other reasons.

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INTRODUCTION

At CERA Sanitaryware, the biggest asset of our business ironically does not figure on our Balance Sheet.

Our brand.

The CERA brand is the single biggest driver of our multi-year business sustainability.

The brand generates a recall for ‘unquestioned trust.’

This trust is driven by a few recognitions.

That if it is CERA, it must be the best.

That if it is CERA, the price will be fair.

That if it is CERA, the engagement will be ethical.

The result is that CERA is not just another sanitaryware and faucetware manufacturer in India.

It is a leading trusted brand in one of the fastest growing global geographies.



PART ONE

WHAT WE ARE AND
& WHAT WE DO

INDIA'S LARGEST SANITARYWARE & BATHROOM SOLUTIONS PROVIDER.

CERA Sanitaryware Limited.

INDIA'S ONLY PUREPLAY SANITARYWARE
AND BATHROOM SOLUTIONS PROVIDER.
TAKING ITS BUSINESS AND INDUSTRY
RESPECT AHEAD THROUGH A RANGE OF
PREMIUM OFFERINGS.
DEEPENING THE RECALL THAT 'IF IT IS
CERA, IT MUST BE THE BEST.'

Vision

Leading provider of bathroom
solutions that prioritize sustainability,
deliver value to stakeholders, and
enhance customer experience.

Mission

To deliver innovative, high-quality
bathroom solutions that embrace
sustainability, cutting-edge technology,
and emerging trends, while fostering
customer-centricity, enhancing brand
equity, and achieving significant
growth in both mass and luxury
markets.



Customer Focus: We prioritize customers' needs,
delivering exceptional experiences and tailored
solutions.



Ethical Excellence: We operate with integrity,
honesty, and fairness in all our interactions.



Respect, Trust & Teamwork: We cultivate a culture
of mutual respect, transparency, and collaboration
to achieve outstanding results.



Accountability: We take ownership of our actions,
honor our commitments, and strive for continuous
growth and improvement.

Background

The Company was founded by Mr. Vikram Somany, Chairman and Managing Director, in 1980. ‘CERA’ was a division of Madhusudan Industries Limited, the parent Company established in 1945, until CERA was de-merged in 2001 to Madhusudan Oils and Fats Limited (now CERA Sanitaryware Limited). Mr. Vikram Somany heads a Board of Directors comprising respected professionals. The Company comes with the respect of having established industry

benchmarks with innovative products, strengthening the recall that 'CERA is a brand that takes customers ahead'.

Presence

CERA's headquarter and manufacturing facility are located in Kadi, near Ahmedabad in Gujarat. As of 31st March, 2025, the Company enjoyed a distribution network of 6,540+ distributors / dealers (authorized stockiest) and 24,400+ retailers. The Company's pan-India presence is marked by 15 zonal sales service

offices, 13 CERA Style Studios, 229 CERA Style Galleries, 212 CERA Style Hubs and 1,297 CERA Style Centres.

Production

The Company possesses a state-of-the-art manufacturing facility in Kadi (Gujarat). The plant is linked to a natural gas pipeline. The facility is connected to major cities pan-India through a road network, enabling a timely delivery of finished products.

R&D capabilities

CERA was India's first sanitaryware company to be DSIR-certified with an in-house research and development team. This has empowered the Company to create a dynamic pipeline of innovative product features and enhance the effectiveness of processes.

Talent

As on 31st March, 2025, CERA employees were 1,240 excluding workers, possessing manufacturing, design, quality, finance, sales, service and compliance competencies, among others. The average team age was 39 years old at the close of FY24-25.

Credit rating

The Company reaffirmed its CRISIL AA rating with a Stable outlook for long-term loans and CRISIL A1+ for short term loans. These ratings underscore the robustness of the Company's business model, financial stability, promoter credibility, product quality and stable stakeholder relationships.

Brands

The Company is a leading provider of comprehensive bathroom solutions, offering a diverse range of products including sanitaryware, faucetware, tiles, wellness products (bathtubs, shower panels, shower enclosures), kitchen sinks and mirrors under different brand names (Senator, CERA Luxe and CERA).

SENATOR

CERA
LUXE

CERA

Quality

The Company's Quality Management System fosters a commitment to continuous improvement. The Company is certified with some of the most prestigious global quality standards.

- **IAPMO Green UPC Sanitaryware certified**
CERA's sanitaryware products are engineered for superior water efficiency and sustainability, officially recognized by IAPMO.
- **WEP Green Faucets certified**
Designed to conserve water and protect the environment, CERA's faucets meet the highest green standards.
- **CE certified**
CERA's products (faucet and sanitary) meet strict European safety, health, and environmental protection benchmarks—delivering confidence worldwide.
- **Bureau of Indian Standards (BIS) certified**
Proudly made in India, CERA's products comply with national quality, manufacturing practise and safety norms.
- **GreenPro certified**
Manufactured with the planet in mind, CERA's products meet the highest

standards of sustainability and officially recognized as eco-friendly by the CII Green Council production.

- **GRIHA Council certified**
CERA's products provide solutions support green building practices, meeting GRIHA's stringent sustainability criteria.
- **ISO 9002 – Quality Management certified**
Every CERA product reflects its commitment to precision, reliability, and service excellence.
- **ISO 14001 – Environmental Management certified**
CERA's manufacturing operations align with global environmental standards.
- **ISO 45001 – Occupational Health & Safety certified**
CERA puts people first—ensuring safe, healthy, and empowering workplaces across its facilities.
- **Sustainability & Quality**
CERA is the first company in India's sanitaryware industry to be certified for ISO 9002 and ISO 14001, setting benchmarks in quality and environmental responsibility.

Listing

The Company's equity shares are traded on the Bombay Stock Exchange and National Stock Exchange of India Ltd. The Company's market

capitalization was Rs.7,273 crore on BSE and NSE as on 31st March, 2025.

After-sales services

The Company prides on its after-sales service. The Company's after-sales

support network comprises 43 service offices manned by around 500 trained technicians. The result: hassle-free installation, maintenance, repair and replacement and a turnaround time lower than industry standards.

Awards and recognition

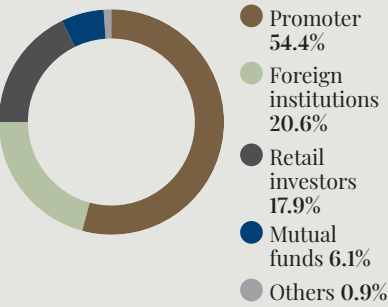
- Trusted Brand Award
- Superbrand Award
- Best Reality Brand Award
- CREDAI Growth Ambassador Award
- Business Standard Star SME of the Year award 2015
- The Best Mid-sized Company by Nav Gujarat Samay and Times of India

- The Economic Times A&D Top 100 Brands award
- Indian Power Brand award 2012

Affiliations

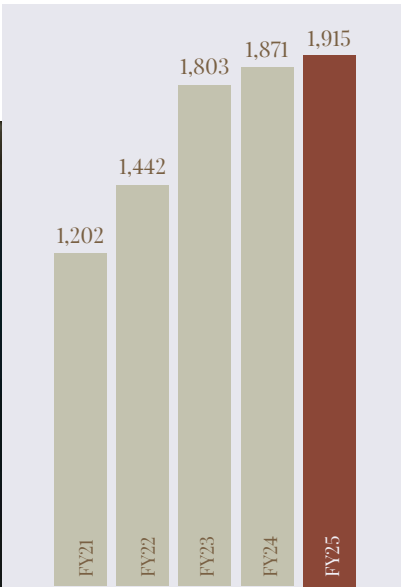
- CREDAI Preferred Partner 2019-20
- Institute of Indian Interior Designers
- Member, Indian Green Building Council
- Member, Indian Plumbing Association

Shareholding at CERA



HOW CERA HAS GROWN IMPRESSIVELY ACROSS THE YEARS

Revenue (in Rs. crore)



Definition

Growth in sales, net of taxes.

Why this is measured

It is an index that showcases the Company’s ability to maximise revenues, which provides a basis against which the Company’s performance can be compared with sectoral peers.

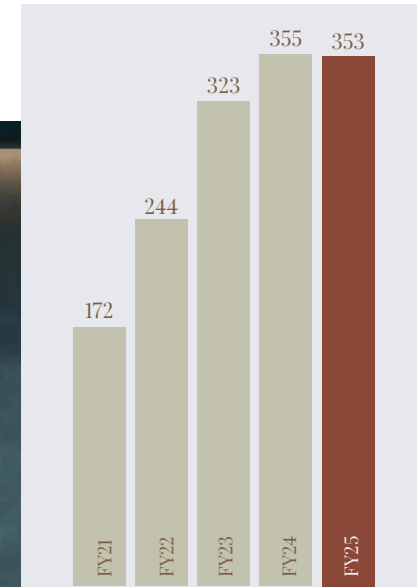
What this means

Helps enhance incomes that, in turn, makes it possible to amortise or pay for expenses

Value impact

The Company reported revenues of Rs.1,915 crore during the year under review, a 2.4% growth over the previous financial year.

EBIDTA (in Rs. crore)



Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why this is measured

It is an index that showcases the Company’s ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

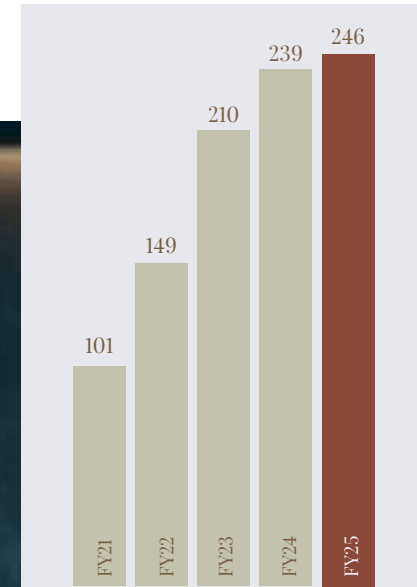
What this means

Helps create a robust surplus-generating engine that facilitates reinvestment.

Value impact

The Company reported a 0.6% de-growth in EBIDTA compared to the previous year.

PAT (in Rs. crore)



Definition

Profit earned during the year after deducting all expenses and provisions

Why is this measured?

This measure highlights the strength of the business model in enhancing shareholder value

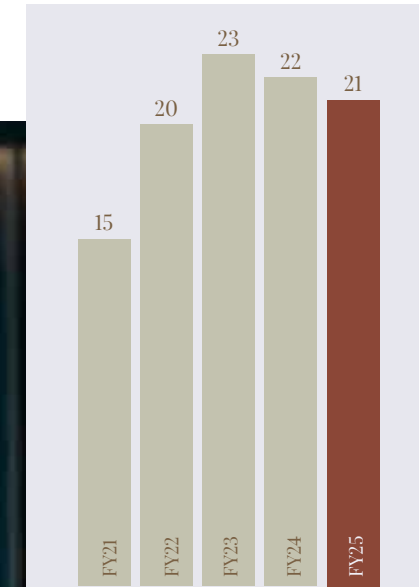
What does it mean?

It ensures that adequate surplus is available for reinvestment in the Company’s operations.

Value impact

The Company’s PAT of Rs.246 crore was a 2.9% growth over the previous year.

RoCE (%)



Definition

This financial ratio measures efficiency with which capital is employed in the business.

Why this is measured

ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

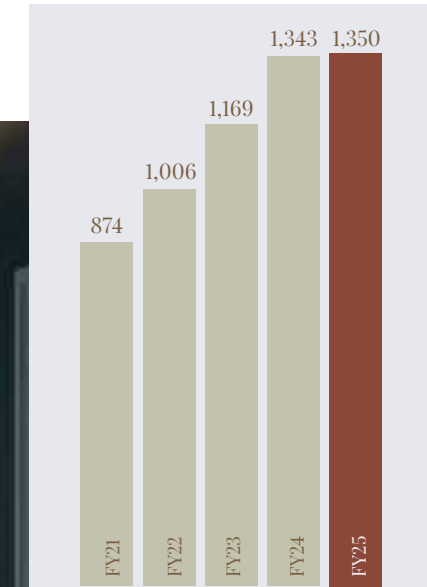
What this means

Enhanced ROCE can potentially drive valuations and market perception.

Value impact

The Company reported a 100 bps decrease in ROCE over the previous year.

Net worth (in Rs. crore)



Definition

This is derived through the accretion of shareholder-owned funds

Why is this measured?

Net worth indicates the financial soundness of the Company – the higher the better.

What does it mean?

This indicates the borrowing capacity of the Company and influences the gearing (which, in turn, influenced the cost at which the Company can mobilise debt).

Value impact

The Company’s net worth strengthened 0.5% during the year under review.



PART TWO

OUR SENIOR
MANAGEMENT'S
PERSPECTIVE



“AT CERA, WE BELIEVE THAT THE TAILWINDS WITHIN OUR SECTOR SHOULD TRANSLATE INTO SUSTAINABLE GROWTH FOR A COMMITTED LONG-TERM PLAYER.”

Overview

Before I begin my overview of the Company's performance, I would like to offer a context.

Over the past two decades, there has been a marked shift in how people aspire to live – seeking not just functionality but a better quality of life. Nowhere is this shift more evident than in the evolution of the bathing area. Today's bathrooms reflect a heightened sense of style, space and sophistication. In fact, the transformation witnessed in bathrooms – across India and globally – has arguably outpaced the changes seen in other residential, office, or institutional spaces.

A couple of decades ago, bathrooms were typically considered a low priority, marked by minimal investment and the use of basic materials. This perception has undergone a significant change. Bathrooms are now seen as an integral dimension of a residential identity, influencing how people shape impressions. They have evolved into design-forward, opinion-enhancing zones that reflect personal taste and aspirations.

Inflection point

At CERA, we have been fortunate to witness—and capitalize on—this transformation. Our sustained outperformance is rooted in two pivotal trends. First, we benefitted from the shift of a large segment of India's population from shared and informal bath areas to personalized, formal bathrooms. Second, we aligned ourselves with the aspirations of a new India that is increasingly upgrading its bathing spaces to meet emerging global standards. This dual positioning—bridging mass relevance with class appeal—has helped us grow significantly. From revenues of Rs. 41 crore in FY01-02, we expanded to Rs. 243 crore in FY10-11, Rs. 1,202 crore in FY20-21, and reached Rs. 1,915 crore in FY24-25.

We believe these twin trends will remain relevant for the foreseeable future. India will continue to witness a broad transformation, with one of the world's largest population clusters gradually moving from a legacy bathrooms mindset to adopting modern, well-designed bathing areas. Simultaneously, a growing segment of the affluent population will transition from modern to ultra-modern bathrooms. As a focused brand, our intent is to remain relevant to both these customer segments—though the weightage of our capital investments, operational bandwidth, and promotional efforts may vary in line with evolving demand patterns.

Optimism

What gives us the confidence to look ahead with optimism?

I would like to answer this through multiple lenses. India has long faced significant challenges in sanitation and hygiene, with deep implications for public health. Open defecation remains a major issue, with estimates ranging from 300 million to 522 million people lacking access to proper sanitation facilities. India accounts for the highest number of individuals practicing open defecation. Of the one billion people worldwide without access to adequate sanitation, 82% live in just ten countries—including India. This statistic highlights the pressing need for continued and comprehensive improvements in sanitation infrastructure. (Source: pib.gov.in, Health Issues India)

India's sanitaryware and bathware sector reached an inflection point with the introduction of the Goods & Services Tax (GST). The GST regime created cost advantages for organized manufacturers while increasing the compliance burden on unorganized players. This accelerated the formalization of the sector, enabling companies like CERA to expand their market share and build long-term structural advantages. It marked the

beginning of a new phase of scale and competitiveness for the organized segment.

The Union Budget FY25-26

Our optimism is supported by recent policy developments. Under the Union Budget, Rs. 5,000 crore was allocated to the Swachh Bharat Abhiyan to enhance urban sanitation, infrastructure, and public health. Additionally, a Rs. 1 lakh crore Urban Challenge Fund was introduced to transform Indian cities into future-ready growth hubs through focused redevelopment and improved water and sanitation facilities. The Rs. 15,000 crore Special Window for Affordable and Mid-Income Housing (SWAMIH) Fund 2 aims to complete 100,000 housing units, building on the momentum created by SWAMIH Fund 1, which delivered 50,000 homes and is set to deliver another 40,000 in 2025. (Source: ASDReports, Economic Times, Reuters, IBEF, Financial Express)

Sustainable growth

At CERA, we believe that the tailwinds within this sector should translate into sustainable growth for a long-term, committed player. We have acquired land to commission fresh sanitaryware manufacturing capacity. We enhanced our faucetware manufacturing capabilities in September 2023. At the same time, in line with our strategy to provide a complete bathroom solution, we will continue to outsource bathroom tiles rather than venture into their production.

This approach positions us attractively to achieve high double-digit revenue growth year-on-year. We expect to outpace the industry growth by 5-6%.

We believe that this business approach will enable us to create enduring value for all our stakeholders.

Vikram Somany

Chairman and Managing Director



“OUR OUTLOOK FOR FY25-26 IS ROOTED IN BUILDING A FUTURE-READY, CONSUMER-CENTRIC BRAND THAT EVOLVES IN STEP WITH MARKET EXPECTATIONS.”

Evolving customer needs

At CERA, one factor playing a progressively larger role in our business is the changing nature of customer needs. The preferences of yesterday no longer define today, and those of today will not shape tomorrow. Perhaps at no other time in our multi-decade journey have we seen customer choices evolve as rapidly as they are doing now.

This transformation is being driven by multiple factors.

First, today's customer is more aware, aspirational, and design-savvy than ever before—thanks to increased exposure through social media, evolving travel habits, and the growth of online retail. As more consumers travel both within India and internationally, they are introduced to global lifestyle and design trends, which influence their expectations back home. Additionally, the proliferation of e-commerce platforms offers easy access to a wide range of bathroom products and design inspirations, further shaping consumer choices and raising the bar for aesthetics and functionality.

Second, the growing trend of larger bathrooms in modern homes has necessitated entirely different configurations of products, colours, and styles.

Third, increased mobility and the frequency with which people are relocating has brought newer bathroom layouts into focus.

Fourth, rising incomes and growing wealth have encouraged a shift toward more spacious and stylistically distinct bathrooms.

Fifth, the bathroom has evolved from a functional space into an experiential zone. Where as once people sought to spend the least amount of time in the bathroom, today's wellness-driven and experience-enhanced products are prompting consumers to invest more time and money in this personal space.

Sixth, with homes becoming larger and interior design more premium, the bathroom's share of overall home costs has decreased, encouraging a higher spending on quality fittings and features.

Seventh, organised real estate developers are increasingly showcasing modern bathrooms as a part of their upscale offerings—adding to the appeal and visibility of quality bathware

products and influencing consumer expectations and preferences.

At CERA, we view these factors not as fleeting trends but as enduring catalysts. They signal a future where the market for sanitaryware and faucetware will expand, demand greater innovation, and become progressively more value-added.

Our responsiveness

In this rapidly evolving environment, we at CERA understand that manufacturing more of the same will only take us so far. As a customer-facing organization, we need a customized, strategic blueprint that keeps us competitively profitable, relevant, and future-ready.

This is how we intend to grow in volume and value over the foreseeable future.

First, our most valuable asset is the CERA brand—standing for quality, reliability, modernity, and variety. We aim to deepen trust so customers never hesitate when choosing CERA.

Second, our tiered brand architecture—Senator (luxury), CERA Luxe (premium), and CERA (mass premium)—helps us connect with diverse consumer needs, all united by a common promise of quality, service, and design.

Third, we prioritize strong customer relationships, striving to make every CERA buyer a lifelong customer—especially as home upgrades become more frequent.

Fourth, customers now seek complete bathroom solutions, not just individual products. Our integrated offerings provide convenience through a one-stop solution.

Fifth, today's aspirational consumers want distinctive styles, colours, and formats. By investing in CERA Luxe and Senator, we offer uniqueness while enhancing value and profitability.

Sixth, with rising incomes in non-metro markets, expanding our distribution is key to ensuring CERA remains accessible nationwide.

Seventh, growth in reach must be matched by productivity. Empowering channel partners to drive higher volumes and better service enhances returns at every touchpoint.

Eighth, while investing in internal capacity, we will also leverage responsible outsourcing to boost flexibility and avoid stock shortfalls.

Ninth, our strong Balance Sheet is a strategic enabler. Staying under-leveraged allows us to grow independently and prioritize shareholder value.

Tenth, our single-location manufacturing scale gives us cost advantages and strengthens our leadership in the sanitaryware industry.

Outlook

Our outlook for FY25-26 is rooted in our future-ready, consumer-centric brand that will evolve in step with market expectations. We aim to strengthen our position across all key segments—from mass premium to luxury – by delivering bathroom solutions that blend design excellence, superior quality, and practical functionality.

Over the past few years, we have consistently focused on innovation, introducing a wide range of new products that have significantly transformed our portfolio. CERA has remained at the forefront of technology and design, offering world-class features and performance. Our products match global standards in quality and innovation—while delivering superior value through competitive pricing, making advanced solutions more accessible to our customers.

At CERA, our vision goes beyond delivering products—we seek to shape living experiences. Our aim is to create enduring value not only for homeowners, but also for builders, architects, and interior designers by positioning CERA as a trusted partner in the design and transformation of spaces. We aspire to be at the forefront of a design-led movement, where innovation, aesthetics, and functionality converge. Through continuous innovation, deeper market collaboration, and a bold design philosophy, we are committed to driving purposeful, sustainable growth and redefining the future of the industry.

Deepshikha Khaitan

Vice Chairman and Joint Managing Director



Vikas Kothari
Chief Financial Officer

We believe that our growth represents a validation of the robustness of the Company’s business model, intrinsic profitability, pricing power and brand traction.

WE CONTINUED TO
STRENGTHEN OUR BUSINESS
WITHOUT COMPROMISING
PROFITABILITY

Big picture: At CERA, we proudly stand as a leading brand in Sanitaryware and Faucetware, continuously evolving to stay ahead of changing market dynamics and rising consumer aspirations. Our journey is shaped by a spirit of transformation—fueled by innovation, design excellence, and a keen understanding of contemporary lifestyles.

Our focused premiumization strategy is designed for long-term sustainability, delivering consistent year-on-year surpluses. These

surpluses empower us to reinvest in the business, scale with confidence, and reinforce our market leadership—while preserving strong profitability. Through this approach, we are deeply committed to creating enduring value for all our stakeholders.

Performance overview: During the year under review, there was a 2.4% increase in revenues corresponded by a 0.6% decrease in EBITDA and a 2.9% increase in profit after tax.

We believe that this growth represents a validation of the robustness of the Company’s business model, intrinsic profitability, pricing power and brand traction. To deliver this financial hygiene in a competitive and capital-intensive industry is an achievement especially at a time when India’s middle income spending was muted. Our competitiveness was reflected in our margins, cash flows and working capital efficiency.

Year	FY23	FY24	FY25
Revenue growth (%)	24.6	4.2	2.4
EBITDA growth (%)	32.2	10.2	-0.6
PAT growth (%)	40.4	14.1	3.1

Credit Rating: The Company continued to maintain its credit rating of CARE AA; Stable / CARE

A1+ for long-term/ short-term bank facilities (as appraised by CareEdge Ratings). This credible rating validates

the Company’s pedigree, planning, performance, promoter integrity and prospects.

Year	FY23	FY24	FY25
CARE	AA; STABLE / A1+	AA; STABLE / A1+	AA; STABLE / A1+
CRISIL	AA-/Positive	AA/Stable	AA/Stable

Revenues: Your company reported 2.4% revenue growth (compared with the Indian GDP growth of 6.5%) from Rs. 1,871 crore in FY23-24 to Rs. 1915 crore in FY24-25. This

increase was catalyzed by a credible brand, increased sales counters, complementary product mix and sustained premiumization. The Company derived 98% of revenues

from within India, of which the Company generated 35% of its revenues from South India (its largest zones by revenue).

Year	FY23	FY24	FY25
% of revenues from within India	99	99	98
% of revenues from outside India	1	1	2

Year	FY23	FY24	FY25
% of revenues from West India	20	21	21
% of revenues from South India	40	36	35
% of revenues from North India	31	33	33
% of revenues from East India	8	9	9

Sanitaryware

Year	FY23	FY24	FY25
% of revenues derived from products outsourced by the Company	59	58	57
% of revenues derived from products manufactured by the Company	41	42	43

Faucetware

Year	FY23	FY24	FY25
% of revenues derived from products outsourced by the Company	52	51	48
% of revenues derived from products manufactured by the Company	48	49	52

Surplus: The Company’s EBITDA dropped 0.6% from Rs.355 crore in FY23-24 to Rs.353 crore in FY24-25; profit after tax of the Company improved by 2.9% from Rs.239 crore in FY24 to Rs.246 crore during the year under review. In FY25, the Company achieved year-over-year revenue growth, reflecting sustained demand and continued

business momentum. However, EBITDA moderated by on account of higher input costs and increased operational expenditures, including materials, logistics, and employee-related expenses. While these factors impacted short-term profitability, they position the Company for enhanced operational efficiency and long-term growth. A continued focus

on cost optimization and value-driven initiatives is expected to support margin recovery going forward. The Company reported a cash profit (profit after tax plus depreciation & deferred tax) drop of 2.5% from Rs. 289 crore to Rs. 265 crore. Some 28% of the cash profit was returned to shareholders as dividend for FY23-24.

Year	FY23	FY24	FY25
Cash profit (Rs crore)	304	289	265

Capital efficiency: The Company focussed on premiumization with the conviction that margins and profit accretion would follow. Return on

Capital Employed of the Company was 21.41%; Return on Equity was at 18.31% on account of prudent positioning, premiumization and cost

management. The average cost of gross debt stood at 9.24% in FY24-25. The Company delivered a post tax Return on Assets of 13%.

Year	FY23	FY24	FY25
Return on Capital Employed (%)	23.1	22.2	21.4
Return on Equity (%)	19.3	19.0	18.3

Segment-wise performance: The Company balances sectorial focus with portfolio diversification. The Company generated 49% of turnover from the sanitaryware segment,

its largest revenue contributor; followed by faucetware segment contributed 39% of revenues (second largest segment); the tiles segment accounted for 10% and the wellness

segment accounted for 2% of the Company’s revenues in FY24-25. The sanitaryware segment’s revenues declined by 4%, the faucetware segment revenues grew 8.1%.

Year	FY23	FY24	FY25
% of revenues from the sanitaryware segment	53	52	49
% of revenues from faucetware segment	34	36	39
% of revenues from tiles segment	11	10	10
% of revenues from wellness segment	2	2	2

Expenditure: Employee costs were Rs. 242 crore (12.6% of revenues FY24-25) during the year under review as against Rs. 228 crore in FY23-24 (12.2% of revenues in FY23-24). The selling,

general and administrative expenses was reported at Rs. 381 crore (19.9% of revenues in FY24-25) in FY24-25 compared to Rs. 377 crore in FY23-24 (20.1% of revenues in FY23-24). Fuel

and power costs accounted for 2.0% of the Company’s revenues in FY24-25 (1.8% of revenues in FY23-24).

Year	FY23	FY24	FY25
COGS as % of revenue	45.8%	47.2%	47.5%

Capacity expansion: The Company expanded its faucets manufacturing

capacities 3,00,000 pieces per month to 4,00,000 pieces per month. This

expansion was funded by Rs. 41 crore through internal accruals.

Year	FY23	FY24	FY25
Fixed assets turnover ratio (x)	6.1	5.6	5.7

Working capital management: The average working capital cycle of the Company increased from 38 days of turnover equivalent to 55 days during

the year under review. The Company’s inventory grew 13% from Rs. 359 crore in FY23-24 to Rs. 406 crore in FY24-25. The Company’s trade receivables

were Rs. 268 crore as at the year-end compared with Rs 201 crore at year-start.

Year	FY23	FY24	FY25
Working capital cycle (days of turnover equivalent)	33	38	55
Receivables cycle (days of turnover including GST equivalent)	30	32	38
Inventory cycle (days of turnover equivalent)	67	72	73
Payable cycle (days of purchase including GST equivalent)	64	66	56

Liquidity: The Company’s Current Ratio was a strong 3.8x during the year under review compared to 3.7x in FY23-24. The Company’s cash

reserves were Rs. 719 crore on 31 Mar, 2025 as against Rs. 828 crore on 31st March, 2024 on account of a buy back of equity shares and dividend payout.

The Company was net cash positive as on 31st March, 2025.

Year	FY23	FY24	FY25
Current ratio (x)	3.2	3.7	3.8
Quick ratio (x)	2.3	2.8	2.7

Cash flow management: The Company generated Rs. 116 crore from cash flows during the	year under review, highlighting business profitability. The Company maintained a free cash flow to firm at	Rs. 89 crore in FY24-25 as against Rs. 167 crore in FY23-24.
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Brand: Over the years, the Company graduated from price-sensitive sanitaryware sales to a premium brand.	The Company focused on a word-to-mouth goodwill over marketing, reducing its dependence on promotions. This is evident by the	Company's promotional spending as a proportion of revenues of 2.8% in FY24-25(3.4% in FY23-24).
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Year	FY23	FY24	FY25
Advertising and promotion expenses as a % of revenue	3.2	3.4	2.8

Debt management: The Company's total debt (including lease liabilities) increased from Rs 40 crore to Rs 63 crore; net worth strengthened from Rs 1,343 crore to Rs 1,350 crore; gearing was rose from 1.7% in FY23-24 to 4.4% in FY24-25 as the Company grew net worth. The debt-to-equity ratio stood at a comfortable 0.05X at the end of FY24-25 as against 0.03x in	FY23-24. The interest coverage ratio was a robust 44.2X during the year under review (60.6 in FY23-24). The Company maintained its net debt-free status entering FY25-26. Long-term debt accounted for 63.2% of the Company's total debt as on 31 st March, 2025; short-term debt accounted for 36.8% of the Company's total debt as on that date.	Interest outflow to banks and financial institutions decreased from Rs. 2.72 crore in FY23-24 to Rs. 2.03 crore in FY24-25. As an index of the Company's treasury management, the interest rate on borrowings ranged from 8.70% to 10.05%, while the Company generated an average of 18.3% as Return on Equity.
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Year	FY23	FY24	FY25
Debt-equity ratio	0.04	0.03	0.05
Interest coverage ratio	54.1	60.6	44.2

Valuations: The Company's market capitalization stood at Rs. 7,273 crore as on 31 st March, 2025 compared to	Rs. 8,821 crore on 31 st March, 2024 (decrease of 17.5%). The Company's Enterprise Value (EV) as on 31 st	March, 2025 stood at Rs. 7,331 crore as opposed to Rs. 8,843 crore on 31 st March, 2024.
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Year	2023	2024	2025
Market valuation on 31 st March (Rs. crore)	8,328	8,821	7,273
EV/EBITDA (x)	25.9	24.9	20.8
Book value per share (Rs.)	899	1,032	1,047

Way forward: The Company enjoyed a strong financial position at the end of the fiscal year under review and	appeared poised to sustain growth in the new financial year.	Vikas Kothari <i>Chief Financial Officer</i>
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CERA. STANDS FOR WORLD-CLASS MANUFACTURING EXCELLENCE

Overview

In a competitive world, manufacturing excellence extends beyond the ability to merely produce but is characterized by optimized output, efficient resource use, low change-over time, high asset utilization, quality control, dispatch dependability, operational safety,

environment-friendly resource use and sustainable practices.

At CERA, manufacturing blends art and science; product design and technology are balanced. The Company's product manufacture is supported by a DSIR-certified research and development laboratory that focuses on enhanced

sanitaryware production efficiency and innovation.

The Company is among the largest and most competitive manufacturers of sanitaryware and faucetware products in India. The recall generated by the Company is that 'If it is CERA, it must be the best.'

Location: The Company's manufacturing facility is located in Kadi (Gujarat) – 10 metres away from natural gas pipelines of GAIL and Sabarmati Gas, reducing transmission cost for an essential fuel resource. Kadi provides abundant and competitive labour. It is connected to major cities across the country through an extensive road network, ensuring the smooth and efficient transportation of finished goods.

Integrated: Kadi facility's end-to-end manufacturing process (cast to assembly) has helped reduce resource logistic costs and carbon footprint,

while helping protect multi-stage quality standards.

Flexibility: The production lines enable customized and special orders without disrupting regular production.

Culture: All workmen and staff embrace a continuous improvement mindset, actively participating in kaizen initiatives and dedicated projects on wastage and cost reduction. Over the past three years, over 21,000 small improvements have been implemented through kaizen, driving innovation and efficiency. Regular training assessments enhance

skills, boost productivity and ensure operational excellence.

Certifications: CERA is the Indian sanitaryware company to implement ISO 9001 ISO 9002 and ISO 14001 certifications related to Quality Management System and Environment Management System

Debottlenecking: The Kadi facility underwent sustained capacity de-bottlenecking, enhancing monthly production from 150,000 units to 400,000 units across three years ending FY24-25.

Automation: CERA automated key processes such as glazing, modelling

and designing to achieve greater consistency, improved precision, and reduced human errors, leading to higher productivity and better products quality.

Environment-friendly: Green energy accounts for 70% of the plant's energy mix; the plant has been certified as zero liquid discharge (ZLD).

Responsiveness: CERA's manufacturing team responds with speed to the need for new product development and manufacture, addressing the development of around 35 products within 60 days (industry standard 90-120 days); this

enables quicker time-to-market and competitiveness.

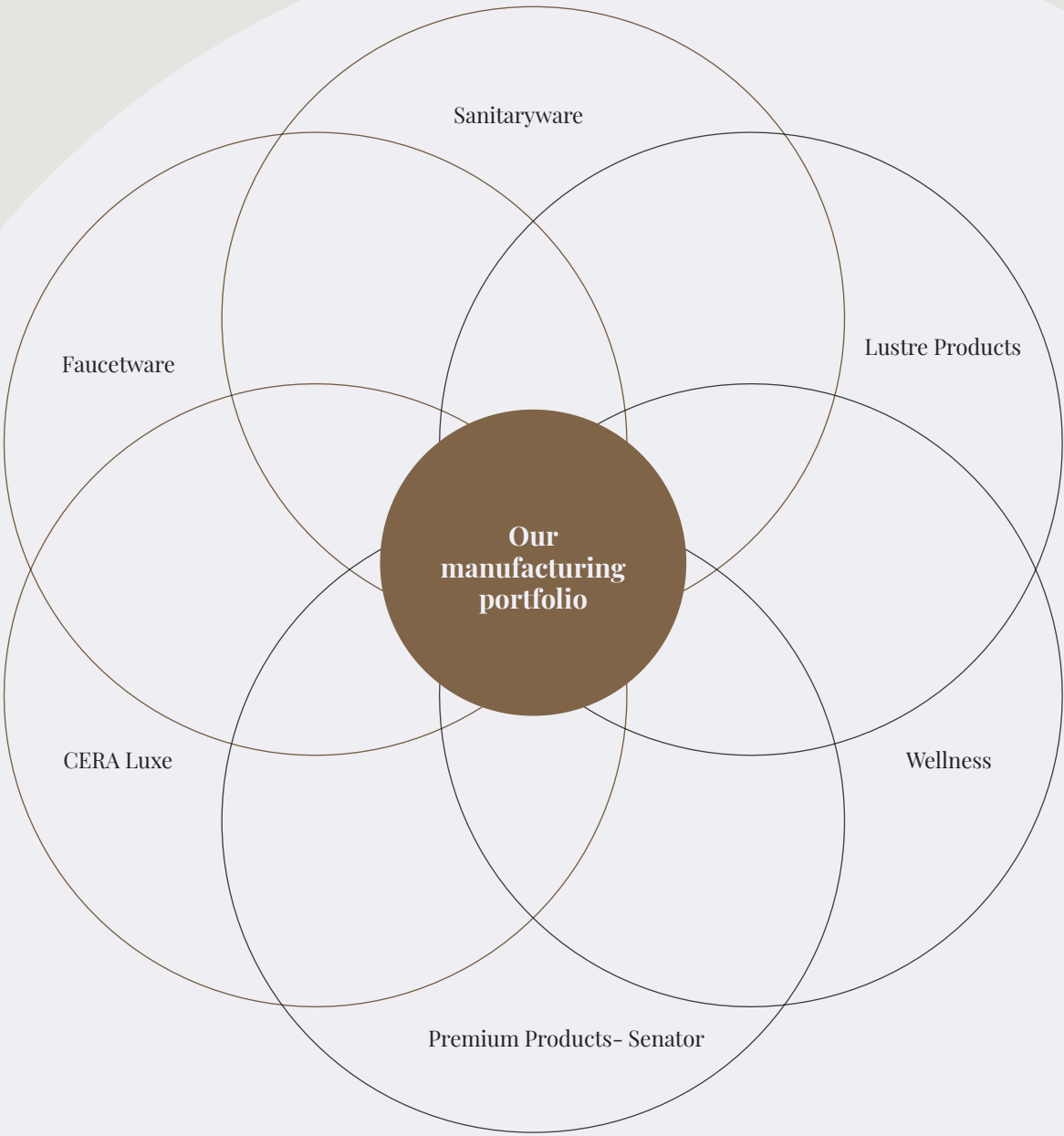
Process optimization: The facility implemented root cause analysis and other corrective actions to minimize defects and sustained 80%+ global yield since for years.

Research-driven: The R&D lab ensures 100% testing of all raw materials, allowing the use of different compositions to develop new glazes and colours.

Anupam Gupta

Executive Director (Technical)

Did you know?
CERA achieved over a world-class 80% monthly yield and sustained this for 25 months.

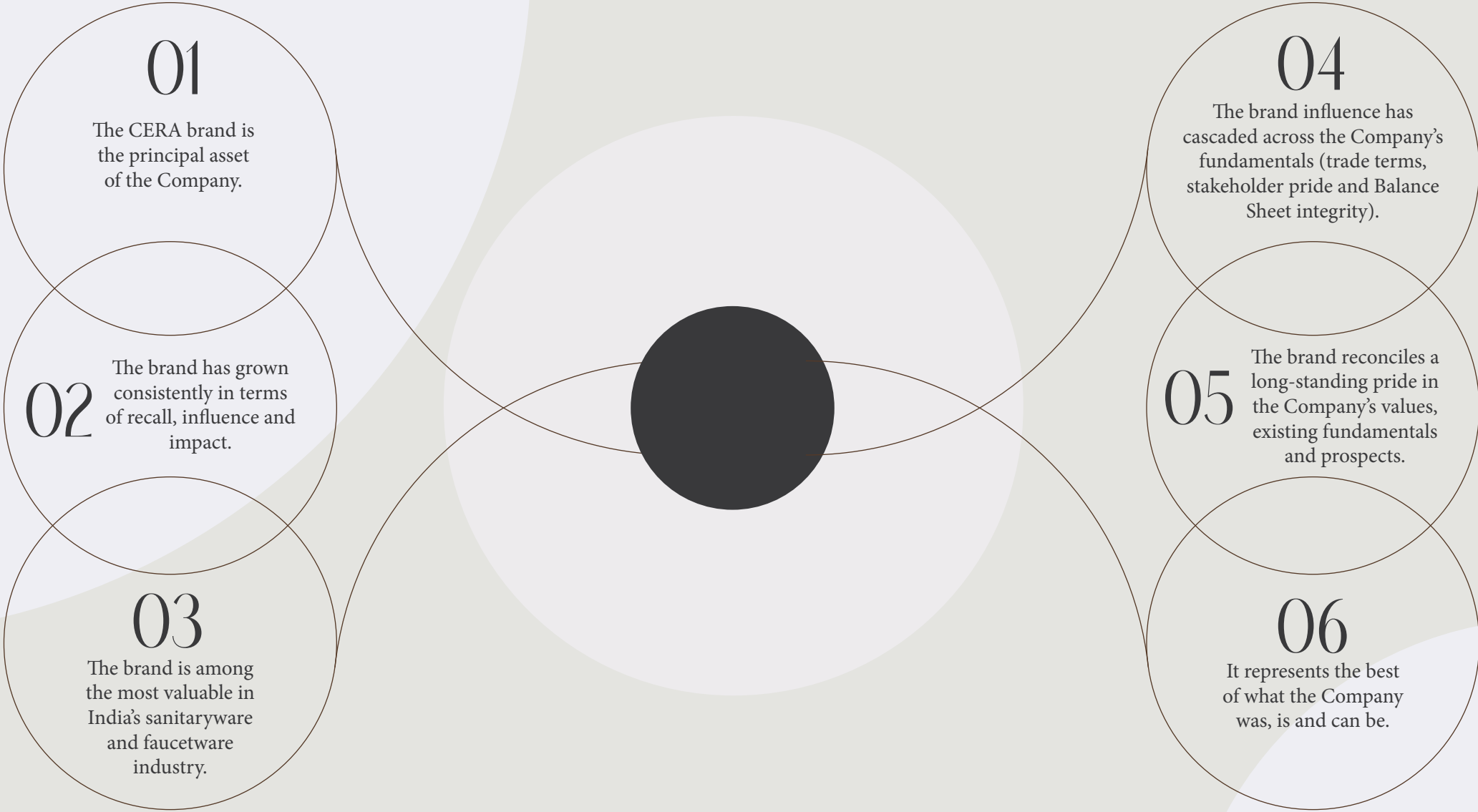




PART THREE

BUILDING BLOCKS OF OUR BUSINESS

THE CERA BRAND



OUR BRANDS REPORT

Parameter	FY22	FY23	FY24	FY25
Brand spending (Rs crore)	32	57	63	54

THE EFFECTIVENESS OF OUR BRAND INVESTMENTS

Growing *topline*

1,202

Turnover
(Rs. in crore), FY20-21

1,915

Turnover
(Rs. in crore), FY24-25



Rising *margins and surplus*

14.0

EBIDTA MARGIN %, FY20-21

17.9

EBIDTA MARGIN %, FY24-25

101

PAT (Rs. in crore.) FY20-21

246

PAT (Rs. in crore) FY24-25



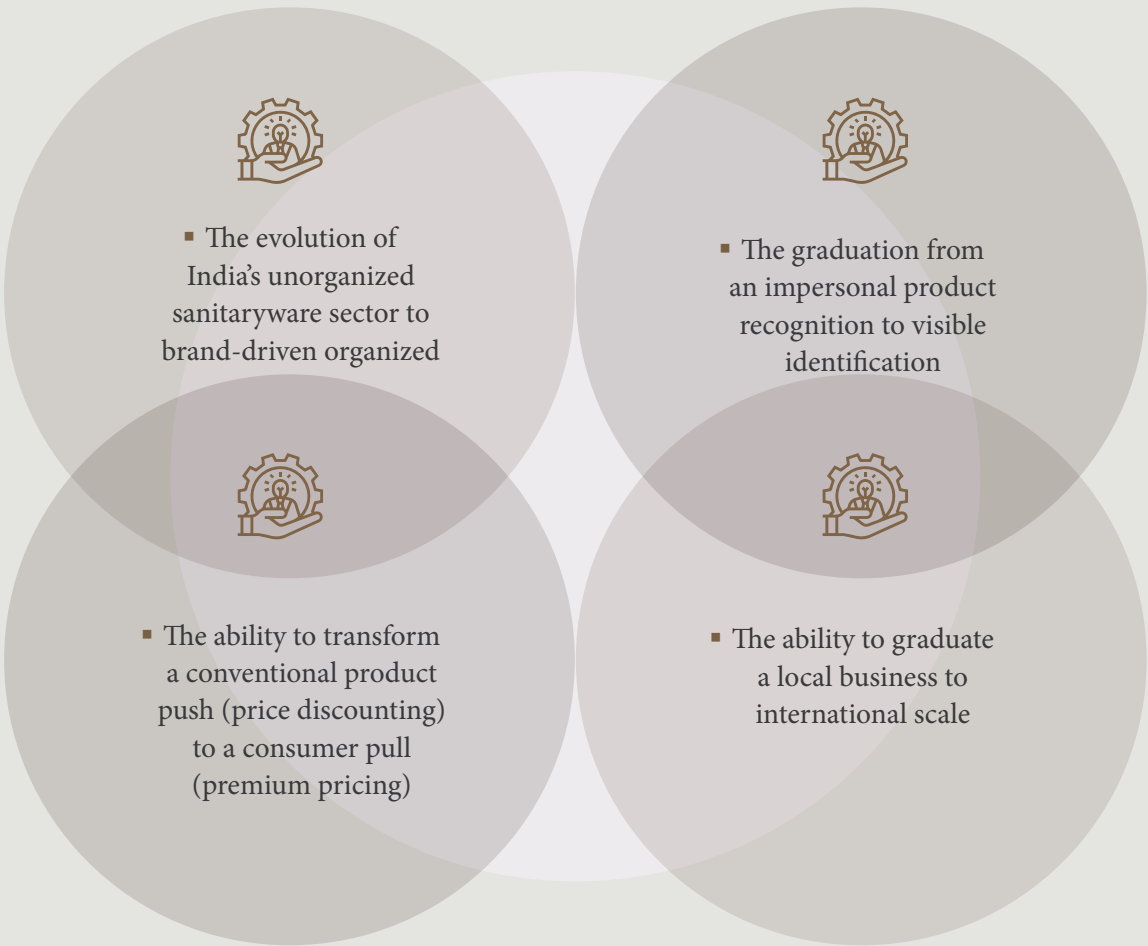
CERA. RESPONSIBLE INDUSTRY CATALYST.

Overview

CERA has played the role of a catalyst in growing and evolving its sector.

The Company influenced the adoption of standards by the rest of the players of this large sector, transforming from just another player into a sectorial influence.

The prominent contributions of CERA to India's bathroom solutions sector





Q: What is the importance of a brand in the bathroom solutions/sanitaryware segment?

A: A brand plays a pivotal role in the bathroom solutions and sanitaryware segment, as modern consumers increasingly perceive bathrooms as lifestyle statements rather than solely functional areas. With greater exposure to global design trends and elevated expectations around quality, customers prefer branded products that offer reliability, aesthetics, and innovation. In this high-involvement category—where purchases are infrequent and long-lasting a trusted brand provides the assurance of durability and performance, reduces perceived product risk, and reflects the homeowner's taste and status. Ultimately, choosing a credible brand becomes a reflection of personal identity and aspiration.

Q : What defines CERA as a brand?

CERA is defined by its strong and well-structured brand architecture, designed to serve a spectrum of consumers. With our Senator brand positioned in the luxury segment, CERA Luxe in the premium category, and CERA in the mass-premium space, the brand caters to diverse lifestyle aspirations. What unites all tiers is a commitment to quality products, reliable service, and distinctive aesthetics. CERA's ability to address the needs of every customer—regardless of budget—while maintaining design excellence and performance is what sets it apart.

Q : What initiatives did CERA take as a part of its rebranding?

CERA undertook a comprehensive 360-degree transformation to reposition itself as a lifestyle-driven, design-forward brand. The key initiatives included:

Portfolio revamp and design-led innovation: We redefined our product strategy by placing design and innovation at the core. This included introducing high-end lifestyle products that appeal to aspirational consumers seeking style, functionality, and personal expression.

New brand campaign: Our campaign “This is your space, play it your way” fronted by Bollywood Diva Kiara Advani, our new campaign encouraged consumers to personalize their bathroom spaces. The message resonated

with younger audiences, helping position CERA as a trendsetter in the segment.

Enhanced retail experience: We elevated the showroom experience through immersive displays and curated environments, allowing customers to visualize modern bathroom spaces. This initiative aimed to inspire and build confidence in their purchase journey while reinforcing our premium brand image.

Multi-channel marketing and consumer engagement: We implemented a multi-channel marketing strategy to boost brand visibility and consumer engagement. Key initiatives included TV and OTT ads, digital and performance marketing with e-commerce and hyperlocal campaigns, influencer tie-ups with designers, presence in architectural magazines, and airport branding. These efforts refreshed CERA's brand identity and repositioned it as a modern, aspirational, and consumer-focused brand in the competitive bathroom solutions market.

Q : What were CERA's major achievements in FY24-25?

FY24-25 tested our agility and resilience, as subdued consumer sentiment posed challenges across the industry. Despite this, CERA delivered a transformative performance through strategic adaptability, innovative marketing, and a renewed focus on consumer engagement. Our key achievements included:

Agile marketing in a challenging environment: In response to market headwinds, we adopted cost-effective and efficient marketing strategies that delivered measurable impact. For the Hindi-speaking markets, we partnered with Bigg Boss on OTT, a culturally resonant entertainment property with strong appeal among niche and digitally active viewers. This strengthened our brand presence among younger and urban demographics. In Tamil Nadu, we associated with Bigg Boss on Star Vijay, ensuring a deep regional penetration and

relevance within one of the most engaged television markets. We launched news-focused campaigns during the Lok Sabha and Delhi elections, capitalizing on high viewership during peak current affairs events. This ensured top-of-mind recall and broad-based exposure among opinion-driven and high-intent consumers. We pivoted towards digital-first initiatives, focusing on performance-driven campaigns, content-led storytelling and hyperlocal outreach.

We undertook ground-level activations including branding at the Maha Kumbh Mela to directly connect with consumers, drive awareness, and build emotional equity.

Industry engagement and fraternity outreach: We partnered with Institute of Indian Interior Designers Natcon, a prestigious platform that brings together top architects and interior designers, reinforcing CERA's position as a design-led brand. We were present at key CREDAI and IIA events, creating a direct engagement with developers, architects, and industry influencers.

Retail expansion and elevated consumer experience: Our footprint extended beyond traditional metros into emerging urban hubs, supporting our growth strategy. We launched new showrooms in Mohali, Lucknow, Pune, and Jaipur, while our flagship Ahmedabad showroom was renovated to reflect our new brand ethos. We expanded our network of company-owned studios, delivering a premium, lifestyle-oriented experience. Upgrades to partner showrooms reinforced our trade relationships and helped deliver a consistent brand experience.

Digital transformation and e-commerce expansion:

We advanced our goal of becoming a digital-first brand, driving efficiency and engagement. We adopted AI-powered automation, enhanced lead management systems. Our e-commerce capabilities improved reach and personalization. These digital tools enabled smarter marketing spends, better consumer targeting, and seamless customer journeys.

Premiumization and the Senator brand relaunch: We supported our brands relaunch with refined storytelling, exclusive product displays, and experiential retail formats, enhancing brand prestige. This initiative attracted discerning, style-conscious consumers and reinforced CERA's leadership in premium bathroom solutions.

Q: What is next for brand CERA?

We are building a future-ready, consumer-centric brand that delivers value to consumers, builders, architects and interior designers alike, evolving as a trusted partner in creating inspired spaces. Through continuous innovation, deeper market engagement, and strong design-led storytelling, we are committed to driving growth and reinforcing our industry leadership.

“WE HAVE STRENGTHENED THE CERA BRAND IN THE LAST FEW YEARS AND TAKEN IT TO THE NEXT LEVEL”

A conversation with
Mr. Rahul Jain, President
Marketing

AT CERA, 'PREMIUM' IS THE WORD AROUND WHICH OUR PRODUCTS ARE POSITIONED

Overview

At CERA, there is a growing connotation with the word 'Premium'. This word does not mean expensive. It means addressing the upper end of each price segment with a value superior to what one would associate with that segment.

Over the years, the Company has deepened its premium positioning through a superior interplay of styling, quality resources and advanced technology. This premiumness addresses a growing need for expensive bathroom solutions benchmarked with expensive apartments and homes.

This premiumization is being addressed through the creation of focused brands (CERA Luxe and Senator) complemented by differentiated sales and marketing. In doing so, we believe we are engaged in lifting the corporate realizations average, strengthening our profitability and sustainability.



CERA'S PREMIUM PERSONALITY

Overview

CERA has reinvented its brand in the last few years. The word 'reinvent' is becoming relevant for good reasons. The bathroom has undergone possibly the biggest transformation within Indian interiors – from an afterthought to a brand builder. More owners – home and office – now perceive the bathroom to be key to favourable opinion making. A social media-driven world has made bathroom comforts promotable material, enhancing their visibility.

The bathroom is evolving from a utilitarian to sensory experience, translating into a correspondingly high investment in bathroom products. In view of these realities, the consumer response has changed: from seeking to buy the lowest priced product to a greater willingness to buy the premium. At CERA, we provide a portfolio of increasingly premium bathroom products. This conscious approach has strengthened our brand as a forward-looking company that takes consumers and markets ahead.

Big numbers

43.7

% of revenues derived from premium products, FY21-22

43.6

% of revenues derived from premium products, FY22-23

43.0

% of revenues derived from premium products, FY23-24

42.6

% of revenues derived from premium products, FY24-25

AT CERA, WE PROVIDE CUSTOMERS WITH THE CONVENIENCE OF AN INTEGRATED SOLUTION

Overview

At CERA, we provide customers with a peace of mind. This peace of mind is drawn from the power of an integrated solution. CERA acts a one-stop solution for the customers' bathroom needs. This comprises products manufactured or outsourced by the Company but possessing the CERA trust mark.

Sanitaryware: Variety of sanitaryware products (toilets, basins, urinals, and bidets)

Tiles: Ceramic, porcelain, and vitrified tiles (flooring and wall)

Faucets: Various designs and finishes (chrome, gold, and stainless steel).

Kitchen sinks: Offered in different materials (stainless steel, granite, and ceramic)

Mirrors: Various designs, shapes, and sizes

Shower panels: Various designs and materials

Shower enclosures: Various designs, shapes, and sizes.

Wellness: Whirlpools, steam showers, and sauna systems.

Bathroom furniture: Vanity units, cabinets, and mirrors.

Bath accessories: Towel rails, soap dispensers, and toilet paper holders.

AT CERA, WE FUTURE-PROOF CUSTOMERS WITH STYLED DESIGNS AND ADVANCED FEATURES

Overview
 At CERA, we take customers ahead. We provide products with contemporary styling and enhanced quality. This makes it possible for customers to create bathrooms that represent tomorrow's standards.

These futuristic standards have helped transform the bathroom into an interiors showpiece. Besides, it has transformed the conventional recall of a bathroom from the functional to the experiential.

Sanitaryware
 2021



Basic, traditional designs with limited variety and minimal variations

2022



Launched Lustre

2024



Launched Senator and CERA Luxe

Faucetware
 2010



Entry-level products



Wall mixers and related products

Faucetware
 2010



Introduced designer series



Single lever basin mixer

Faucetware
 2022



French Gold



Rose Gold



Graphite Grey

Faucetware
 2025



Thermostatic products

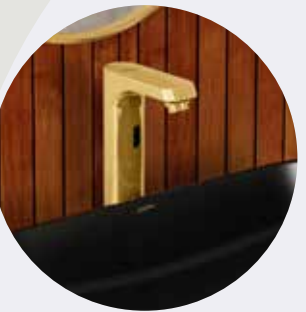


Lustre products

Faucetware
 2025



Single lever basin mixers



Sensor faucets

CERA'S BRAND STRENGTHS



Senator



Expression collection: The showstopper of the Senator segment, featuring the Expression Faucet, designed for a bold and modern aesthetic.



Clarity: The slimmest bathroom suite, offering sleek and contemporary design.



Designer art basins: Elegant and artistic basins, perfect for powder rooms, adding a touch of luxury to compact spaces.



Oxy Spa Whirlpool: India's first combi spa featuring microbubble technology that generates oxygen while bathing, enhancing relaxation and skin rejuvenation.

CERA Luxe



Vibe Sense: Magic flush with Vibe Sense technology for a touch-free flush experience.



Adulace Luxury Bath Spa: Experience relaxing jets, mood-lifting chromotherapy, and a Smart Touch Control Panel that puts every setting at your fingertips - your dream spa experience is now right at home.

CERA



PVD coloured faucets and showers: Introducing premium finishes in French gold, rose gold, and black, catering to modern design trends.



PVD coloured sanitaryware: Elegant new finishes in grey, coffee, and beige, available in tabletop basins and wall hung closets for a refined and sophisticated look.

NEW PRODUCT LAUNCHES, FY25



PART FOUR

THE CONTEXT
OF OUR SECTOR
AND HOW WE
ARE GROWING
OUR BUSINESS

PREMIUMIZATION IS DRIVING THE BATHROOM SOLUTIONS SECTOR

This trend is being driven by larger luxurious homes and offices



Overview

There is a structural shift transpiring within India’s home buying sector. There is an interplay between increased incomes and aspirations, manifested in the need for larger homes. There are various sub-trends catalyzing this trend for larger homes: there is a growing need for personal space, allocation of rooms to different activities and the inclusion of the

workspace inside contemporary homes. This need for larger space – homes and offices – has influenced the size and scope of bathrooms. There was a time when bathrooms were small and functional; a larger number of bathrooms today are bigger and experiential. There was a time when the features of a bathroom were basic; bathrooms today have graduated towards wellness outcomes. This evolution is expected to be ongoing. Contemporary bathrooms

will be fitted with progressively fancier gadgets directed at automation and sensory experiences evident in a number of international geographies. The direction of the bathroom solutions trend continued to be positive. By 2047, India could require approximately 230 million additional housing units, with a marked shift towards larger and premium properties that could translate into larger and better bathroom solutions. (Source: Economic Times, Print)

INDIAN HOMES ARE GETTING LARGER

This is translating into larger, wider and premium bathroom solutions.

2,471	2,261
sq. ft., average size of luxury homes in the top seven Indian cities in 2023	sq. ft., average size of luxury homes in the top seven Indian cities in 2022
1,226	1,182
sq. ft., average size of middle and premium segment (between Rs 40 lakh to Rs 1.5 crore) homes in the top seven Indian cities in 2023	sq. ft., average size of middle and premium segment (between Rs 40 lakh to Rs 1.5 crore) homes in the top seven Indian cities in 2023

(Source: Economic Times)



FACTORS DRIVING MODERN BATHROOM SOLUTIONS

Personalized living spaces

- Bathrooms are evolving into personalized sanctuaries for relaxation and self-expression.
- Homeowners seek designs that balance luxury, comfort, and functionality.

Smart and efficient technology

- Touchless faucets and smart toilets enhance convenience and hygiene.
- Water-saving fixtures reduce consumption without compromising performance.

Sustainability matters

- Eco-friendly materials and water-efficient designs appeal

to environmentally conscious consumers.

- Sensor faucets and low-flow fixtures help conserve water, addressing scarcity concerns.

Wellness and aesthetic appeal

- Freestanding bathtubs and air water massage bathtubs promote relaxation.
- Elegant fixtures and spa-like showers elevate bathroom ambiance.

Urbanization and space optimization

- Compact vanities and wall-mounted fixtures maximize space in urban homes.

- Larger homes indulge in luxury features like walk-in shower enclosures.

Market growth and future outlook

- Expansion in real estate projects fuels demand for modern sanitaryware.
- Rising awareness of functional & stylish bathroom designs drives consumer choices.
- Brands are focusing on innovation and sustainability to meet evolving needs.

CERA. POWERED BY VALUES AND DRIVEN BY GOVERNANCE.

Overview

In an uncertain world, governance protects.

At CERA, we define governance as a commitment to do the right things, more than doing things right.

We believe that organizations high on their ethical commitment can also be sustainably successful.

As a manifestation of this commitment, we have consistently desired to be the best in our space, convinced that this would translate into leadership and respect.

Our governance principles indicate what we are, where we come from and the value we cherish.

Board of Directors: At CERA, the success of our strategic direction is influenced by our Board of Directors. We place a premium on the composition of the Board, comprising achievers. These individuals have enriched our values, bandwidth, business understanding and strategic direction.

Controlled growth: At CERA, business sustainability is derived from controlled growth, not profit spikes. The Company has consciously allocated accruals into business growth without stretching the Balance Sheet. The Company has remained consistently liquid and profitable by moderating net debt and improving capital efficiency.

Credibility: At CERA, we place credibility at the centre of our corporate personality. When one is asked about the kind of company we are, the first recall should be that of unquestioned trust. This trust binds our eco-system: repeat customers, longstanding employees and stable investors.



Did you know?
The Kadi facility is the largest and second largest single location manufacturing facility for sanitaryware and faucetware respectively in South Asia.

Values: At CERA, our eco-system stability is derived from the coming together of the value systems of our various stakeholders. This was one of the critical filters through which we appraised and absorbed vendors into our system. The success of the absorption was not based as much on managerial professionalism as much on a convergence of mutual value systems.

Discipline: At CERA, we seek to be a company that stakeholders can take for granted on issues of principle and are safely able to predict our response on issues based on integrity. We will continue to do the right things the right way. In a progressive world that champions fairness, equality and fraternity, the first response we generate is with the highest ethical standard. When faced with an accounting treatment that requires interpretation, we would rather take a conservative view.

Long-term: At CERA, we plan for the long-term. We believe that whatever we do today will generate a positive influence across the years. This outcome is inspired by the long-term value we can generate in a sustainable way over short-term arbitrage. The relevance of our business will only deepen, strengthening our sustainability.

Focus: At CERA, we believe that a narrow field of competence is an insurance against market shakeout. We selected to focus on bathroom solutions; within this space we have selected to manufacture core products and outsource fringe products. The result is that our brand is recognized as a company that delights customers with a complete bathroom solution.

Process-driven: At CERA, the promoters have charted a strategic direction: remain engaged in the business but delegate day-to-day

management to professionals. The Company has deepened the role of audits, compliances, processes and systems. This framework represents a scalable foundation that will enable the Company to grow profitably and sustainably (coupled with de-risking).

Stakeholder value: At CERA, we exist for the benefit of all stakeholders: the consumer must experience enhanced competitiveness arising out of our bathroom solutions; the employee must derive pride, remuneration, career advancement and engagement stability; the investor must generate a superior return on employed capital over competing investment opportunities; the community must benefit from our presence; the government must benefit through taxes and livelihood creation; our vendors must benefit through the outsourcing of products and services.

HOW WE TRANSFORMED OUR BUSINESS MODEL OVER THE YEARS

Strategy #1 Premiumization We have graduated from an over-riding focus on price-sensitive sanitaryware & faucetware towards premium.	43.6 % of revenues derived from blended premium sanitaryware and faucetware products, FY22-23	42.6 % of revenues derived from blended premium sanitaryware and faucetware products, FY24-25
Strategy #2 Capacity creation We increased our proprietary manufacturing capacity of faucetware.	3 Lakh pieces per month, FY22-23	4 Lakh pieces per month, FY24-25
Strategy #3 Market coverage We widened our market coverage, graduating from a zonal to pan-Indian organization.	71 % of revenues from the two largest zones of the Company's presence, FY22-23	68 % of revenues from the two largest zones of the Company's presence, FY24-25
Strategy #4 Customer-facing We increased sale points that made it possible for customers to buy conveniently.	14,600+ Number of CERA retail points, 31 st March, 2023	24,400+ Number of CERA retail points, 31 st March, 2025
Strategy #5 Feedback-driven We enhanced the role of opinion makers and word-of-mouth consumer goodwill.	3.2 Promotional spending as a percentage of revenues, FY22-23	2.8 Promotional spending as a percentage of revenues, FY24-25

HOW WE SEEK TO GROW OUR BUSINESS

Strategy #1	Promote the value-added Senator brand	Capitalize on the growing demand for premium bathroom solutions through a premium brand
Strategy #2	Increase the number of retail outlets	Deepen our pan-India presence through retail outlets as well as company-owned experiential outlets that enhance product interest
Strategy #3	Create a focused team	Create a focused team specializing in premium products curation, positioning, marketing and sales – the basis of a reinvented organization
Strategy #4	Invest in fresh products design	Transform the basket of offerings with a complete new, modern and fresh way of looking at things, enhancing the brand's recall around contemporariness
Strategy #5	Enhance manufacturing volumes and product lines	Increase our sanitaryware manufacturing and faucet capacities, which are core to the Company's customer engagement and also represent attractive value-addition
Strategy #6	Extend to the wellness range	Graduate into three adjacent value-added wellness space (addressing the demand for spas, whirlpools and water massage)

3 WAYS IN WHICH ADVANCED TECHNOLOGY ENHANCED CERA'S PRODUCTIVITY

X-ray fluorescence

Before: Raw material testing is a critical process in sanitaryware manufacturing, as the test results play a crucial role in determining the material's suitability for use. Previously, testing was conducted using various titration methods, which could take up to two days.

After: The introduction of X-ray Fluorescence (XRF) technology has significantly reduced testing time from two days to a few hours. This advancement has improved process reliability, decision-making speed and control.

3D printers

Before: New sanitaryware designs were developed using manual modeling techniques, which were time-consuming and required extensive handcrafting. The process of converting a concept into a final product involved multiple iterations, leading to longer development cycles and potential inconsistencies in design symmetry.

After: CERA was the first sanitaryware industry in India to introduce 3D

printers. This has considerably reduced the duration for conversion of concept into launch for new designs. The major advantages of 3D printers include improved product aesthetics, good symmetry in product etc.

CNC router

Before: For new product development, manual modelling was initially performed and further refined using 3D printing technology. Given the current demand for new designs and products, there remains significant scope to further reduce the time required to convert concepts into finished products, while enhancing dimensional and functional accuracy.

After: The CNC router machine has been successfully commissioned in the SW manufacturing facility. It is now being used to cut plaster molds with improved dimensional accuracy and significantly reducing the time required to transform concepts into final products.

CFD software

Before: Flushing performance and product balancing in new

sanitaryware designs were previously assessed through physical prototyping and trial-and-error methods. This approach required multiple prototype castings, increasing material usage, development time and costs while limiting

After: Simulation with CFD (computational fluid dynamics) software utilized in new product development before the actual product is cast for checking flushing and performance, understanding product balancing etc.

Low pressure die casting

Before: For faucetware, molten brass was manually cast using the gravity die casting process, a conventional method widely used across the industry. This manual process had limitations in achieving precise wall thickness and optimizing yield.

After: Low pressure die casting (LPDC) technology was adopted. This advanced method allows the production of critical components with improved yield, enhancing overall efficiency and product quality.

Outlook

The Company intends to graduate its manufacturing facility into a 'smart factory' by introducing Internet of Things 4.0; this will empower machines to communicate with

the central server. In faucetware production, the Company plans to install a physical vapour depositor, empowering it to deliver key finishes (black, rose gold, and gold) and reduce the manufacturing lead time from 60

days to 7 days, enhancing marketplace responsiveness. The Company plans to deepen SAP, integrating finance, supply chain and human resource management for real-time data access and informed decision-making.

#1 SANITARYWARE MANUFACTURING

Snapshot, FY24-25

21

Lakh, total number of pieces produced

396

Rs. crore, revenue

51

%, contribution to total manufacturing revenue

CERA's pioneering products



Water-saving wash closets: CERA developed water-efficient toilets that help conserve water without compromising performance. More than 90% of CERA EWC's are designed to save 35% water in each flush. This is possible due to special design of inner bowl that needs only 3.9 litres flushing water instead of the regular 6 litres.



Dual flush toilets: These toilets offer two flush options (usually 3/6 liters or adjustable to 2/4 liters), allowing users to choose a lower volume flush for liquid waste and a higher volume flush for solid waste, significantly reducing water usage.



Designer wash basins: CERA's aesthetically designed wash basins combine functionality with style and our thin-rimmed products like basins and in wall mounting closet (recently developed) maximize usable bowl space for the customer.



Rimless toilets: These designs enhance hygiene and water efficiency by removing the traditional rim where germs hide, ensuring a more effective flush with less water.



Siphonic one-piece EWC: For powerful flushing, superior cleaning and hygienic solution.

Did you know?
CERA developed and delivered 18 new products in FY24-25.

Case study

How we scaled our production and optimized processes in faucetware

Reality: Three years ago, CERA's faucetware production capacity was around 150,000 units per month, considered inadequate in the face of rising demand.

Challenges: The capacity enhancement needed to be accommodated within the existing plant area without disrupting production.

Activity: The management optimized the shopfloor design following machine relocation and workspace

restructuring. Work shifts were reorganized for efficiency. Analyses identified recurring defect challenges; process and quality improved. Standard operating procedures across the value chain enhanced workflow discipline leading to improvements.

Outcome: Production lead time optimized; output increased to 400,000 units a month within the same factory area.

Challenges and counterinitiatives

#1: Some one-piece models in production for the past few years were struggling to achieve the expected global yield, with yields remaining below the desired level.	<i>The production team implemented various improvement initiatives, successfully enhancing and sustaining the global yield of these products.</i>	Outcome <ul style="list-style-type: none">▪ The sanitaryware unit's overall recovery was 87% during FY24-25▪ The segment produced 21 lakh products, including new products and variants in FY24-25▪ The segment's green loss (percentage of defective or damaged products that occur during the production stages) was 4% and lower than the industry benchmark of 5%.
#2: The sanitaryware industry is labor-intensive; worker absenteeism can disrupt production.	<i>The production and HR teams conduct regular training and counseling sessions to improve attendance, enhance workforce engagement, and ensure smooth operations.</i>	

Case study

How we developed ultra-premium designer basins

Reality: The growing demand for luxury sanitaryware led CERA to explore high-end designer basins that combined aesthetics, functionality, and superior craftsmanship. However, the production of complex designs while maintaining structural integrity posed significant challenges.

Challenge: The manufacturing of ultra-premium basins required advanced moulding techniques, precise craftsmanship, and the use of premium materials.

Achieving a balance between visual appeal and durability was a critical concern.

Activity: CERA invested in extensive R&D, refining material selection and production techniques. The team leveraged advanced casting and glazing technologies to ensure intricate detailing, consistent quality, and superior finishes.

Outcome: The successful launch of designer basins strengthened CERA's luxury portfolio, enhanced customer satisfaction, and reinforced its position as an innovator in the high-end sanitaryware segment.

Case study

How we expanded our colour product line in sanitaryware

Reality: Customer preferences in sanitaryware were evolving, with growing demand for colour variations beyond traditional white. However, introducing new colours in wall-hung WCs and table-top basins required overcoming technical and production challenges.

Challenge: Achieving colour consistency across production batches was complex, and ensuring durability while maintaining aesthetic appeal posed a significant challenge. Additionally, adapting existing production lines to accommodate new colour glazes

required process modifications. high-quality, durable glazes

Activity: CERA collaborated with experts to develop a technique that maintained colour consistency and resistance to stains and scratches. The team optimized glazing techniques and quality control measures to ensure flawless finishes in the new colour variants.

Outcome: The introduction of three new colour options enhanced design choices, provided architects and designers with greater customization flexibility, and differentiated CERA's offerings from competitors. This move reinforced CERA's position as an industry leader in innovative and premium sanitaryware solutions.

Overall recovery (Sanitaryware segment)

87	89	84	76
%, FY24-25	%, FY24	%, FY23	%, FY22

#2 FAUCETWARE MANUFACTURING

Snapshot, FY24-25

42	376	49
Lakh, total number of pieces produced in FY24-25	Rs. crore, revenue	%, contribution to total manufacturing revenue

Pioneering products

Single lever basin mixer

Usage of hot and cold water from a basin mixer with a single handle. Its easy to install and use.

Colour PVD and plated products

CERA faucets are available in different colours as per market requirement made with superior production process of PVD & electroplating.

Thermostatic products

These products automatically mixes hot and cold water flows to deliver a comfortable flow as per adjustment done by user.

Flush valve

Flush valves are easy to install flushing mechanism directly in plumbing line to offer powerful flushing in high usage area.

Multi-functional single lever wall mixer

These mixers often come with provisions for multiple shower types, such as overhead showers or hand-held showers with single handle usage. They are convenient and stylish option for bathrooms for user-friendly experience.

Challenges and counterinitiatives

Manufacturing two-way and three-way thermostatic diverters was outsourced due to production limits. Growing demand made in-house

production essential but designing the casting mould and testing remained a challenge without a supplier for the testing bench and mould.

The plant team successfully designed and developed a state-of-the-art

testing bench for thermostatic products. This initiative was achieved at less than 20% of the expected cost. The successful in-house development of complex products validated the team's capability to deliver on higher technical challenges within timelines.

Achievements, FY24-25

- Launched around 140 products (included new products and variants), with nearly 60% accounting for the high-end segment
- Improved workmen involvement in improvement activities. (>65% of the total participation in kaizen activity is from workmen in FY24-25).
- Faucetware unit has consistently supplied products that align with the highest industry bench mark
- Installed CNC router to enhance production accuracy, reduce material waste, and increase manufacturing efficiency through automated precision cutting.
- Increased the ground water level from 48 meters to 64.7 meters
- Our Faucetware unit has implemented cutting-edge, best -in-class automation, setting a new standard across the industry.
- Maintained the global yield benchmark in the sanitaryware division for 20+ months
- The Company is consistently reducing manufacturing cost through Kaizen activities and focus improvements.
- Our Zamak plating technology in Faucetware has set a new industry bench mark for the durability, aesthetics' and performance.
- Achieved consistent and lowest green loss ever.
- Our Faucetware unit achieved the highest overall recovery, reinforcing its position at the forefront of Indian industry

Case study

How we graduated to the production of matte black faucetware

Reality: During faucetware market analyses, the Company discovered that most black finishes comprised a glossy reflective surface and no varieties that offered a matte look.

Challenge: A jet black effect could be achieved through powder coating, but this process came with chipping and durability concerns.

Activity: The Company deliberated on a different process and collaborated with a vendor to develop it with the following process: after resource grinding and polishing, fine shot-blasting was conducted before PVD coating.

Outcome: This differentiated process transformed a glossy PVD finish into flawless matte jet black. CERA emerged as the only Indian manufacturer to deliver this finish through the PVD route (the Company plans to commission PVD machines in FY25-26).

Case study

How we successfully automated our peeling process

Reality: In faucetware production, the casting's superficial layer must be removed before polishing for a smooth finish. Competitors traditionally used manual grinding, which was labor-intensive and inconsistent, leading to quality variations.

Challenges: Manual grinding required a large workforce, increasing costs and inefficiencies. Human intervention caused inconsistencies, affecting product finish and competitiveness. The process was also time-consuming and lacked precision.

Actions: CERA partnered with suppliers to implement the peeling process—an automated CNC-based system using cutting tools instead of manual grinding. This improved efficiency and consistency by ensuring precise, uniform casting removal before polishing.

Outcomes: Automation reduced labor dependence, improved efficiency, and minimized quality variations. The enhanced precision and finish strengthened CERA's position as a premium faucetware brand.

Production growth milestones (Faucetware segment)

42	38	34	26	14
Lakh, total number of pieces produced in FY24-25	Lakh, total number of pieces produced in FY23-24	Lakh, total number of pieces produced in FY22-23	Lakh, total number of pieces produced in FY21-22	Lakh, total number of pieces produced in FY20-21

CERA's supply chain competence

Access: CERA's vendors are largely located within a 700 km radius of its manufacturing facility, ensuring resource delivery within 24 hours.

Logistics: CERA owns transportation vehicles, enhancing delivery control, reducing freight costs and strengthening dispatch flexibility.

Quality: CERA appraises vendors following an extensive validation of their quality, production and research.

Engagement: CERA guides suppliers through the deployment of quality control teams.

Competent: CERA engages with resource vendors with a direct ownership of mines and vehicles, enhancing their service dependability.

Liquidity: CERA works with vendors possessing strong and liquid Balance Sheets, protecting engagement stability.

Broadbasing: CERA's vendor redundancy comprises two vendors for every resource needed, minimizing supply chain disruption risks.

Tracking: CERA ensures resource traceability across the supply chain through the use of barcodes, enhancing customer trust.

Business driver

CERA'S SALES EFFECTIVENESS



	24,400+ Enrolments in CERA's retailer loyalty programme in FY24-25	52,500+ Enrolments in CERA's plumber loyalty programme in FY24-25
13 After-sales service offices located pan-India	497 Number of technicians available for grievance redressal across every state	48 hours, duration within which grievances are addressed – the lowest in the industry

CERA’s sales drivers

Post-GST demand: Following the implementation of the Goods and Services Tax, there has been a growing shift in product offtake from the unorganized to the organized sector	Growing real estate: India's urbanization has led to a surge in construction. Urban residency is expected to rise from over 35% in 2023 to 40% by 2030, increasing the demand for modern housing and sanitaryware products (Source: Techsciresearch.com)	Affordable housing projects: Government initiatives like the 'Housing for All' seek to provide affordable housing, increasing the demand for sanitaryware.
Government infrastructure projects: Initiatives like Smart Cities Mission, targeting the development of 100 Smart Cities, strengthened the construction sector, leading to the increased demand for sanitaryware products.	Home renovation: Rising disposable incomes led to increased home improvement, comprising modern and stylish sanitaryware. Consumers are shifting from basic products to stylish, durable, and technologically advanced sanitary solutions (touchless faucets and smart toilets).	Post-COVID surge: The pandemic shifted preferences towards larger comfortable homes, increasing the demand for premium bathroom solutions. This trend is particularly evident among high-income earners seeking luxury properties, reflected in a corresponding demand for upscale sanitaryware

CERA’s sales approach

Retail: CERA’s customized strategy targeted weaker markets and geographies with tailored approaches to maximize reach and penetration. This combination of strong market	conditions and strategic execution positioned it for sustained growth	projects to those with a ticket size of over Rs. 1 crore by engaging with prominent realty developers, enhancing brand visibility
	Commercial: CERA graduated from addressing small and mid-range	

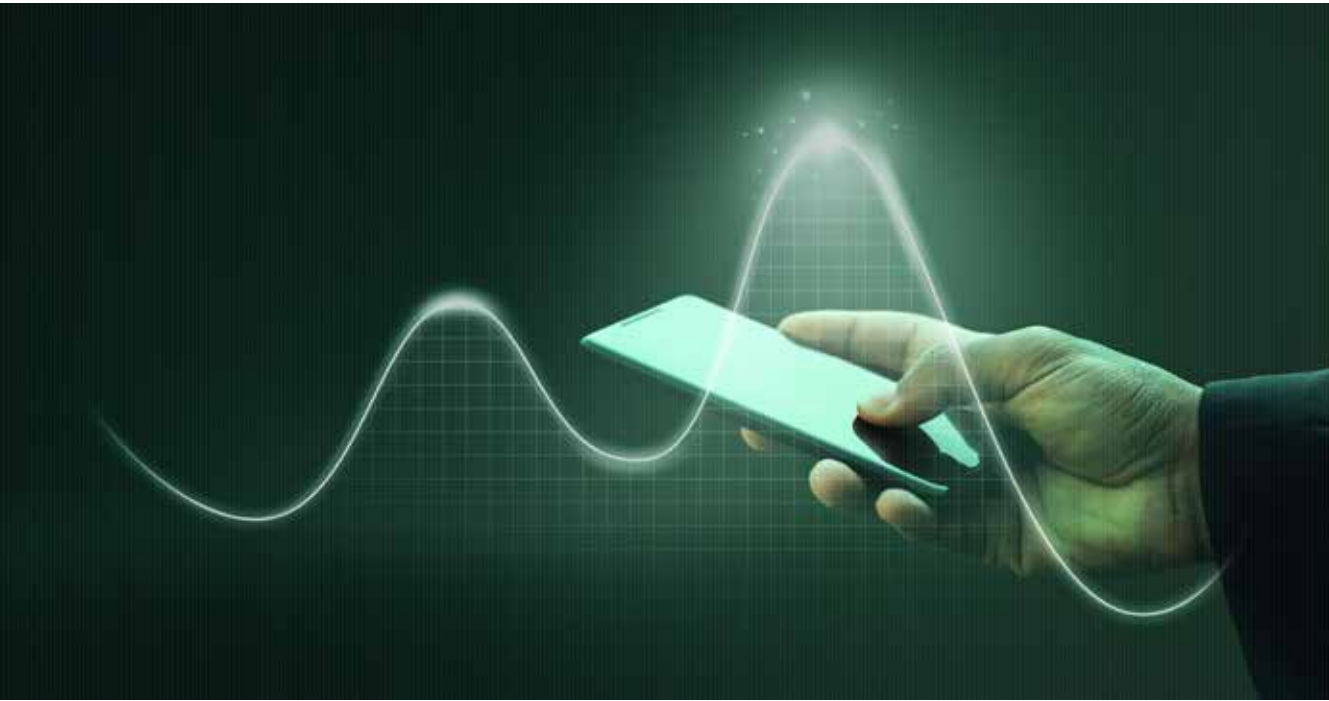
Achievements, FY24-25

<ul style="list-style-type: none">▪ Significant increase in realty project ticket size from Rs. 20 lakh to Rs. 2.5 crore.▪ Growth in projects contribution to total revenue from 30% in FY24 to approximately 35% in FY24-25.	<ul style="list-style-type: none">▪ Project order book value reached Rs. 1,215 crore in FY24-25 compared to Rs. 1,065 crore in FY23-24.▪ Completed the Prayagraj airport project, marking CERA’s entry into this distinctive infrastructure segment.	<ul style="list-style-type: none">▪ Secured the Railway Board bathroom project worth Rs.20 crore▪ Established a retail partnership with leading retail chains and banks to install bathrooms across new outlets.▪ Delivered the Andhra Pradesh school housing project.
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Outlook

CERA is expanding its international presence, entering the Middle Eastern market. This includes establishing display and support centers to strengthen brand visibility and customer engagement. A distributor tie-up in Dubai marks a significant step in this direction. CERA forged	partnerships in Africa, widening its global footprint.
	Sandeep Abraham <i>President Sales</i>

CERA’S TECHNOLOGY EFFECTIVENESS



Overview

In recent years, particularly since the pandemic, the role of information technology has evolved from that of a supporting function to a business efficiency driver. At CERA, IT plays a pivotal role in enhancing	transparency, securing data, and streamlining processes. CERA’s IT initiatives are focused on modernizing infrastructure, upgrading systems, and ensuring seamless digital integration. The Company embraced world-class	ERP solutions like SAP HANA, ensuring data reliability, process standardization, and enhanced security. Secure access controls maintained hierarchical data integrity and fostered collaboration across teams.
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Technology strengths

Online dealer portal: Dealers can log anytime to check their outstanding balances, eliminating the need to call the Company. Automated invoice notifications: When a purchase is made, customers receive an immediate email notification with invoice details, helping them track orders efficiently. WhatsApp customer support and marketing: Customers can book service calls, check call status, and register warranties via WhatsApp,	while marketing efforts benefit from automated lead generation notifications, offering prospects options to purchase, request a catalogue or schedule a callback. This system also helps the marketing team analyze data and take timely action. Email marketing: The marketing team uses a dedicated platform to send newsletters and promotional emails to customers. This streamlined approach enhances customer experience and operational efficiency.	Enhancing network security and connectivity: Network and security enhancements include implementing SD-WAN to improve connectivity between Ahmedabad and Kadi, securing third-party consultant access with limited access controls, and introducing Privileged Access Management for enhanced data security.
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Lead Management System

CERA using SAP c4c for Lead Management System (LMS) is designed to streamline and enhance the entire customer acquisition process—from lead generation to conversion. The system provides a centralized platform for capturing, tracking, and managing potential customer interactions across multiple channels, ensuring no opportunity is missed.

Business intelligence: CERA’s customer care operations are

managed using C4C (Cloud for Customer) on a Java platform, which is an SAP product. To enhance business intelligence, the Company recently implemented the COPA (Cost and Profitability Analysis) model, realigning reports, developing new ones, and automating processes to reduce manual intervention.

Culture: CERA’s employees demonstrate strong adaptability to IT upgrades, actively engaging in structured training programmes

and hands-on sessions to ensure smooth implementation. The Company emphasizes Information Security awareness, training over 250 employees through initiatives like Computer Security Day, featuring quizzes, competitions, and awareness campaigns to highlight the importance of data security in both professional and personal settings

Recent IT implementation

SAP COPA module: Implemented for cost and profitability analysis, along with new reports and automation to reduce manual intervention.

Software-defined wide area network: Improved connectivity between Ahmedabad and Kadi.

Privileged access management: Enhanced security by limiting third-party consultant access.

WhatsApp integration: Enabled for customer care and marketing for improved engagement and response times.

Transport Management System (TMS): CERA’s Transport

Management System (TMS) is a critical component of its supply chain and logistics operations, designed to optimize the planning, execution, and tracking of goods movement. Integrated with the SAP ecosystem and other enterprise applications, the TMS ensures efficient transportation workflows, reduced operational costs, and enhanced customer satisfaction.

Outlook

CERA plans to focus on employee training in new technologies, including artificial intelligence, machine learning, and cybersecurity.

The Company aims to automate IT processes such as software patches, switch backups, and configuration management. Cybersecurity

enhancements will be implemented to strengthen data protection and access control.

HUMAN RESOURCE EXCELLENCE AT CERA

Overview

CERA is committed to attracting, nurturing, and retaining top talent. Our people practices are designed to drive growth, encourage innovation, and cultivate a culture that positions CERA as one of the most aspirational workplaces. We remain focused on continuous investment in skill development, structured training, and career advancement—ensuring our workforce evolves in step with industry dynamics and the Company’s long-term vision.



HR measures

At CERA, we believe our people are the foundation of our success. Our HR strategy is centred on creating a positive, inclusive, and growth-oriented workplace that empowers employees to excel, innovate, and contribute meaningfully to the organization's journey. We continue to invest in structured and holistic initiatives that support employee development and engagement:

Seamless onboarding: Every new joiner is paired with a ‘Buddy’ to ensure smooth cultural integration and comfort in the CERA work environment.

Talent identification: High-potential employees are identified and offered personalized development plans to accelerate their career growth and long-term contribution.

Team building through sports: Our Annual Sports Event fosters interdepartmental collaboration, camaraderie, and team spirit.

Shopfloor innovation: Cross-functional teams on the shopfloor are

empowered to lead projects focused on cost optimization and product efficiency, encouraging ownership and innovation.

Operational alignment & IR help desk: HR personnel are stationed across shopfloor functions to bridge operations with corporate strategy. The ‘Vishwas Setu’ IR helpdesk was introduced to enhance grievance redressal and build trust.

Employee engagement: Worker relations are strengthened through family visits, festival celebrations, and tailored engagement initiatives that nurture a sense of community.

Technology upskilling: Ongoing training programs equip employees with the latest technological advancements relevant to the industry.

Cultural reinforcement: Programs like ‘My Company, My Family’ and ‘Shopfloor Discipline’ reinforce shared values and workplace discipline.

Interactive learning: Skill-building workshops on communication, conflict resolution, and collaborative problem-solving enhance interpersonal effectiveness across teams.

Structured recognition: A formal appreciation and rewards framework acknowledges outstanding contributions and reinforces a high-performance culture.

Leadership development: Targeted leadership programs help managers build coaching capabilities and strengthen their people management skills.

Celebrating togetherness: Monthly birthday celebrations at plant and corporate locations foster inclusivity and a culture of appreciation.

Market awareness sessions: Employees participate in structured sessions on market dynamics to deepen business understanding and enhance strategic awareness.

Number of employees

FY20	FY21	FY22	FY23	FY24	FY25
1,161	1,123	1,059	1,197	1,231	1,240

Mix of employees as per gender

	FY20	FY21	FY22	FY23	FY24	FY25
Male	1,077	1,042	992	1,127	1,148	1,158
Female	84	81	67	70	83	82

Number of employees as per age

AGE	FY20	FY21	FY22	FY23	FY24	FY25
22-35	617	536	301	515	518	497
36-45	349	373	472	454	483	520
46-60	195	214	286	228	230	223

Number of employees as per their academic qualification

	FY20	FY21	FY22	FY23	FY24	FY25
Graduate	318	304	307	366	392	400
Masters	179	169	153	157	159	167
Engineers	174	177	162	170	188	198
MBA	234	220	190	213	214	222
Chartered Accountant	7	7	9	11	10	9

Person-hours spent towards training

FY22	FY23	FY24	FY25
2.61	2.13	3.03	2.68

Mix of employees as per gender

	FY20	FY20	FY21	FY21	FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
More than 5 years (as % of total)	434	33	475	35	798	60	502	36	501	39	499	39
Less than 5 years (as % of total)	643	51	564	46	194	7	625	34	647	44	659	42

Case study#1

Transforming our workplace culture

Reality: In 2020, the Company faced a significant disruption in operations due to an 84-day strike instigated by an external union. The strike led to widespread worker dissatisfaction and a breakdown in communication between management and employees. In its aftermath, the organization encountered a fractured work environment, marked by disengaged employees, resistance to change, negative attitudes, and a lack of trust. Productivity dropped, quality suffered, and there was a visible erosion of organizational harmony.

Challenges: The organization faced several challenges that undermined its effectiveness. A loss of trust between management and employees led to low morale, hindering collaboration and productivity. Resistance to change and limited engagement further slowed progress, with many employees showing low ownership and disinterest. These issues were compounded by a lack of awareness about the Company's goals and

market challenges, creating a disconnect between individual roles and the broader mission.

Activity: A structured two-pronged approach was implemented: training programme for workers, emphasizing discipline, professionalism, and teamwork; HR initiatives were introduced to strengthen shop floor engagement. A transparent dialogue with workmen and a timely resolution of workmen suggestions on weekly basis with union meetings followed.

Outcome: Worker productivity rose sharply, with material yield increasing from 55% to 86%, driven by efforts to rebuild trust and morale. Restored trust boosted employee participation and improved communication between workers and management. The organization became more transparent, collaborative, and resilient, laying the foundation for long-term growth.

Case study#3

Fostering teamwork, sportsmanship, and employee health through annual sports event

Reality: Recognizing the benefits of physical activity and team engagement, the Company launched the annual sports event to boost employee morale and strengthen connections across departments. The event aimed to create a positive and engaging work environment, promote teamwork, encourage sportsmanship, and improve employee well-being and health.

Challenges: The Company faced a need to enhance employee interaction beyond routine work tasks, address low engagement in company-wide initiatives, and improve overall workplace atmosphere and health. There was also a challenge in creating a consistent, inclusive platform that could appeal to diverse employee interests and fitness levels.

Activity: Annual Sports Event was implemented as a recurring event from January 2nd to 20th each year, featuring a variety of team sports (indoor and outdoor games), and fun activities like musical chairs. Open to all employees from multiple departments, the event encouraged broad participation and fostered interdepartmental interaction.

Outcome: The initiative saw over 2,000 employees participate, reflecting strong engagement. It enhanced teamwork and communication, promoted sportsmanship, and boosted morale. Employees bonded in a less formal setting, strengthening relationships across departments. It improved physical activity, reduced stress, and increased overall well-being. The sports event also provided a platform to promote other company initiatives, increasing participation in those programs. Overall, the event cultivated a healthier, more collaborative, and motivated workforce, supporting long-term company success.

Case study#2

Building trust and enhancing productivity through a dedicated IR help desk

Reality: Employees faced frequent delays and disruptions due to routine administrative issues, which required multiple visits to the time office and caused frustration and distrust. This diverted their focus from core work, reducing productivity and morale.

Challenges: Communication gaps and slow grievance resolution led to shop floor disruptions and low employee trust. The administrative burden on workers impacted their efficiency and engagement.

Activity: To address this, Vishwas Setu was launched as a dedicated IR help desk with single points of contact across the factory to provide timely support on issues like leave, loans, attendance, ID cards, and wage queries. This initiative aimed to streamline processes, reduce time office visits, and improve communication between employees and management.

Outcome: Vishwas Setu improved trust, morale, and productivity by resolving issues quickly and reducing disruptions. Employees found it easier to reach out to the IR team, fostering a more transparent and collaborative work environment. The initiative helped create a sustainable culture of trust and efficiency.

Case study#4

Fostering family trust and engagement at CERA through monthly plant visits

Reality: In today's competitive manufacturing sector, employee retention and motivation are vital for long-term success. CERA recognized that family support significantly impacts employee well-being and job satisfaction. To strengthen this bond, the Company introduced monthly plant visits for employees' families to deepen their understanding of the workplace.

Challenges: Employees often feel isolated from their work environment, and families lack insight into the employee's role and company culture. This disconnect can limit family support and affect employee morale and loyalty.

Activity: CERA launched a programme inviting 20 employee families each month for guided plant tours.

The visits include detailed explanations of production processes, safety protocols, and company values, along with interactive sessions on products, achievements, and future plans. The program encourages open dialogue, questions, and social interaction in a relaxed setting, ensuring a safe and comfortable experience.

Outcome: The initiative increased employee engagement by making families feel valued and included. Family members gained a better insight into work life, fostering stronger support and boosting employee motivation. It improved retention and enhanced CERA's reputation as a family-friendly employer. Moreover, families became brand advocates, strengthening communication and trust between the Company and employees' households.

CERA’S ESG COMMITMENT

Overview

At CERA, we have embedded ESG principles into operations, recognizing its role in sustainable growth. We emphasize environmental responsibility, social impact and governance practices. Our commitment focuses on reducing our environmental footprint, enhancing stakeholder well-being and ensuring integrity.

The environmental aspect of our approach ensures our products are sourced from sustainable materials, with resource consumption kept to a responsible level. We prioritize water recycling, effective waste management, moderate use of fossil fuels, and building resilience to climate change.

The social aspect revolves around investing in our employees, suppliers, customers, and the communities we serve. These relationships help protect the Company from unforeseen supply chain disruptions, demand shifts, and production challenges.

The governance component covers our business strategy, core values, codes of conduct, board structure, and roles. It reflects our commitment to the principles outlined in the United Nations Global Compact (UNGC).



Environment commitment

Regular maintenance and monitoring: Performing regular maintenance of equipment and monitoring emissions to ensure a compliance with environmental standards and identify improvement areas; conducting energy audits to recognize and implement energy-saving opportunities.

Waste management: Implementing waste management focused on minimizing waste through reduction, reuse and recycling; ensuring responsible disposal of hazardous materials and promoting structured recycling; solid waste generated was 30% of the Gujarat Pollution Control Board allowable limit.

Afforestation: Adopted the Miyawaki afforestation method; created an oxygen park, just 1.5 kilometers from our Kadi facility, planting over 12,000 saplings.

Energy efficiency: Transitioned to energy-efficient technologies like LED lighting, high-efficiency motors, and variable frequency drives to moderate energy consumption; conducted energy audits to implement energy-saving measures.

Water conservation: Adopted water-efficient solutions, including sensor-based taps and advanced water recycling systems like zero liquid discharge, to conserve water and optimize its usage; per unit

freshwater use declined to among the lowest in the industry.

Pollution prevention: Installed air filtration systems and dust collectors while monitoring emissions from manufacturing processes and flue gas stacks to mitigate pollution.

Regulatory compliance: Ensured an adherence with environmental laws by acquiring necessary permits for wastewater discharge and chemical storage while meeting the standards set by environmental authorities.

Employee training: Provided training on environmental best practices and sustainability initiatives, fostering employee awareness

Fresh water consumption (KL/MT)

UNIT (KL/MT)	FY22	FY23	FY24	FY25
Sanitaryware	6.4	4.9	4.4	4.8
Faucetware	7.7	3.5	4.7	2.0

This demonstrates strong water stewardship, reflecting the Company’s commitment to conserving natural resources and improving operational efficiency.

Water recycled in quantum terms (KL)

UNIT	FY22	FY23	FY24	FY25
Sanitaryware	1,92,121	1,82,954	1,37,651	1,71,742
Faucetware	5,307	11,313	11,473	13,845

This reflects enhanced circular water use practices, reducing freshwater dependency and contributing to sustainable manufacturing.

COD (kg per MT)

YEAR	FY22	FY23	FY24	FY25
Sanitaryware	BDL	97 mg/l	82.8 mg/l	20.6 mg/l
Faucetware	23 mg/l	97 mg/l	86 mg/l	20.6 mg/l

This highlights effective wastewater treatment, contributing to lower pollution levels and better environmental compliance.

SO2 emission (units)

YEAR	FY22	FY23	FY24	FY25
Sanitaryware	14.0 µg/m3	16.0 µg/m3	7.9 µg/m3	9.7 µg/m3
Faucetware	16.0 µg/M3	17.0 µg/M3	7.6 µg/M3	9.5 µg/M3

This indicates cleaner manufacturing processes and investment in pollution control, aligning with global environmental standards.

NOx emission (units)

YEAR	FY22	FY23	FY24	FY25
Sanitaryware	11.0 µg/m3	13.0 µg/m3	18.8 µg/m3	12.3 µg/m3
Faucetware	13.0 µg/M3	15.0 µg/M3	15.9 µg/M3	12.0 µg/M3

This reflects adoption of cleaner production methods and proactive investment in emission control technologies, demonstrating alignment with international environmental benchmarks.

Trees (Cumulative)

YEAR	FY22	FY23	FY24	FY25
Sanitaryware & Faucetware	10,000 +	10,700 +	11,500+	12,000+

This reflects the Company’s commitment to afforestation and biodiversity enhancement. Increasing tree coverage also contributes to carbon sequestration, helping offset emissions.

Power consumption (kwh) per unit of end product produced

YEAR	FY22	FY23	FY24	FY25
Sanitaryware	592 KWH/MT	488 KWH/MT	510 KWH/MT	547 KWH/MT
Faucetware	1.96 KWH/FG	1.78 KWH/FG	1.67 KWH/FG	1.69 KWH/FG

This demonstrates energy efficiency improvements through technology upgrades or process optimization. This not only reduces carbon footprint but also lowers energy costs—boosting operational sustainability and profitability.

Gas consumption (kwh) per unit of end product produced

YEAR	FY22	FY23	FY24	FY25
Sanitaryware (SCM/MT)	361	302	289	318
Faucetware (SCM/MT)	69	89	121	154

Sanitaryware shows an overall decline, indicating improved fuel efficiency. While faucetware has seen a rise, owing to an expanded product mix or higher-quality finishes that demand more energy input. However, these increases are likely offset by notable improvements in power efficiency and reduced water usage, reflecting the Company’s broader commitment to sustainable manufacturing.

Social commitment

At CERA, the strength of our business continuity is supported by a dedicated group of stakeholders.



Employees: CERA cultivates a culture of excellence with a focus on setting high standards for quality (both product and process) and considerable resource efficiency. The Company has made investments in attracting, retaining and training talent. The Company strength in this segment was reflected in CERA Brands. This helped the Company retain knowledge leading to informed decisions and outperformance.



Customers and suppliers: CERA fostered supplier relationships who provided critical equipment and components; it engaged deeper with customers, ensuring growing offtake.



Community: CERA partnered communities around its manufacturing facility, working to improve their well-being through contributions in the areas of education, healthcare, and community development (in alignment with the United Nations’ Sustainable Development Goals).

Initiatives

- Monitored key emission areas.
- Established confined space work standards.
- Organized regular training and mock drills to raise safety awareness
- Upgraded emergency response infrastructure.
- Conducted regular medical checks for employees.
- Improved the firefighting infrastructure; bolstered safety with advanced engineering solutions.
- Performed fitness tests on pressure equipment, cranes, generators, earth pits, and other critical assets.
- Provided safety-related literature (work permits and incident reports) in the vernacular for a better understanding.

Governance commitment

At CERA, strong governance fosters organizational stability, attracting like-minded stakeholders. The following principles define our commitment to governance.

Stakeholder focus: At CERA, we are dedicated to creating lasting value for all our stakeholders. We enhance customer competitiveness through superior product quality while providing employees with fair compensation, career growth opportunities, and a sense of pride in their work. Our investors expect strong, consistent returns, and we strive to exceed those expectations. The community benefits from our presence through CSR initiatives, tax contributions, exports, and job creation. Our vendors enjoy stable, long-term partnerships built on trust and mutual growth.

Brand focus: CERA is committed to brand-driven growth, the basis of its competitive difference. The Company’s mother CERA brand is supported by a family of brands addressing specific price points. These brands generate recall for ethical trust, product quality and after-sales service.

Process-driven approach: CERA strengthened its investment in systems and processes, establishing a robust framework of checks and balances to mitigate risks. The Company’s audit-focused and compliance-driven approach ensures the transparency and credibility of its financial reporting.

Board of Directors: CERA is stewarded by an experienced Board of Directors, whose multi-sector expertise shapes its strategic

direction. The Board includes 4 independent directors, bringing independent perspectives that complement the leadership team’s knowledge and vision.

Integrity: At CERA, integrity represents the foundation of the business. The Company is committed to unbiased talent evaluation, gender equality, and a zero-tolerance policy for harassment and ethical violations. It champions a respect for personal dignity and environment sustainability.

Balanced approach: At CERA, for accounting decisions requiring interpretation, the Company takes a conservative stance to ensure financial accuracy and transparency. In market-facing situations, the Company remains agile and prepared to seize new opportunities.



HOW WE ENRICH COMMUNITIES

Overview

At CERA, we recognize the importance of engaging with communities integral to our ecosystem. Our CSR commitment extends beyond mandatory contributions, focusing on addressing real challenges faced by communities near our operations

to create a lasting impact. We aim to drive holistic development, fostering sustainable change across multiple areas.

Our CSR philosophy is guided by a dedicated committee of senior leaders and professionals, operating under a

well-defined CSR policy. This team ensures that our social responsibility aligns with our values and vision, empowering beneficiaries to lead self-sufficient lives. During the year under review, our CSR contribution amounted to Rs. 469.3 lakh.

CSR focus areas



INITIATIVES, FY24-25

- Distributed protein kits to tuberculosis victims
- Donated X-ray, ESG and other machines at Bhagyodaya Multispeciality hospital, the only multispecialty hospital in Kadi
- Adopted seven schools in various locations and sponsored their transformation project

- Provided midday meals to underprivileged children in the Kolkata Municipal Corporation (KMC) schools through Annamrita Foundation (Iskcon Food Relief foundation), Kolkata
- Provided dialysis machines for patients suffering from end-stage renal disease (ESRD) and chronic kidney diseases (CKD) in Behala

- Balananda Brahmachari Hospital & Research Centre, Kolkata
- Provided GE Vivid T8 Pro Ultra Edition Colour Doppler System (high performance) to Calcutta Centre Mahaveer Seva Sadan in Kolkata.
- Supplied Ventilator Servo-C and Ventilator Servo-U to Institute of Neurosciences, Kolkata

Case study

Transforming unused land into a thriving oxygen park

Reality: Growing concerns about air quality and environmental sustainability underscored the need for more green spaces. A significant initiative was the creation of an oxygen park in a previously unused land parcel in Kadi, 1.5 kilometers from our facility. We adopted the Miyawaki afforestation method, a proven technique for rapid, dense forest growth. This method ensures that the forest grows 10x faster, 30% denser, and becomes self-sustainable within 3 years. This technique creates a mini-forest that mimics natural ecosystems, significantly improving oxygen production and carbon dioxide absorption, aiding in air purification and temperature regulation (5–6°C cooler in the vicinity).

Activity: We collaborated with the local government and secured 7659 square meters of unused land. A large-scale tree plantation drive was conducted comprising the planting of over 12,000 saplings to create a dense forest. We also included additional features such as walking tracks, open-air gym, children's play area, gazebos and fitness equipment

Outcomes: The oxygen park is expected to make a significant environmental and social impact. It will act as a natural carbon sink and air filter, improving air quality in the surrounding area. By creating a safe habitat for birds, insects, and small animals, it will contribute to a boost in local biodiversity. The park will aid in water conservation by enhancing groundwater recharge and reducing surface runoff. Its greenery will enrich the soil by restoring natural microbial activity. Beyond environmental benefits, the park will serve as a recreational space that encourages outdoor activity, promotes mental wellness, and raises environmental awareness within the community. By transforming barren land into a thriving green ecosystem, we are reinforcing our commitment to environmental sustainability.



CORPORATE INFORMATION

Board of Directors

Mr. Vikram Somany

Chairman and Managing Director

Mrs. Deepshikha Khaitan

Vice Chairman and Joint Managing Director

Mr. Anupam Gupta

Executive Director (Technical)

Mr. Surendra Singh Baid

Independent Director

Ms. Akriti Jain

Independent Director

Mr. Ravi Bhamidipaty

Independent Director

Mr. Anandh Sundar

Independent Director

Chief Financial Officer

Mr. Vikas Kothari

Company Secretary

Mr. Hemal Sadiwala

Bankers

State Bank of India

Statutory Auditors

Singhi & Co.,

Chartered Accountants,

Mumbai.

Registered Office

9, GIDC Industrial Estate, Kadi - 382715, Dist. Mehsana, Gujarat, India.

www.cera-india.com; Phone: (02764) 243000, 242329

E-mail : kadi@cera-india.com;

CIN: L26910GJ1998PLC034400

Corporate Office

7th & 8th Floor, B Wing, "PRIVILON", Ambli BRTS Road, ISKCON Cross Roads, Ahmedabad - 380059.

Sanitaryware and Faucetware Plants

9, GIDC Industrial Estate, Kadi - 382715, Dist. Mehsana, Gujarat.

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited

201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380009.

www.mcsregistrars.com Email: mcsstaahmd@gmail.com

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of CERA SANITARYWARE LIMITED will be held at 11.30 a.m. on Thursday, the 17th day of July, 2025 through Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2025 including statement of Profit and Loss and Cashflow Statement for the year ended 31st March, 2025, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividend on Equity Shares for the financial year 2024-25.
3. To appoint a director in place of Mr. Anupam Gupta (DIN:09290890), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of Rs. 1.10 Lakh plus out of pocket expenses and applicable taxes, if any for the financial year ending 31st March, 2026, as recommended by the Audit Committee and approved by the Board of Directors of the Company to be paid to K. G. Goyal &

Co., Cost Accountants for conducting the Audit of the Cost records of the company be and is hereby ratified and confirmed."

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

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

"RESOLVED THAT pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the recommendations of Board of Directors of the Company, M/s. Parikh Dave & Associates, Company Secretaries, (Firm Registration No. P2006GJ009900 and Peer review Certificate No. 6576/2025) be and are hereby appointed as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years from Financial Year 2025-26 upto Financial year 2029-30, at a remuneration as described in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

Regd. Office:
9, GIDC Industrial Estate,
Kadi - 382715
Dist. Mehsana, Gujarat.
CIN : L26910GJ1998PLC034400
Date: 9th May, 2025
Place: Ahmedabad

By Order of the Board of Directors
For Cera Sanitaryware Limited

Hemal Sadiwala
Company Secretary
(ACS:20741)

NOTES

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 dated 5th May, 2020, 9/2024 dated 19th September, 2024 and other circulars issued in this respect ("MCA Circulars") has allowed, inter-alia, conduct of AGMs through Video Conferencing / Other Audio-Visual Means ("VCb/ OAVM") facility on or before 30th September, 2025, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"). Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The detailed procedure for participation in the Meeting through VC / OAVM is as per Note No. 21.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular Notice of the AGM alongwith the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2024-25 is also be available on the Company's website www.cera-india.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com & National Stock Exchange of India Limited at www.nseindia.com and notice of AGM is available on the website of CDSL: www.evotingindia.com. Members who have not registered their email address are requested to get their email address registered with their DP in case the shares are held in electronic mode and with Company's Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, Ahmedabad in case shares are held in Physical Form. This may be treated as an advance opportunity in terms of proviso to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014.
3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@parikhdave.com with a copy marked to helpdesk.evoting@cdslindia.com.
6. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, Email Address, Telephone / Mobile Numbers, Permanent Account Number (PAN), Mandates, Nominations, Power of Attorney, Bank details such as, Name of the Bank and Branch details, Bank Account Number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MCS Share Transfer Agent Limited, Ahmedabad in case the shares are held by them in physical form.
7. The Register of Members and Share transfer book of the Company will remain closed from 2nd July, 2025 to 9th July, 2025 (both days inclusive). Accordingly the Record Date for the purpose of ascertaining the eligibility of the members to receive the dividend is 1st July, 2025.
8. The Board of Directors has recommended Dividend of Rs. 65/- (1300%) per fully paid-up equity share of Rs. 5/- each for the Financial Year 2024-25.
9. Statement pursuant to provisions of Section 102 of the Companies Act, 2013 and SEBI Listing Regulations, in respect of special businesses in the annual general meeting is annexed herewith and forms integral part of the Notice.
10. The Company has transferred the unpaid/unclaimed dividends up to the financial year 2016-17 to the Investor Education and Protection Fund Authority (IEPF Authority) established by the Central Government and uploaded the details of unpaid / unclaimed dividend on the website of the Company at www.cera-india.com.

Members who have not encashed their dividend warrants from the financial year 2017-18 onwards are advised to write to the Company immediately for claiming dividends declared by the Company.

Financial Year	Date of declaration of dividend	Dividend per Share (Rs.)	Dividend payment %	Expected date of transfer of unpaid dividend to IEPF Account
2017-18	30-08-2018	12/-	240%	30-09-2025
2018-19	31-07-2019	13/-	260%	30-08-2026
2019-20*	14-02-2020	13/-	260%	14-03-2027
2020-21	04-08-2021	13/-	260%	03-09-2028
2021-22	30-06-2022	35/-	700%	29-07-2029
2022-23	06-07-2023	50/-	1000%	05-08-2030
2023-24	11-07-2024	60/-	1200%	10-08-2031

* Interim Dividend

11. Tax Deductible at Source (TDS):

Pursuant to the Income tax Act, 1961, dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Income tax Act, 1961 and amendments thereof. The shareholders are requested to update their PAN with the Company / RTA (in case of shares held in physical mode) and with their respective depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to ceragreen@cera-india.com. Shareholders are requested to note that incase their PAN is not registered, tax will be deducted at a higher rate of 20%. (Note: Shareholders are requested to make sure that their PAN are active and duly linked with their Aadhaar Card.)

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. self -attested copy of the Permanent Account Number (PAN Card), if any, allotted by the Indian authorities; self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident; self-declaration in Form 10F. Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit by sending an email to ceragreen@cera-india.com. TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the abovementioned documents are not provided.

In case of shares held jointly, all the above documents are to be signed by all joint shareholders. Any communication in relation to tax rate determination/deduction received post 5th July, 2025 shall not be

considered. The details of TDS Instructions TDS rate for each category of shareholders and necessary format of declarations is also available in Annexures at the website of the Company at www.cera-india.com >> Home >> Investor Relations >> Shareholder and AGM information

12. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and its amendment made from time to time, all the shares on which dividend has not been paid or claimed for seven consecutive years or more, such shareholders' shares are required to be transferred to the Investor Education and Protection Fund. Company would be sending individual communications to all such shareholders whose dividend has not been paid or claimed for any year during the said seven consecutive years requesting them to claim their dividend before the due date of transfer failing which their shares would be transferred to the IEPF. Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the IEPF Authority at www.iepf.gov.in. Such shareholders are requested to update their KYC, claim their shares and unclaimed / unpaid dividend immediately.
13. SEBI Master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/ 70 dated 17th May, 2023 and other circulars issued on time to time, provides simplified norms for processing investor's service request, the shareholders holding shares in Physical mode are mandatorily require to record their PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination with the Company / Registrar & Share Transfer Agent (RTA) of the Company. Shareholders are also requested to

make sure that their PAN is successfully linked with Aadhaar Card. Original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook / statement attested by the bank which is mandatory for registering the new bank details at the earliest to MCS Share Transfer Agent Ltd.

Shareholders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN, Contact Details, Mobile Number and Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only upon furnishing of above-mentioned details. The payment shall be made through electronic mode only with effect from April 01, 2024.

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

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

14. The Securities and Exchange Board of India ("SEBI"), vide Circulars dated 31st July, 2023, 4th August, 2023 and 20th December, 2023 respectively, has introduced a Common Online Dispute Resolution ("ODR") mechanism to facilitate online resolution of all kinds of grievances/disputes/complaints arising in the Indian Securities Market. The said ODR Portal (<http://smartodr.in/login>) permits the shareholder(s) an additional mechanism to resolve the grievances/complaints/ disputes. Details of the same are also made available on the website of the Company.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 7th July, 2025 through email on ceragreen@cera-india.com. The same will be replied by the Company suitably. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members at the Registered Office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.

16. Only those Shareholders whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 10th July, 2025 shall be entitled to avail the facility of remote e-voting or voting at the Annual General Meeting.
17. During the AGM, the scanned copy of Minutes of the General Meetings, Register of Directors & Key Managerial Personnel and their Shareholding, Register of Charges, Index of Members, the Register of Contract maintained by the Company under the Companies Act, 2013, will be available for inspection by the members on the website of the Company.

18. **Payment of Dividend:**

Shareholders holding shares in Electronic Form:

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

Shareholders holding shares in Physical Form:

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

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

In order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means, are requested to

follow the below instructions and send the following documents in original to the RTA, latest by 25th June, 2025.

- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.cera-india.com/investor-relations/for-physical-shareholders> and on the website of the RTA at: <https://www.mcsregistrars.com/downloads.php>
- b) Cancelled cheque in original, bearing the name of the shareholder or first holder, in case shares are held jointly.
- c) Self-attested photocopy of the PAN Card of all the holders; and

- d) Self-attested photocopy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company

19. Mr. Umesh Parikh, failing him Mr. Uday Dave, Partner of Parikh Dave & Associates, Practicing Company Secretaries, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner. The voting results will be declared on receipt of scrutinizer's report. The voting results along with the Scrutinizer's Report will be placed on the website of the Company at www.cera-india.com and on the website of CDSL, within two working days of the conclusion of the AGM of the Company and will also be submitted to BSE and NSE where the shares of the Company are listed.

20. Brief resume of Director, who is proposed to be re-appointed at this meeting are given below:

Name of Director	Mr. Anupam Gupta
DIN	09290890
Date of Birth	21 st May, 1968
Date of First Appointment on Board / Re-appointment (Re-appointed as Executive Director (Technical) w.e.f. 15 th October, 2024)	15 th October, 2021
Qualification	B.E. (Electrical) & MBA
Brief Resume and Nature of expertise in specific functional areas	Responsible for overall aspects of manufacturing activities, Human Resources & Industrial Relations, Information Technology, Commercial, Sourcing and Legal Matters.
List of other Directorships	Nil
Resignation from Listed Companies in last Three years	Not Applicable
Chairman / Member of the Committees of the Board of other Companies	Nil
Terms and conditions of re-appointment	Executive Director liable to retire by rotation.
Disclosure of relationship between Director Inter-se	Not related to any Director
Shareholding in the Company as on date of this notice	Nil
No. of Board Meetings attended during FY 2024-25	6

21. **THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Monday, 14th July, 2025, 9:00 AM IST and ends on Wednesday, 16th July, 2025, 5:00 PM IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 10th July, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

of multiple user IDs and passwords by the shareholders.

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, 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 website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> <p>4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on “Company name or e-Voting service provider name” and you will be re-directed to “e-Voting service provider website” for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on “Shareholders” module.
 - Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN for the relevant <CERA SANITARYWARE LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of

the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ceragreen@cera-india.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ceragreen@cera-india.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ceragreen@cera-india.com.

These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ceragreen@cera-india.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

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

Item No. 4

The Board of Directors on the recommendation of the Audit Committee has appointed Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2026 and approved the payment of remuneration payable to them. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026. The Board of Directors recommends the ordinary resolution as per item No. 4 of the accompanying notice for approval of the members of the Company.

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

Item No. 5

In Terms of recent amendment in Regulation 24A of SEBI Listing Regulations, the Company is required to appoint a Secretarial Auditor for a term of 5 (five) consecutive years with the approval of its shareholders in the AGM.

Taking into accounts eligibility, qualification, independence, experience, competency of the audit team, efficiency in conduct of audit, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, appointed M/s. Parikh Dave & Associates, a firm of Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of five years from the financial year 2025-26 upto the financial year 2029-30.

The Company has received consent cum eligibility certificate from M/s. Parikh Dave & Associates, confirming that the appointment, if made, would be within the limits prescribed by Institute of Company Secretaries of India (ICSI) for maximum number of Secretarial Audits and that they are

not disqualified to be appointed as the Secretarial Auditor in terms of the provisions of Regulation 24A of SEBI Listing Regulations. M/s. Parikh Dave & Associates has also provided confirmation that they have subjected themselves to the peer review process of the ICSI and hold a valid certificate issued by the 'Peer Review Board' of the ICSI.

Besides the above audit service, the Company would also avail other services from the auditor as may be approved by the Board from time to time. The following are the details as required under Regulation 36(5) of the SEBI Listing Regulations.

- i) Proposed fees payable to the Auditor(s):
Rs. 1.21 Lakhs for FY 2025-26 exclusive of applicable taxes and reimbursement of out-of-pocket expense on actual basis but excluding other services. Annual increment for subsequent years may be considered by the Board in consultation with the Secretarial Auditor.
- ii) Term: Five years from FY 2025-26 to FY 2029-30.
- iii) In case of a new auditor, any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: Not applicable
- iv) Basis of recommendation for appointment: Board is of opinion that M/s. Parikh Dave & Associates a Practicing Company Secretaries Firm is holding professional knowledge and experience in the area of compliance, corporate governance, accounts, finance, audit and the competence of their audit team and they also associated with the company from past several years. The firm has demonstrated efficiency in conducting audits and careful review of documentation. Based on these factors and the Audit Committee's recommendation, the Board recommend their appointment.

The documents related to the said resolution are available for inspection electronically until the last date of remote e-voting at the request of the members. The Board recommends passing of the resolution as an Ordinary Resolution.

None of the Director, Key Managerial Personnel or their relatives, are concerned or interested, in the resolution.

Regd. Office:
9, GIDC Industrial Estate,
Kadi - 382715
Dist. Mehsana, Gujarat.
CIN : L26910GJ1998PLC034400
Date: 9th May, 2025
Place: Ahmedabad

By Order of the Board of Directors
For Cera Sanitaryware Limited

Hemal Sadiwala
Company Secretary
(ACS:20741)

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in submitting the 27th Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2025.

Performance

The summary of your Company's financial performance on Standalone basis is given below: (Rs. in Lakhs)

Standalone	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from Operations	1,91,525.12	1,87,123.47
Earnings before Interest, Taxes, Depreciation & Amortisation and Exceptional Item (EBITDA)	35,322.73	35,543.07
Interest	711.57	529.93
Depreciation	3,851.49	3,437.37
Profit before taxes and Exceptional Item	30,759.67	31,575.77
Exceptional Item	(150.43)	(155.57)
Profit before tax	30,609.24	31,420.20
Tax Expense:		
- Current Tax	6,721.97	6,467.37
- Deferred Tax	(761.16)	1,035.93
Net Profit for the year	24,648.43	23,916.90

The summary of your Company's financial performance on Consolidated basis is given below: (Rs. in Lakhs)

Consolidated	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from Operations	1,92,615.31	1,87,941.18
Earnings before Interest, Taxes, Depreciation & Amortisation and Exceptional Item (EBITDA)	36,035.38	36,277.46
Interest	749.13	582.08
Depreciation	4,065.69	3,654.83
Profit before taxes and Exceptional Item	31,220.56	32,040.55
Exceptional Item	(150.43)	(155.57)
Profit before tax	31,070.13	31,884.98
Tax Expense:		
- Current Tax	6,949.50	6,690.65
- Deferred Tax	(750.41)	1,062.60
Net Profit for the Year	24,871.04	24,131.73

Transfer to Reserves

The Company has transferred a sum of Rs. 6,113.35 Lakhs to General Reserve in the current year (previous year Rs. 5462.66 Lakhs).

Highlights / Performance of the Company

Revenue from Operations of the Company for the year increased by 2.4% (Rs. 1,91,525.12 Lakhs in FY 2024-25 as compared to Rs. 1,87,123.47 Lakhs in FY 2023-24).

EBITDA for the year decreased by 0.6% (Rs. 35,322.73 Lakhs in FY 2024-25 as compared to Rs. 35,543.07 Lakhs in FY 2023-24).

Profit after Tax for the year increased by 3% (Rs. 24,648.43 Lakhs in FY 2024-25 as compared to Rs. 23,916.90 Lakhs in FY 2023-24).

Exceptional Item:

The Company acquired share capital worth Rs. 806 Lakhs for 26% stake in M/s Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo.

Subsequently, the matter was referred to arbitration in accordance with the terms of the agreement between the parties. However, during the mediation process, both parties agreed to an amicable settlement in March 2025 whereby CERA retired from the LLP without any claim on its capital or share of profits in the LLP and also paid an amount of Rs. 160.00 Lakhs as full and final settlement against the Trade Payables due to Milo.

Pursuant to this settlement, the entire investment of Rs. 806 lakhs in Milo Tile LLP was not recoverable, hence written off by adjusting against the impairment Loss provided (Rs. 500.00 Lakhs in FY 2022-23, Rs. 155.57 Lakhs in FY 2023-24 and remaining amount of Rs. 150.43 Lakhs in March 2025 quarter) and disclosed as an exceptional item in the respective periods.

Dividend

Your Directors recommended a dividend of Rs. 65/- per share (1300%) on 1,28,97,541 Equity Shares of Rs. 5/- each fully paid for the year ended 31st March, 2025 [Previous year Dividend of Rs. 60/- per share (1200%) on 1,30,05,874 Equity Shares of Rs. 5/- each fully paid], to be paid subject to the approval of the members at the ensuing Annual General Meeting.

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

During the year, the unclaimed dividend pertaining to the financial year ending 2016-17 were transferred to the Investor Education and Protection Fund.

Buyback of Equity

During the year under review the Company has bought back 1,08,333 fully paid-up equity shares having a face value of Rs. 5/- each at a price of Rs. 12,000/- per equity share through tender offer route. The said Buyback offer remain opened from 22nd August, 2024 to 28th August, 2024. The Buyback offer subscribed 82.69 times of the maximum number of Equity Shares proposed to be bought back. The settlement of bids was completed on 4th September, 2024 and the

payment consideration to eligible shareholders for buyback was also executed on the same day. The extinguishment of 1,08,333 Equity Shares completed on 10th September, 2024, all of which are in dematerialized form. Out of 1,08,333 equity shares, 67,379 equity shares from Promoters and 40,954 equity shares from Public shareholders were brought back under Buyback offer. Pursuant to the Buyback the Promoters and Promoter Group holding marginally decline from 54.48% to 54.41% (% of post buyback paid up capital).

Sanitaryware Unit

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

The active collaboration between workers and staff in implementing new initiatives focused on safety, quality, delivery and cost has yielded significant improvements. This concerted effort has led to enhanced product yield and ensure timely delivery of products. Substantial portion of land parcel was acquired for our greenfield expansion project of Sanitaryware unit.

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

Your company remains steadfast in its commitment to pioneering new and innovative product designs, such as the one-piece symphonic EWC, high-end rimless Wall Hung EWC, innovative colours and Lustre series products, through its dedicated New Product Development (NPD) team. By institutionalizing various knowledge-sharing forums, review mechanisms, process controls, and standard operating procedures, we have successfully achieved repeatability and reproducibility across new SKUs. In line with these priorities, your company has also commissioned a CNC router, which will significantly reduce the time required for delivering NPDs while enhancing dimensional accuracy and functional performance.

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

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

Faucetware Unit

Your Company has shown growth, yet another year in terms of production and sales volume, which lead the company to reach to the higher level of achievements. Company has

the culture of continual improvements and shall continue achieving the same through various debottlenecking projects, implementation of latest technologies and automation of the processes.

Your Company expects even higher growth in the coming times in its Faucets business. With this in view, as you know, company had launched new colour faucet designs in line with the changing customer preferences and market need. We have now further launched 84 additional new products in 3 ranges which has come to total launch of more than 450 new colour SKUs. We have developed strong capability to supply the rising demand in less than 60 days.

Your company has completed expansion to operate at the total capacity of 4.8 Million Pcs per annum. The factory holds strong Zero Liquid Discharge status which keep it separate and unique. To further strengthen effluent treatment, we have added “Ozonater” treatment technology.

Your company remains dedicated to deliver high-quality products and has enhanced its world class manufacturing technology with new additions of Japanese CNC technology. Your company is committed to focus on customer expectations while maximizing operational excellence.

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

Bathware Unit

Your company continued to expand its product portfolio, catering to a diverse spectrum of consumers.

Senator

With the luxury segment gaining traction, your company was successful in positioning Senator in the Luxury space and now the brand has a complete offering of products, which includes the Wellness Bathtubs, Electronic Toilets, Designer Art Basins, Fine Fire Clay Basins, Thermostatic High Performance Diverters, LED Showers and much more. These additions are designed to elevate customer experience and satisfaction.

CERA Luxe

Last year, we have introduced CERA Luxe—a portfolio of high-end SKUs designed to elevate our product offering. With elegant designs and premium aesthetics, CERA Luxe is tailored for the modern consumer’s refined tastes.

CERA Luxe provides a complete premium series of Sanitaryware (Water Closets, Basins) and Faucets; all designed to match evolving consumer preferences. Modern, refined, and perfectly coordinated for premium bathroom spaces.

CERA

Cera continues to innovate with new product categories, including Bathroom Vanity Cabinets and also added new colours Coffee, Beige and Grey in the Lustre collection. These additions aim to enhance the bathroom décor and provide more choices to the customers.

Highest Share of voice in Media

Our brand visibility and presence have always been stronger, and your company continues to invest in strategic marketing initiatives to reinforce our leadership position.

CERA TV Campaign was live across PAN-INDIA on News channels during the Lok Sabha and Delhi Elections, with 40+ channels, more than 10,000 spots covering HSM and regional markets.

One strategic initiative we have taken last year was to associate with Bigg Boss OTT, a popular show with a strong youth viewership. This collaboration enables us to create a deeper connection with our target audience.

Your company additionally, continues to invest in Tamil Nadu market by associating with Bigg Boss Tamil, on Star Vijay hosted by the superstar Vijay Sethupathi. The objective was to ensure consumer awareness and drive long-term business growth.

Brand CERA in Digital Media

Your company have taken high traffic, high visibility airports – Hyderabad, Goa, Delhi, Kolkatta, Indore and Mumbai across the country to create visibility and top of mind recall.

Your company also participated in the biggest spiritual gathering the Maha Kumbh Mela. With an influx of millions of people from across India and beyond, your company strategically executed a strong advertising campaign that ensured high impact and visibility throughout the event. This campaign has been a testament to the power of strategic branding at cultural mega-events. Your company not only gained significant brand recognition but also established a deeper connect with our consumers.

Your company have also used trade magazines to promote brand, these magazines are widely read by industry professionals and potential customers. In addition to traditional ads, your company have also leveraged advertorials—editorial-style advertisements designed to educate and inform readers about our products in a more engaging and persuasive way.

Together, these efforts enhance brand awareness, establish credibility, and drive interest in our products among the right audience.

Your company have also effectively leveraged social media by creating engaging, product-centric short reels featuring our brand ambassador, Kiara Advani. These reels not only highlight our products but also resonate with our audience, generating significant consumer appreciation and engagement.

Your company believe that true brand advocacy comes from those who shape the industry—architects and interior designers. That's why your company have invested in creating a wealth of short-format content, endorsed by industry experts, to bring our brand and products closer to the people who matter most.

Like past years, last year also your company launched the digital contest with the name #CeramoodMatch, inviting consumers to participate and showcase their creativity. The response has been phenomenal, with engagement on our page skyrocketing manifold.

The world is evolving, and so is the way customers engage with brands. Convenience, accessibility, and seamless experiences are at the heart of modern commerce. Recognizing this, your company have taken a significant step forward by launching e-commerce through our website.

With this platform, customers can now explore our wide range of products, select what they need, and place orders from anywhere, at any time, with just a few clicks. However, what truly sets our e-commerce model apart is that it is designed to benefit our channel partners. We are proud to share that we have already onboarded 200+ channel partners on this journey and we are just getting started. With this initiative, your company is confident that we will not only expand our reach but also create alternate new revenue opportunities for our channel partners.

Your company has launched Lead Management System. The system gathers potential consumer leads from various sources (website, social media, landing pages, events, etc.). A call centre team qualifies and filters out unqualified leads. Meaningful leads are passed on to your Channel partners for conversion.

Your company have also invested for Channel Partners in Hyperlocal Marketing which is a game changer in consumer engagement. By investing in this initiative, your company is driving more consumers to the channel partner showrooms and enhancing their experience.

Trade expansion and development with brand stores

Your company have aggressively expanded the retail footprint to strengthen the distribution network across. A complete transformation of CERA brand stores was carried out to enhance the consumer experience, and your company successfully launched 350 new stores in the last financial year. 20 New Senator Showrooms were launched last year, with plans to open 50 more in the upcoming financial year. Additionally, for CERA Luxe, your company aims to expand its presence with 50 new exclusive stores in the next financial year.

Your company have significantly expanded the reach by opening Company-Owned, Company-Managed CERA Style Studios across all key markets in the country - Mohali,

Jaipur, Pune and Lucknow. With this addition the company now own 13 experience centres across the country.

These state-of-the-art experience centres are designed to showcase our entire premium product portfolio, especially our smart toilets, powder room faucets and wellness range, in a way that truly brings our innovations to life. Now, our channel partners have the perfect place to direct their customers, where they can explore and experience our offerings firsthand.

Your company strongly believe that this initiative will empower our partners to close leads more effectively and drive higher conversions.

Your company have actively participated in key industry events and exhibitions - IIID Natcon (Nashik), Architectural Festival (Lucknow), The Hindu Home Expo (Kochi and Thiruvananthapuram), CONWOO, (Siliguri), CREDAI Exhibition (Vijayawada), MES-BAI (Coimbatore), BUILDTEC 2024 (Karnataka) and others, giving our brand strong visibility and positioning. These platforms have helped us reach the right audience and showcase our wide range of products effectively.

This not only strengthens our market presence but also drives consumer interest, creating more opportunities for the brand. Your company remain committed to such initiatives to ensure continued growth and success

Loyalty Program

The CERA Superstar Retailer program has seen strong participation with 24,400 retailers enrolled, while the CERA Star Plumber initiative successfully onboarded 52,556 plumbers.

After the successful launch of these programmes the CERA Star Mason program is also gaining traction, with more than 4,500 masons already onboarded.

Awards

CERA won the most affiliated awards such as "Super Brand 2025" and Reader's Digest Trusted Brand 2024.

Tiles Unit

In CERA tiles, your company have expanded the portfolio and now we have more than 1,800+ designs, covering a wide range of categories and sizes: from 18x12 inches to 180x120 inches, all reflecting the latest trends in surface finishes. Last year, we have introduced six different finishes in the 600x1200 mm category, and the response from the market was overwhelming. Our 600x1200 porcelain tiles launched last year saw remarkable acceptance, and sales of 1200x1800 slabs have doubled year-on-year. We're set to introduce even more innovative surfaces in 600x1200 GVT, including Shrinker High Gloss, DG Matt, Shape Sheed Finish, and Cool Roof Tiles. Also, our Construction Chemicals segment has been doing quite well & growing at an impressive YOY growth of 50%.

Skill development and Training

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

Packaging Unit

CERA holds a 51% stake in its joint venture, Packcart Packaging LLP, which manufactures corrugated boxes. The unit has now reached full production capacity, delivering products on a just-in-time basis, precisely tailored to the Company's specifications.

Polymer Unit

The joint venture unit for polymer products, Race Polymer Arts LLP—where CERA holds a 51% stake—has achieved optimal production capacity during the year. The unit has steadily increased capacity utilization, and high-quality seat covers and cisterns are now consistently available.

Green Energy Unit

As a part of national policy and green energy initiative, Cera has initiated renewable energy capabilities in 1995. The Company has energy security and stabilized power cost by generation of electricity through renewable sources for captive use through windfarms and solar. The current installed capacity of renewable energy through windfarms and solar stands to 10.325 M.W. During the year the Company has produced 114.46 Lakhs KWH power through renewal sources for captive use.

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

Conservation of energy

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

Energy Conservation Project in the Existing System

Significant efforts were undertaken to enhance energy efficiency across operations.

- A key focus was the utilization of kiln waste heat for drying greenware and moulds, contributing to considerable energy savings.

- Standardization of gas pipelines and pressure regulators enabled efficient operation at reduced gas pressure levels.
- Overall plant efficiency was improved, resulting in reduced energy consumption.
- Savings were achieved by introducing area-wise weekly offs, replacing staggered weekly offs, which optimized energy use during casting drying.
- The implementation of a closed heating system for casting also helped reduce drying time and energy usage significantly

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

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

Technology absorption and foreign exchange earnings and outgo

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

Environmental Social Governance (ESG)

Cera adopted a holistic approach to Environmental, Social, and Governance (ESG) matters, placing great importance on the trust placed in it by stakeholders including customers, the communities it serves, and society at large and remains dedicated to safeguarding and advancing their interests.

Environment at Cera

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

- Installation of a rooftop solar power system (one of the largest in the Kadi region), which has gone a long way in substantially reducing the carbon footprint.
- Reduction in fresh water intake from 2.5 liter per Pc to less than one litre in the FW division.
- Achieved 30% reduction in hazardous solid waste (ETP) generation per SKU in FY 2024-25 in Faucet ware Division.
- Substantial reduction in the use of Chemical in the treatment of wastewater at FW division
- Improved plant efficiency impacted lower waste generation in SW
- Safety culture through, Incident investigations, Safety training, near miss reporting and hazard identification.
- Cera has managed to stabilize power cost by generating electricity through non-conventional sources (wind and solar) for captive use. As of FY25, its total installed non-conventional energy capacity stood at 10.325 MW, which produced 114.46 lakh units. Maximum of its energy needs are met through renewable energy.
- By successfully developing a fully functional rainwater-harvesting system, Cera has managed to reduce dependence on groundwater usage. Further, by recycling water used for the manufacturing process the Company has reduced the water intensity of its operations.
- Cera Faucet ware has upgraded the Zero Liquid discharge plant to meet the requirement of higher norms of the government.
- Under the initiative of 'Waste Minimization and Waste Utilization', the Company has been undertaking numerous measures. Some of these measures include recycling of solid and liquid and ZLD (zero liquid discharge), high energy efficient rated machines, compliance to pollution norms and awareness generation among employees etc. Majority of the waste generated in the Company's operations is recycled and the balance is disposed-off safely. The Company has also installed a Effluent Treatment Plant at both of its facilities.

Corporate Social Responsibility and Social dimension at Cera

Cera Sanitaryware Limited continues its commitment to sustainable development for society through its Corporate Social Responsibility (CSR) initiatives in Kadi (Gujarat), Kolkata (West Bengal), and surrounding areas. Your Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of

empowerment and betterment of not only the employees but also our communities. CERA believes that real progress occurs when privileges are balanced with the responsibilities towards society. Following this principle, Late Mr. Vidush Somany, our Company's Executive Director had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of nearby communities. The Board has approved a policy for Corporate Social Responsibility and same has been uploaded on the website i.e. <https://www.cera-india.com/policy-and-statutory-documents/corporate-social-responsibility-policy>

During the financial year 2024-25, CERA spent Rs. 469.29 Lakhs on various CSR initiatives in the areas of Education, Healthcare, Rural & Urban Development, Women Empowerment, Poverty Alleviation, and Technological Innovation.

As part of its environment protection efforts, CERA initiated a plantation drive of more than 12,000 trees, creating an Oxygen Park—the first of its kind in Kadi—using the globally recognized Miyawaki method. This dense green forest contributes to enriching oxygen in the air and aims to provide a cleaner and healthier environment for future generations.

In the healthcare sector, CERA launched Gujarat's first maternity tracking project using tablets in Mehsana district. 10 tablets were provided to health supervisors across 10 talukas to monitor pregnant women and malnourished children. In addition, ECG machines, baby warmers, a sonography machine, laparoscopy machine, C-arm machine, CBC analyser, digital BP monitors, HbA1c kits, Hemodialysis for Behala Balannanda Hospital, Echo Doppler machine, and Panchkarma wellness equipment were donated to rural health centers, Hospitals and Ayurvedic institutions. Ventilator Servo-C and Ventilator Servo-U for Institute of Neuro science, Kolkata.

A unique and impactful initiative was undertaken to support underprivileged children with Type-1 Juvenile Diabetes, wherein domestic refrigerators were provided to 20 children to store insulin safely. This effort was widely appreciated by Mr. Rushikesh Patel, Health Minister of Gujarat, during a health program in Visnagar.

CERA also contributed to education and innovation, supporting infrastructure development in Irana, Budasan, and Adundara villages, including construction of classrooms, labs, mid-day meal kitchens to Annamrita Foundation, computer rooms, and water facilities. Solar systems were installed at Gokul Residential Primary School, and bedding kits were distributed to tribal hostel students. In collaboration with Amrut Mahesana Startup & Innovation Mission, CERA supported a "New Age Education Centre" for promoting startups and entrepreneurship, which was inaugurated in the presence of Mehsana District Collector Mr. M. Nagarajan.

Under rural development, CERA developed a 11-km road divider from Kadi to Chhatral to enhance road safety and environmental awareness, which was praised by the former Deputy Chief Minister of Gujarat. Wall paintings and

motivational slogans were created on the newly constructed underbridge in Kadi to raise civic consciousness. To support local governance, a Xerox-cum-printer was donated to the Kadi Taluka Mamlatdar Office, benefiting 110 villages for efficient delivery of public welfare schemes.

Recognizing the cultural diversity of migrant workers, CERA constructed a Chhath Puja Ghat in Kadi, providing a dignified space for cultural celebration and social integration.

CERA's consistent efforts in community upliftment, health, education, environmental sustainability, and administrative support have once again earned appreciation from government officials and local administration, reinforcing its role as a responsible and people-centric organization.

Annual Report on Corporate Social Responsibility (CSR) Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as a separate **Annexure- III**.

Governance at Cera

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

Its policy relating to ethics, bribery and corruption serves as the guiding philosophy for its employees. The Company also has a whistle blower policy in place, which provides a platform to all employees, vendors and customers to report any suspected fraud or error or confirmed incident of fraud / misconduct. CERA always seeks to ensure that it attains performance goals with integrity. Corporate Governance has indeed been an integral part of the way CERA has done business.

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

Subsidiary

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

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

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

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

Particulars of contracts or arrangements with related parties

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

There were no material related party transactions entered during the year. Accordingly, information in form AOC - 2 is not annexed. Further no materially significant related Party transactions were made by the Company with Directors, Key Managerial Personnel or other Designated Persons, which may have a potential conflict with the interest of the Company at large. All related party transactions were placed before the Audit Committee and also the Board as applicable for approval. The Company has framed a policy on RPTs for the purpose of identification, approval and monitoring of such transactions. The policy on Related Party Transactions is hosted on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/related-party-transaction>

Directors

During the year under review, upon the recommendation of Nomination and Remuneration Committee Mrs. Deepshikha Khaitan has been re-appointed as Vice Chairman and Joint Managing Director of the Company w.e.f. 1st April, 2025 for the term of 5 years. Her appointment was also approved by the members of the Company through Postal ballot process on 22nd March, 2025.

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

situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities.

Mr. Anupam Gupta Executive Director (Technical) is due to retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Brief resume of the Director who is proposed to be reappointed at the ensuing Annual General meeting, as required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard is provided in the notice convening this Annual General Meeting of the Company.

There was no change in the Key Managerial Personnel during the year under review.

Number of Meetings of the Board

The Board of Directors, during the financial year 2024-25 duly met 6 times on 8th April 2024, 13th May 2024, 5th August 2024, 12th August 2024, 12th November, 2024 and 11th February 2025, in respect of these meetings, proper notices were given, and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

Audit Committee

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

Directors' Responsibility Statement

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

- that in the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures;
- that such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2025 and of the Profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;

- that internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Evaluation

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

Separate meeting of the Independent Directors was held on 28th March, 2025. The Chairperson of meeting of Independent Directors briefed the Board that the Independent Directors have carried out the performance evaluation of the Board as a whole, its committees, the Non-Independent Directors, Chairman and flow of information between the management and the Board. Pursuant to above, the Board expressed the satisfaction on the functioning of the Committees and performance of Individual Directors.

Policy on Directors appointment and remuneration

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

Independent Directors

• Qualifications of Independent Director.

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

• Positive attributes of Independent Directors.

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

• Independence of Independent Directors.

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

Other Directors and Senior Management

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

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

Familiarisation Programme for Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals, to familiarise the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and issues faced by the ceramic industry. The Independent Directors also meet with senior management team of the Company in formal/informal gatherings. The details of Familiarisation programmes provided to the Independent Directors of the Company are available on the Company's website <https://www.cera-india.com/policy-and-statutory-documents/familiarization-programme>

Remuneration / Commission from Holding or Subsidiary Company

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

Remuneration Policy

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

This Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.

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

The said Policy is available on the website of the Company <https://www.cera-india.com/policy-and-statutory-documents>

Managerial Remuneration and Employees

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

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

Employee Stock Option Scheme ("ESOS")

The Board of Directors believes that Equity-based compensation schemes are effective tools to attract, retain, motivate, and reward the critical talents working exclusively with the Company. With the objective to motivate key employees for their contribution to the corporate growth on sustained basis, to create an employee ownership culture, to retain the best talent in the competitive environment and based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 8th April, 2024 approved the introduction and implementation of 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024" or "Scheme") by the primary issuance/secondary acquisition of the shares through trust route or both in one or more tranches by Cera Sanitaryware Employees Welfare Trust. The aforesaid ESOS 2024 was also approved by the Members of the Company through postal ballot process on 16th May, 2024.

The 'CERA Sanitaryware Employees Welfare Trust' (Trust) was set-up and bring into existence in due compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and provisions of the Applicable Laws including the Indian Trusts Act, 1882, with a view to administer Scheme through the Trust. This trust is managed

by Qapita Equitytech Ltd (Formerly Known as KP Corporate Solutions Ltd.) as an Independent Trustee.

During the year under review the Trust has purchased 3739 Equity shares of the Company from open Market. The Nomination and remuneration Committee of the Company have granted 14,950 Options to 24 eligible employees of the Company on 4th June, 2024 in accordance with Scheme.

Disclosure required under regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Section 62(1)(b) of the Companies Act 2013, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in **Annexure V** to this report. The details are also available on the website of the Company at the weblink: <https://www.cera-india.com/esos-disclosures>

Necessary certificate as required to be given by secretarial auditors of the company that the scheme has been implemented in accordance with regulations of SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 and in accordance with the resolution will be made available to shareholders at ensuing general meeting at link <https://www.cera-india.com/esos-disclosures>

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

Corporate Governance and Management Discussion and Analysis

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

Business Responsibility and Sustainability Report ("BRSR")

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

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the Copy of Annual Return of the Company for the financial year ended 31st March, 2025 will be placed on the Company's website at www.cera-india.com

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

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

Risk Management Policy

The Board has approved and implemented Risk Management Policy of the Company including identification and element of risks. Pursuant to amendments in SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015, the Board of Directors of the Company has constituted the Risk Management Committee having its scope and functions as per Risk Management policy. The Company has in place the Risk Management Policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organisation. The risk management system is designed to safeguard the organisation from various risks through adequate and timely action. It is designed to anticipate, evaluate and mitigate risks in order to minimise its impact on the business.

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

Internal Control System and its adequacy

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

Share Capital

The paid up Equity Share Capital as on 31st March, 2025 was Rs. 644.88 Lakhs divided into 1,28,97,541 Equity Shares of Rs. 5/- each fully paid. During the year under review the Company has brought back 1,08,333 equity shares under Buyback Offer from the eligible shareholders. No shares with differential voting rights, were issued by the Company during the year under review.

During the year the Company has transferred 4460 Equity Shares to Investor Education and Protection Fund, pursuant to the provisions of sections 124 & 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

Deposits

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

Finance

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

During the year there is no default in payment of loan facility availed from Bank or Financial Institution, therefore details of difference between amount of valuation done at the time of one time settlement and valuation done while taking loan from bank or financial institutions is not applicable.

Statutory Auditors and their Observations

Singhi & Co., Chartered Accountants are the statutory auditors of the Company. They are appointed for a period of five years, from the conclusion of 24th AGM till the conclusion of the 29th AGM (AGM of financial year 2026-27). The Auditors' Report to the members for the financial year under review does not contain any qualification, reservation or adverse remark or disclaimer.

Cost Records and Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company duly maintain the cost accounts and records. K.G. Goyal & Co., as Cost Auditors has carried out the cost audit for applicable businesses during the year under review. The Company has appointed K.G. Goyal & Co., as Cost Auditors for conducting cost audit for the year 2025-26. As required by the Companies Act, 2013, a resolution seeking ratification of the remuneration payable to M/s. K.G. Goyal & Co., as approved by the Audit Committee and Board is included in the Notice convening the Annual General Meeting of the Company.

Secretarial Audit

Pursuant to provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company had appointed Parikh Dave & Associates, Practicing Company Secretaries, a peer reviewed firm to undertake the Secretarial Audit of the Company for the year 2024-25. The Secretarial Audit Report for the year 2024-25 given by Parikh Dave & Associates, Company Secretaries in practice is attached as a separate **Annexure VIII**. The Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

Further, in terms of amendment in Regulation 24A of SEBI Listing Regulations, the Company is required to appoint a Secretarial Auditor for period of 5 (five) years with the approval of its shareholders. The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Parikh Dave & Associates as the Secretarial Auditor of the Company for period of five financial years from FY 2025-26 to FY2029-30 and recommended their appointment to shareholders by placing resolution in the notice of ensuing AGM.

Reporting of Frauds

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of fraud committed in the Company by its Officers

or Employees to the Audit Committee and / or Board under section 143(12) of the Act.

Secretarial Standards

The Company is complying with the applicable Secretarial Standards.

Insurance

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

Industrial Relations

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

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

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

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees have been set up to redress complaints received regarding sexual harassment. The Company has not received any complaints during the year under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has organized 2 workshops under the said Act during the year under review. In FY 2024-25 two sessions has been arranged for Internal Complaint committee members for deeper understanding on POSH Act and practical aspects of Act. One in month of December 2024 and one in Month of March 2025.

Material changes affecting financial position of the Company

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate, i.e. 31st March, 2025 and the date of the Board's Report.

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

Change in nature of business

No changes have been made in nature of business carried out by the Company during the financial year 2024-25.

Orders passed by Regulatory Bodies or Courts

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

Vigil Mechanism

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

Appreciation

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

For and on behalf of the Board of Directors,
For Cera Sanitaryware Limited

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE - I TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic review

Overview: Global economic growth declined marginally from 3.3% in 2023 to an estimated 3.2% in 2024. This was marked by a slowdown in global manufacturing, particularly in Europe and parts of Asia coupled with supply chain disruption and weak consumer sentiment. In contrast, the services sector performed more creditably.

The growth in advanced economies remained steady at 1.7% from 2023 to 2024 as the emerging cum developing economies witnessed a growth decline at 4.2% in 2024 (4.4% in 2023).

On the positive side, global inflation was expected to decline from 6.1% in 2023 to 4.5% in 2024 (projected at 3.5% and 3.2% in 2025 and 2026 respectively). This decline was attributed to the declining impact of erstwhile economic shocks, and labour supply improvements. The monetary policies announced by governments the world over helped keep inflation in check as well.

The end of the calendar year was marked by the return of Donald Trump as the new US President. The new US government threatened to impose tariffs on countries exporting to the US unless those countries lowered tariffs for the US to export to their countries. This enhanced global trade and markets uncertainty and emerged as the largest singular uncertainty in 2025.

Regional growth (%)	2024	2023
World output	3.2	3.3
Advanced economies	1.7	1.7
Emerging and developing economies	4.2	4.4

(Source: IMF, KPMG, Press Information Bureau, BBC, India Today)

Performance of the major economies, 2024

United States: Reported GDP growth of 2.8% in 2024 compared to 2.9% in 2023.

China: GDP growth was 5.0% in 2024 compared to 5.2% in 2023.

United Kingdom: GDP growth was 0.8% in 2024 compared to 0.4% in 2023.

Japan: GDP growth was 0.1% in 2024 compared with 1.9% in 2023.

Germany: GDP contracted by 0.2% in 2024 compared to a 0.3% decline in 2023.

(Source: CNBC, China Briefing, ons.gov.uk, Trading Economics, Reuters)

Outlook: The global economy has entered a period of uncertainty following the imposition of tariffs of products imported into the USA and some countries announcing reciprocal tariffs on US exports to their countries. This is likely to stagger global economic growth, the full outcome of which cannot be currently estimated. This risk is supplemented by risks related to conflicts, geopolitical tensions, trade restrictions and climate risks. In view of this, World Bank projected global economic growth at 2.7% for 2025 and 2026, factoring the various economic uncertainties. (Source: IMF, United Nations)

Indian economic review

Overview

The Indian economy grew at 6.5% in FY 2024-25, compared to a revised 9.2% in FY 2023-24. This represented a four-year low due to a moderate slowdown within the Indian economy (marked by slower manufacturing growth and a decline in net investments). Despite the slowdown, India retained its position as the world's fifth-largest economy.

India's nominal GDP (at current prices) was ₹330.68 trillion in FY 2024-25 (₹301.23 trillion in FY 2023-24). The nominal GDP per capita increased from ₹2,15,936 in FY 2023-24 to ₹2,35,108 in FY 2024-25, reflecting the impact of an economic expansion.

The Indian rupee weakened 2.12% against the US dollar in FY 2024-25, closing at ₹85.47 on the last trading day of FY25. In March 2025, the rupee recorded the highest monthly appreciation since November 2018, rising 2.39% (arising out a weakening US dollar).

Inflationary pressures eased, with CPI inflation averaging 4.63% in FY 2024-25, driven by moderating food inflation and stable global commodity prices. Retail inflation at 4.6% in FY 2024-25, was the lowest since the pandemic, catalysing savings creation.

India's foreign exchange reserves stood at a high of \$676 billion as of April 4, 2025. This was the fourth consecutive year when rating upgrades outpaced downgrades on account of strong domestic growth, rural consumption, increased infrastructure investments and low corporate leverage (annualized rating upgrade rate 14.5% exceeded the decade-long average of 11%; downgrade rate was 5.3%, lower than the 10-year average of 6.5%).

Gross foreign direct investment (FDI) into India rose 13.6% to \$81 billion during the last financial year, the fastest pace of expansion since 2019-20. The increase in the year was despite a contraction during the fourth quarter of 2024-25 when inflows on a gross basis declined 6% to \$17.9 billion due to the uncertainty caused by Donald Trump's election and his assertions around getting investments back into the US.

Growth of the Indian economy

	FY22	FY23	FY24	FY25
Real GDP growth (%)	8.7	7.2	9.2	6.5

E: Estimated

(Source: MoSPI, Financial Express)

Growth of the Indian economy quarter by quarter, FY 2024-25

	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Real GDP growth (%)	6.5	5.6	6.2	7.4

(Source: The Hindu, National Statistics Office)

The banking sector continued its improvement, with gross non-performing assets (NPA) for scheduled commercial banks (SCBs) declining to 2.6% as of September 2024, down from 2.7% in March 2024. The capital-to-risk-weighted assets ratio for SCBs stood at 16.7% as of September 2024, reflecting a strong capital position.

India's exports of goods and services reached \$824.9 billion in FY 2024-25, up from \$778 billion in the previous fiscal year. The Red Sea crisis impacted shipping costs, affecting price-sensitive exports. Merchandise exports grew 6% YoY, reaching \$374.1 billion.

India's net GST collections increased 8.6%, totalling ₹19.56 lakh crore in FY 2024-25. Gross GST collections in FY 2024-25 stood at ₹22.08 lakh crore, a 9.4% increase YoY.

On the supply side, real gross value added (GVA) was estimated to expand 6.4% in FY 2024-25. The industrial sector grew by 6.5%, supported by growth in construction activities, electricity, gas, water supply and other utility services.

India's services sector grew at 8.9% in FY25 (9.0% in FY24), driven by public administration, defence and other services (expanded at 8.8% as in the previous year). In the infrastructure and utilities sector, electricity, gas, water supply and other utility services grew a projected 6.0% in FY25, compared to 8.6% in FY24. Meanwhile, the construction sector expanded at 9.4% in FY25, slowing from 10.4% in the previous year.

Manufacturing activity was subdued in FY25, with growth at 4.5%, which was lower than 12.3% in FY24. Moreover, due to lower public spending in the early part of the year, government final consumption expenditure (GFCE) is anticipated to have slowed to 3.8% in FY25, compared to 8.1% in FY24.

The agriculture sector grew at 4.6% in 2024-25 (1.4% in 2023-24). Trade, hotel, transport, communication and services related to broadcasting segment were estimated to grow at 6.4% in 2024-25 (6.3% in 2023-24).

From a demand perspective, the private final consumption expenditure (PFCE) exhibited robust growth, achieving 7.2% in FY 2024-25, surpassing the previous financial year's rate of 5.6%.

The Nifty 50 and SENSEX recorded their weakest annual performances in FY 25 in two years, rising 5.3% and 7.5% during the year under review respectively. Gold rose 37.7% to a peak of \$3,070 per ounce, the highest increase since FY 2007-08, indicating global uncertainties.

Total assets managed by the mutual fund (MF) industry jumped 23% or Rs 12.3 lakh crore in fiscal 2025 to settle at Rs 65.7 lakh crore. At close of FY25, the total number of folios had jumped to nearly 23.5 crore, an all-time peak. During last fiscal, average monthly systematic investment plan (SIP) contribution jumped 45% to Rs 24,113 crore.

Foreign portfolio investments (FPIs) in India experienced high volatility throughout 2024, with total inflows into capital markets reaching approximately \$20 billion by year-end. However, there was significant selling pressure in the last quarter, influenced by new tariffs announced by the new US government on most countries (including India).

Outlook

India is expected to remain the fastest-growing major economy. Initial Reserve Bank of India estimates have forecast India's GDP growth downwards from 6.7% to 6.5% based on risks arising from US tariff levies on India and other countries. The following are some key growth catalysts for India in FY26.

Tariff-based competitiveness: India identified at least 10 sectors such as apparel and clothing accessories, chemicals, plastics and rubber where the US' high tariffs give New Delhi a competitive advantage in the American market over other suppliers. While India faced a 10% tariff after the US suspended the 26% additional duties for 90 days, the levy remained at 145% on China, the biggest exporter to the US. China's share of apparel imports into the US was 25%, compared with India's 3.8%, a large opportunity to address differential (Source: Niti Aayog).

Union Budget FY 2024-25: The Union Budget 2025-26 laid a strong foundation for India's economic trajectory, emphasizing agriculture, MSMEs, investment, and exports as the four primary growth engines. With a fiscal deficit target of 4.4% of GDP, the government reinforced fiscal prudence while allocating ₹11.21 lakh crore for capital expenditure (3.1% of GDP) to drive infrastructure development. The February 2025 Budget marked a shift in approach, with the government proposing substantial personal tax cuts. Effective April 1, 2025, individuals earning up to ₹12 lakh annually will be fully exempt from income tax. Economists estimate that the resulting ₹1 lakh crore in tax savings could boost

consumption by ₹3–3.5 lakh crore, potentially increasing the nominal private final consumption Expenditure (PFCE) by 1.5–2% of its current ₹200 lakh crore.

Free trade agreement: In a post-Balance Sheet development, India and the United Kingdom announced a free trade agreement to boost strategic and economic ties. This could lead to a significant increase in the export competitiveness of Indian shipments in the UK across the textiles, toys, leather, marine products, footwear, and gems & jewellery sectors. About 99% of Indian exports to UK will enjoy zero-duty access tariff cuts; India will cut tariffs on 90% of tariff lines and 85% could become fully duty-free within 10 years.

Pay Commission impact: The 8th Pay Commission's awards could lead to a significant salary revision for nearly ten million central government employees. Historically, Pay Commissions have granted substantial pay hikes along with generous arrears. For instance, the 7th Pay Commission more than tripled its monthly salaries, raising the range from ₹7,000 to ₹90,000 to ₹18,000 to ₹12.5 lakh, triggering a widespread ripple effect.

Monsoons: The India Meteorological Department predicted an 'above normal' monsoon in 2025. This augurs well for the country's farm sector and a moderated food inflation outlook.

Easing inflation: India's consumer price index-based retail inflation in March 2025 eased to 3.34%, the lowest since August 2019, raising hopes of further repo rate cuts by the Reserve Bank of India.

Deeper rate cuts: In its February 2025 meeting, the Monetary Policy Committee (MPC) reduced policy rates by 25 basis points, reducing it to 6% in its first meeting of FY 2025–26. Besides, India's CPI inflation is forecasted at 4% for the fiscal year 2025–26.

Lifting credit restrictions: In November 2023, the RBI increased risk weights on bank loans to retail borrowers and NBFCs, significantly tightening credit availability. This led to a sharp slowdown in retail credit growth from 20–30% to 9–13% between September 2023 and 2024. However, under its new leadership, the RBI has prioritized restoring credit flow. Recent policy shifts have removed restrictions on consumer credit, postponed higher liquidity requirements for banks, and are expected to rejuvenate retail lending.

(Source: CNBC, Press Information Bureau, Business Standard, Economic Times, World Gold Council, Indian Express, Ministry of External Affairs, Times of India, Business Today, Hindustan Times, Statistics Times)

Global sanitaryware market

The sanitaryware market size was estimated at USD 57.28 billion in 2025 (projected to reach USD 79.93 billion by 2030, at a CAGR of 6.89% during the period between 2025 and 2030).

The sanitaryware industry is experiencing a significant transformation driven by rapid urbanization and changing consumer preferences. Global urbanization indicates marked regional variations, with North America leading at

82%, followed by Latin America at 79%, while Asia stands at 52%, creating diverse opportunities.

The industry is witnessing a shift towards sustainable development, with manufacturers increasingly focusing on water-efficient bathroom products and eco-friendly manufacturing processes.

The increasing income levels of consumers in developing countries are driving a significant rise in demand for high-quality sanitaryware products. Between 2020 and 2030, there is expected to be an annual increase of 112 million consumers and \$2.4 trillion in spending, reflecting a rise in purchasing power per individual. This trend presents a significant opportunity for the sanitaryware industry, as both the growing consumer base and their enhanced purchasing capacity create a favourable environment for the demand for premium, innovative products.

The global sanitaryware market is expected to be driven by growth factors a rising demand for real estate, booming tourism sector, urbanisation, increasing income levels and enhanced living standards among others. (Source: Mordor Intelligence, GII Global information, Brookings)

Indian sanitaryware industry

The Indian sanitaryware sector is estimated to reach a market size of \$948.5 million by 2025, growing at a CAGR of 7.9% from 2024 to 2029.

The rise in disposable income and shifting lifestyles boosted the demand in Indian sanitaryware industry. Consumers are investing in premium, eco-friendly products, with a focus on water conservation and space-saving designs. The increasing focus on sanitation and hygiene has enhanced demand for lifestyle products such as private spas, saunas and larger showers.

There are mostly two types of companies that manufacture sanitaryware in India. One of them is organized companies whereas the other one is unorganised companies. Organized companies address premium market segments on the other hand unorganised companies primarily serve the masses. Around 60% of the market is ruled by organized companies whereas the unorganized industry contributes to less than 40% of the market. India is emerging as one of the popular manufacturing hubs for this industry owing to lower labour costs and availability of raw materials. This has led many MNCs to set up their manufacturing facilities in India.

With 600 million Indians,—40% of the population expected to live in urban areas by 2030, India is experiencing one of the fastest urbanization rates globally. India is experiencing a profound shift towards urban living, with millions of people moving to cities and towns in search of better opportunities. This urbanization has spurred the construction of residential and commercial properties, leading to increased demand for modern and aesthetically pleasing sanitaryware products.

The Indian real estate sector is projected to reach a market size of US\$ 1 trillion by 2030, up from US\$ 200 billion in 2021, and is expected to contribute 13% to the country's GDP by 2025. This booming sector, which includes both

residential and commercial construction, has been a key driver of the sanitaryware market. Developers and builders are increasingly focused on incorporating high-quality bathroom fittings to attract potential buyers and tenants, further fuelling demand for premium sanitaryware products. (Source: MMR, Business Standard, ASD Reports, IBEF, MEPS international, Kadence international)

Government policy initiatives

Capital expenditure: For FY 2025–26, the Indian government allocated INR 11.20 trillion for capital expenditure, reflecting a 9.8% increase from the previous year, highlighting the government's commitment towards infrastructure development as a catalyst for economic growth and job creation. This rapid infrastructure expansion, including the construction of airports, hotels, hospitals, and educational institutions, is driving significant demand for sanitaryware products tailored to the unique needs of these sectors.

Swachh Bharat Abhiyan (Clean India Campaign): The Union Budget 2025 had allocated Rs. 5,000 crore specifically for the Swachh Bharat Mission in urban areas, emphasizing the government's focus on improving urban sanitation and infrastructure development. These financial commitments reflect a strategic approach in enhancing sanitation facilities, which is expected to positively impact public health, environmental sustainability, and the overall quality of life for citizens.

The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) Scheme: It aims at improving essential infrastructure for underprivileged populations. It received 10% out of the total allocation of INR 96,777 crore for the Ministry of Housing and Urban Affairs.

The Pradhan Mantri Awas Yojana (PMAY): It is a pivotal initiative aimed at providing affordable housing with essential amenities, including toilets. In the fiscal year 2024–25, the PMAY-G (Gramin) component received an allocation of Rs. 3.06 lakh crore to construct 2 crore additional rural houses. This initiative encourages the development of houses equipped with basic sanitation facilities, thereby improving the quality of life for residents and ensuring better living conditions, particularly in rural areas.

UDAN (Ude Desh ka Aam Naagrik): The UDAN scheme and airport infrastructure development program aim to enhance regional air connectivity by developing airports, including greenfield ones, across India. For 2025, the UDAN scheme has been allocated Rs 540 crore, which is 32% lower compared to the previous year's allocation of Rs 800 crore. The scheme primarily caters to regional travellers and airline companies looking to expand services to underserved areas. By making air travel affordable and accessible to the general public, the scheme promotes economic growth, enhances employment opportunities, and contributes to the overall development of underserved regions, boosting the demand for infrastructure, including sanitaryware products. (Source: ASD Reports, Economic Times, Reuters, IBEF, Financial Express)

Growth drivers of the Indian sanitaryware market

Rising disposable incomes: India's per capita disposable income rose from US\$ 2.11 thousand in 2019 to US\$ 2.54 thousand in 2023 and is projected to reach US\$ 4.34 thousand by 2029. Consumers prioritize design, aesthetics, and functionality when selecting bathroom fixtures. This trend is driving the demand for modern, designer ceramic sanitaryware products such as water-saving toilets, elegant washbasins and innovative shower panels.

High population growth: As of February 2025, India's population stood at 145,918.84 lakhs, up from 145,093.58 lakhs in 2024. With the global population continuing to rise, there is an increasing demand for new housing units, schools, hospitals, and other public facilities, which in turn drives the need for sanitaryware products such as toilets, sinks, and bathtubs. This growth is especially noticeable in urban areas housing 37.1% of the population, where the influx of people is leading to a greater focus on modernizing and upgrading existing infrastructure. As a result, the demand for innovative, high-quality sanitaryware products is rising to meet the needs of rapidly expanding urban populations.

Growing technological advancements: In recent years, technological advancements have introduced smart features, such as sensor-activated faucets and self-cleaning toilets, which enhance user convenience and hygiene. These advancements improve functionality and efficiency of sanitaryware products and offer a modern, high-tech aesthetic that attracts a broader consumer base. As technology continues to evolve, it propels the development of more sophisticated and sustainable sanitaryware solutions, fostering market growth.

Growing demand for green and sustainable products: Rising consumer awareness about the environmental impact of products has driven demand for eco-friendly sanitaryware. Consumers are increasingly opting for sanitaryware products made from sustainable materials with low water consumption. This shift has prompted the development of innovative and environmentally conscious products within the industry.

Growing demand for wellness: In 2023, the Indian spa market generated \$1,691.2 million in revenue. India accounted for 5.5% of the Asia-Pacific spa market. With wellness becoming a central focus in home design, consumers are increasingly looking to transform their bathrooms into personal spa retreats. This is expected to boost the demand for high-end, stylish sanitaryware products such as designer bathtubs, wellness-focused shower systems and hydrotherapy solutions that offer a luxurious and relaxing experience.

(Source: Orient Ceramic, Data bridge Market Research, IBEF, Economic Times, Credence Research, IMARC, Globaldata)

Company overview

Cera Sanitaryware having its 45th year of operations, India's fastest growing home solutions provider having

its Headquartered in Kadi Dist. Mehsana. The company's vision is to be a leading provider of bathroom solutions that prioritizes sustainability, delivers value to stakeholders and enhances customer experience. Its mission is to deliver innovative, high-quality bathroom solutions that embrace sustainability, cutting-edge technology, and emerging trends, while fostering customer-centricity, enhancing brand equity and achieving significant growth in both mass and luxury markets.

Risks and concerns

Economic risk: A slowdown in economic growth could impact the Company's cash flows and profitability.

Mitigation: India is projected to remain the world's fastest-growing economy, with a steady growth rate of 6.7% in FY26 and FY27, significantly outpacing the global growth rate of 2.7% in 2025-26. (Source: pib.gov.in)

Regulatory risk: Stricter environmental regulations may require substantial investments in new technologies or limit operational capacity.

Mitigation: The Company's strong compliance framework, strategic investments, and employee training initiatives have led to a reduced carbon footprint and reinforced its reputation as a responsible corporate entity.

Competition risk: Intensifying market competition could impact the Company's market position.

Mitigation: Increased investments in brand development, marketing, distribution, and digital transformation have enhanced the Company's market responsiveness and competitive edge.

Fraud risk: Weak internal controls could expose the Company to fraudulent activities.

Mitigation: The Company has implemented stringent checks and controls, including a centralized payment system, dual authorization, and enhanced financial oversight, to prevent fraud and malpractices.

Inflation risk: Rising inflation that cannot be fully passed on to consumers could impact profitability.

Mitigation: The Company will continue to optimize economies of scale, cost management, and logistics efficiencies to maintain its competitive position.

Gas price risk: A sustained increase in gas prices could negatively impact profitability.

Mitigation: The Company's weighted average cost of gas was lower than the industry average, helping mitigate the impact of price fluctuations.

Outlook

This year performance was marked by a challenging market slowdown characterized by subdued demand across key markets. Despite these challenges, the Company remains confident in its strong fundamentals and maintains optimism in its overall growth outlook. Our commitment to strategic initiatives, particularly the focus on premiumization, played

a pivotal role in navigating this period. We remain dedicated to optimizing our operations and fostering growth in the face of varying market conditions. We are excited about this new addition to our infrastructure, which underscores our dedication to expanding our portfolio of value-added products. These products will be exclusively manufactured within our facility, leveraging advanced technical capabilities and adhering to rigorous quality standards. As we move forward, CERA is strategically positioned to capitalize on its strengths, ensuring they not only navigate macro-led challenges but also foster sustained growth for all stakeholders.

Key financial ratios: (in times/%)

Particulars	FY24-25	FY23-24
Inventory Turnover ratio (in Times)	5.01	5.09
Interest Coverage Ratio*	44.23	60.58
Trade receivables turnover ratio (in times)	9.58	11.30
Current ratio (in times)	3.80	3.72
Debt - Equity ratio*	0.05	0.03
Operating Profit Margin (in %)	16.43	17.16
Net Profit ratio (in %)	12.87	12.78
Return on equity ratio (in %)	18.31	19.04

* The increase in debt equity ratio and Interest coverage ratio is on account of rise in the Lease liabilities which is recognised as per "Ind AS 116 - Leases", wherein all lease contracts are to be recognised as Right-of-use Assets and Lease liabilities. Interest is to be recognised on the lease liabilities over the period of lease.

Financial overview

Analysis of the profit and loss statement revenues: Revenues from operations reported a 2.4% growth from Rs. 1,87,123 Lakhs in 2023-24 to reach Rs. 1,91,525 Lakhs in 2024-25.

Expenses: Total expenses increased by 3.3% from Rs. 1,61,662 Lakhs in 2023-24 to Rs. 1,67,015 Lakhs due to the significant rise in material and procurement costs, driven by higher business volumes and elevated input prices, which led to an increase in the cost of goods sold. The employee benefit expenses increased due to annual increments and higher headcount in line with business growth, contributing further to the overall rise in operating costs.

Raw material costs, accounting for a 12.9% share of the company's revenues. Employees expenses accounting for a 12.6% share of the company's revenues increased by 6.2% from Rs. 22,755 Lakhs in 2023-24 to Rs. 24,154 Lakhs in 2024-25 due to annual merit increase and employee share option (ESOS) expenses.

Analysis of the balance sheet sources of funds: The capital employed by the company increased 1.7% from Rs. 1,44,465 Lakhs as on 31st March, 2024 to Rs. 1,46,987 Lakhs as on 31st March, 2025 was primarily driven by a significant rise in non-current lease liabilities, reflecting new long-term lease commitments. Return on capital employed, a

measurement of returns derived from every rupee invested in the business decreased by 80 basis points from 22.2% in 2023-24 to 21.4% in 2024-25 mainly due to increase in capital employed and a marginal decrease in EBIT. The net worth of the company increased 0.6% from Rs. 1,34,254 Lakhs as on 31st March, 2024 to Rs. 1,35,034 Lakhs as on 31st March, 2025. The increase in net worth was primarily driven by the company's profitability. As on 31st March, 2025, the company had Rs. 4,009 Lakhs of long term debt comprising of non-current lease liabilities. Finance costs of the company increased by 34.3% from Rs. 530 Lakhs in 2023-24 to Rs. 712 Lakhs in 2024-25 mainly due to increase in interest on lease liabilities towards recognition of long-term lease contracts as lease liabilities. The company's debt/equity ratio stood at 0.05x at the close of 2024-25 (0.03x at the close of 2023-24).

Applications of funds: Fixed assets (gross) of the company increased by 3.1% from Rs. 58,406 Lakhs as on 31st March 2024 to Rs. 60,191 Lakhs as on 31st March, 2025. In FY25, total net investments increased by Rs. 1,784 Lakhs primarily driven by enhanced investments in buildings and plant & equipment. Depreciation on tangible assets increased by 7% from Rs. 2,617 Lakhs in 2023-24 to Rs. 2,792 Lakhs in 2024-25 on account of routine capital expenditure.

Investments: Non-current investments of the company were Rs. 3,158 Lakhs in 2023-24 and Rs. 2,995 Lakhs in 2024-25.

Working capital management: Current assets of the company decreased by 0.4% from Rs. 1,41,551 Lakhs as on 31st March, 2024 to Rs. 1,40,977 Lakhs as on 31st March, 2025 due to major reduction in investments on account of buy back, which is offset by increase in inventories & trade receivables. The current and quick ratios of the Company stood at 3.8 and 2.7, respectively at the close of 2024-25 compared to 3.7 and 2.8, respectively at the close of 2023-24. Inventories including raw materials, work-in-progress and finished goods among others increased by 13.1% from Rs. 35,864 Lakhs as on 31st March, 2024 to Rs. 40,582 Lakhs as on 31st March, 2025 due to product portfolio building for Senator & CERA Luxe brand and some increase in existing inventory due to lower demand. The inventory cycle increased from 72 days of turnover equivalent in 2023-24 to 73 days of turnover equivalent in 2024-25. Trade receivables increased by 33.1% from Rs. 20,134 Lakhs as on 31st March, 2024 to Rs. 26,796 Lakhs as on 31st March, 2025 due to extended credit period offered to dealer to meet out current market challenges and the revision in the cash discount policy. The company managed its debtor turnover cycle within 38 days of turnover equivalent in 2024-25 compared to 32 days in 2023-24, trade payables days 56 in FY 2024-25 and 66 days in FY 2023-24.

Margins: The EBITDA margin of the company for 2024-25 was 17.9% as against 18.4% in 2023-24 while the net profit for 2024-25 was 12.5% as against 12.4% in 2023- 24.

Material developments in human resources, industrial relations, environment, health and safety

The company has focused on talent development through ongoing training programs. It has consistently invested in the training and development of its employees, organizing various programs periodically to enhance their skills. CERA's manpower strength as on 31st March, 2025 stands at 2474. The more details have been provided in the Business Responsibility and Sustainability Report forms part of the Directors' Report enclosed as Annexure-VII. The Company is ISO9001, 14001 and BS 18001 certified. The Company is also a member of Indian Green Building Council (IGBC), promoted by Confederation of Indian Industry (CII). The company also works closely with influencers and their associations like IIA (Indian Institute of Architects), IIID (Institute of Indian Interior Designers) and IPA (Indian Plumbing Association).

Internal control systems and their adequacy

CERA has robust internal control framework commensurate with its size, scale, and complexity of its operations. The Company has well defined policies and procedures, system automations, authorization protocols, access controls, segregation of duties and physical security to ensure compliance with applicable statutes, safeguarding assets from unauthorised use and to enhance overall corporate governance. The Company has laid down internal financial controls as detailed in the Companies Act, 2013. The design and operating effectiveness of controls is reviewed by an in-house Internal control team which was further validated by an independent Internal Auditors engaged by the Company. The statutory auditors have also independently audited the internal financial controls over financial reporting as of 31st March, 2025 and have opined that such controls were operating effectively. The Company has an Audit Committee of the Board of Directors, the details of which have been provided in the corporate governance report. The Audit Committee reviews audit reports submitted by the Independent Internal auditors on quarterly basis.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE – II TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Report of the Board of Directors for the year ended 31st March, 2025.

A. Energy Conservation

Discussed in main report

B. Technology Absorption

Research and Development (R & D)

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

The Company's Research & Development Unit, recognized by the Department of Scientific and Industrial Research (DSIR), Government of India since 1989, has consistently focused on enhancing the quality of Company's products. Its efforts include reducing costs through the adoption of alternative and more affordable raw materials, utilizing waste materials, revising quality standards, minimizing production waste and losses, recycling both unfired and fired production waste, and implementing pollution control measures. These initiatives have helped the company maintain a competitive edge in the market. During the reporting year, several innovative R&D projects were successfully developed and transitioned into commercial production.

- New state-of-the-art R&D centre developed at Kadi factory premises. The centre boasts of advanced test equipment for material science and ceramic technology. This Centre of Excellence is designed to keep the R&D activity as a strategic initiative. This will help us keep at the fore front of innovations in the Sanitaryware Industry worldwide. This centre is DSIR, Govt. of India, approved.
- Use of refire pitcher powder in production.
- Development of new Snow-white glaze with better glaze surface and also cost effective.
- Development of Alumina Body for thin rim TT Wash Basin.
- Development of indigenous Plaster of Paris which is equivalent to imported Plaster of Paris with cost effective.
- Developed 3 new matt colour glaze.
- Developed Grog Body for refire support which is cost effective.
- Installation of Casting Bay wise sliding Gates for battery drying of casted ware and waste heat recovery.

- Development of Refire glaze for recovery and Productivity.
- Reinforcing its commitment to adopting advanced technology and modern equipment, the Company has recently commissioned an XRF machine. This addition will significantly reduce raw material testing time, enhance precision and accuracy, and minimize variations—ensuring the use of consistently high-quality materials in production.
- Development of Gold decorative pieces by electroplating process.
- Development of suitable pressure casting body.
- Development of Suitable pressure casting body slip with Domestic China clay.
- Ramp up Robotic Glazing System in production. This gives us more controlled and uniform glaze coating on the sanitary ware as compared to manual glazing. This type of uniform glaze coating provides better aesthetic look of final products. Robotic glazing reduces dependence on manual labour. These are the highly advanced robotic systems with sophisticated control mechanism.
- Development of chemicals (Deflocculants for slip) for casting quality improvement
- Development of Single Ball clay in place of multi ball clays for casting slip and this has helped ESG.
- Strengthening of ZLD through reuse of process water.
- Development of biscuit fired shrinkage plate tiles. These tiles reduce squat, undulation, foot crack of critical items by loading on it. Especially quality of wall hung products has improved significantly by using this.
- Siphonic new design one piece product development (first time in cera)
- Developed stick up casting method for new product development like Cliption.
- Our Faucetware unit has implemented cutting-edge, best -in-class automation, setting a new standard across the industry
- Installed CNC router to enhance production accuracy, reduce material waste, and increase manufacturing efficiency through automated precision cutting.
- Our Zamak plating technology in Faucetware has set a new industry bench mark for the durability, aesthetics' and performance.
- Faucetware unit has consistently supplied products that align with the highest industry bench mark

- Faucet Robotic Surface Grinding, helps in uniform coat of chromium plating that will lead to surface endurance also installed Faucet Peeling Machine for For impeccable body finish.
- Designed and developed invisible waste out-clean reverse flow was basin.
- Also, in final product quality, Company has introduced automatic leakage detection test and overflow test. These tests help to improve functional quality of final products.
- Introduced different colours of silk glazes which enhance uniqueness as well as verity and versatility.
- Under the initiative of 'Waste Minimization and Waste Utilization', numerous measures have been taken. This includes recycling of solid and liquid, ZLD (zero liquid discharge) plant, high energy efficient rated machines, compliance to pollution norms, awareness-generation among employees etc.
- In keeping with eco-friendly tradition, the Company has developed 04 Liters flushing system with same effectiveness as 06 Liters flushing system. By 30% reduction in water consumption, this technology will help to save precious water. The company also reduced its water dependence on state supply by recycling full water requirement of manufacturing process. The company developed a fully functional rain-water-harvesting system.
- Product Certifications: All company's products are ITC (Institute for Testing and Certification, Czech Republic) certified. The company have completed IAPMO (USA Certification Agency) for almost half of company's products and are in process to get more products under this certification. The company have also started its product certification from SGS (Emirates Authority for standardization and Metrology).

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

2. Benefit derived as a result:

The use of new and more economical raw materials from alternative sources, along with the substitution of imported raw materials, colors, and other inputs, is expected to further lower production costs.

3. Future plan of action:

- As part of its eco-friendly initiatives, the Company aims to enhance the use of renewable energy sources—primarily solar energy, which is already in

place. Additionally, plans are underway to redesign the glaze spray system to maximize glaze recovery and recycling.

- The Company is focused on enhancing its manufacturing capabilities to accommodate more complex product designs. To support this, it has planned additional Bench-to-Battery casting conversions, which offer improved efficiency and productivity. The Battery Casting method is also more ergonomic, contributing positively to workers' health. Furthermore, the Company has introduced advanced semi-automatic casting techniques such as pearl casting, vertical casting, and beam casting into its production processes.
- The Company shall keep increasing product portfolio of the colour and keep adding new product as per increasing demand of the customers.
- The Company is set to enhance its capability and capacity to produce high-value products featuring ergonomic and aesthetically appealing designs. These products will be larger in size with a premium appearance. Advanced surface technologies such as stain-free, antimicrobial, and self-cleaning coatings will be incorporated. Additionally, new finishes including metallic and copper glazes are planned for introduction.
- In line with its focus on automation, the Company intends to deploy additional robots across the manufacturing process. Furthermore, an automatic gas pressure regulation system is planned for implementation in the firing process to improve efficiency and control.

4. Expenditure on R & D:

a) Capital	: Rs. 96.28 Lakhs
b) Recurring	: Rs. 182.05 Lakhs
Total	: Rs. 278.33 Lakhs
c) Total R & D Expenditure as a percentage of total turnover	: 0.15%

C. Foreign Exchange earnings and outgo

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

Total foreign exchange used	: Rs. 6123.38 Lakhs
Total foreign exchange earned	: Rs. 1851.50 Lakhs

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE - III TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

1. Brief outline on CSR Policy of the Company.

We believe real progress occurs when privileges are balanced with the responsibilities towards society. Your Company has always laid emphasis on progress with a social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle, Late Shri Vidush Somany our Executive Director had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities.

2. Composition of CSR Committee.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i	Mr. Vikram Somany (Chairman)	Chairman & Managing Director	3	3
ii	Mrs. Deepshikha Khaitan (Member)	Vice Chairman & Joint Managing Director	3	3
iii	Mr. Anupam Gupta (Member)	Executive Director (Technical)	3	3
iv	Mr. Surendra Singh Baid (Member)	Independent Director	3	3

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

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

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

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

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

(Rs in Lakhs)

- | | | | |
|--------|--|-----|-----------|
| 5. (a) | Average net profit of the company as per sub-section (5) of section 135. | Rs. | 23,743.49 |
| (b) | Two percent of average net profit of the company as per sub-section (5) of section 135. | Rs. | 474.87 |
| (c) | Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. | Rs. | 0.00 |
| (d) | Amount required to be set-off for the financial year, if any. | Rs. | 6.35 |
| (e) | Total CSR obligation for the financial year [(b)+(c)-(d)]. | Rs. | 468.52 |
| 6. (a) | Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects). | Rs. | 469.29 |
| (b) | Amount spent in Administrative Overheads | Rs. | NIL |
| (c) | Amount spent on Impact Assessment, if Applicable | Rs. | NIL |
| (d) | Total amount spent for the Financial Year [(a)+(b)+(c)] | Rs. | 469.29 |
| (e) | CSR amount spent or unspent for the financial year: | | |

Total Amount Spent for the Financial Year (Rs. in lakhs)	Amount Unspent (Rs in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 469.29	NIL	N.A.	N.A.	NIL	N.A.

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

Sl. No.	Particular	Amount (Rs.in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	474.87
(ii)	Excess amount spent for the financial year	6.35
	CSR obligation for the FY 2024-25 (i-ii) (Net)	468.52
	(As Calculated under point no. 5(e) also)	
(iii)	Total amount spent for the Financial Year	469.29
(iii)	Excess amount spent for the financial year [(iii)-(ii)]	0.77
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.77

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any.
					Amount (in Rs.)	Date of transfer	
	-	-	-	-	-	-	-

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

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
	-	-	-	-	-	-	-

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135: **Not Applicable**

Ahmedabad
9th May, 2025

Anupam Gupta
Executive Director (Technical)
(DIN: 09290890)

Vikram Somany
Chairman and Managing Director
Chairman of CSR Committee
(DIN: 00048827)

ANNEXURE - IV TO THE DIRECTORS' REPORT

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

Sr. No.	Particulars					
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Wholetime Directors				
		CMD		VC & JMD	ED (Technical)	
		39X		18X	20X	
ii.	The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year.	Wholetime Directors			KMPs	
		CMD	VC & JMD	ED (Technical)	CFO	CS
		10%	12%	15%	31%	20%
iii.	The % increase in the median remuneration of employees in the financial year.	12.18%				
iv.	The number of permanent employees on the rolls of Company.	2474				
v.	Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average 11.77% increase in the salaries of the employees at all the levels across the organization				
vi.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the remuneration policy of the company.				

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

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE – V TO THE DIRECTORS' REPORT

[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and Section 62(1)(b) of the Companies Act 2013, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014]

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

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

The Disclosure on Share based Payment has been made in Note no. 34.2 to the Standalone financial statements forming part of these Annual Report.

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

Diluted Earnings Per Share is Rs.190.40

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

- (i) General terms and conditions of ESOS 2024

Particulars	Details
(a) Date of shareholders' approval	16 th May, 2024
(b) Total number of options approved under ESOS	Total number of shares covered under the Plan shall not exceed 2,60,000 (Two Lakhs Sixty Thousand) equity shares of the Company.
(c) Vesting requirements	Upon a valid exercise of a vested option by a participant, each vested option will entitle the eligible employee to 1 (one) fully paid up equity share of the Company. There shall be minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date. Every grant of options shall be governed by a vesting schedule and such other terms and detailed in the letter of grant issued to the eligible employee(s) at the time of each grant.
(d) Exercise price or pricing formula	The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.
(e) Maximum term of options granted	Options granted under this ESOS 2024 would Vest not earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the Grant Date.
(f) Source of shares (primary, secondary or combination)	The Plan will be implemented and administered through trust route wherein a trust will acquire the equity shares of the Company by primary issuance/ secondary acquisition shares of the Company through trust or both in one or more tranches.
(g) Variation in terms of options	During the year, no amendment/ modification/ variation has been introduced in terms of options.

- (ii) Method used to account for ESOS: Fair Value

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

(iv) Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	14,950
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	14950
Number of options exercisable at the end of the year	Nil

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.: Details are covered under Note 34.2 to the standalone financial statements

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

(a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Name and Designation	Number of Option Granted during the year
1	Mr. Anupam Gupta, Executive Director (Technical)	3500
2	Mr. Vikas Kothari, Chief Financial Officer	1250
3	Mr. Rahul Jain, President- Marketing	1000
4	Mr. Sandeep Abraham, President- Sales	1000
5	Mr. Hemal Sadiwala Company Secretary	300

The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.

(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:

Sr. No.	Name and Designation	Number of Option Granted during the year
1	Mr. Ajay Jain, Sr. Vice President – Production	1350

The exercise price per such Option shall be the face value of the Shares of the Company at the time of Grant.

(c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.: Not Applicable

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

Particulars	Details
(a) Weighted-average values of share price, Exercise price, Expected volatility, Expected option life, Expected dividends, Risk-free interest rate The price of the underlying shares in market at the time of Option grant	Details are covered under Note 34.2 to the standalone financial statements

- (b) the method used and the assumptions made to incorporate the effects of expected early exercise:

Black Scholes Option Pricing model

- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;

The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.

- (d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value at grant date is determined using “Black Scholes Model” which takes into account the exercise price, term of the option, share price at Grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

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

D. Details related to Trust:

- (i) General information on ESOP 2024 Scheme:

Particulars		Details
1.	Name of the Trust	Cera Sanitaryware Employees Welfare Trust
2.	Details of the Trustee(s)	
	Name	Qapita Equitytech Ltd (Formerly known as KP Corporate Solutions Ltd.)
	Address	IndiQube The Kode, 7 th Floor, S.No' 134, Hissa No. 1/38, Baner Pashan, Link Road, Pune - 471045
	Occupation	Service (In the field of ESOP Consulting)
	Nationality	Indian
3.	Amount of loan disbursed by company, during the year	Rs.271.00 Lakhs
4.	Amount of loan outstanding (repayable to company) as at the end of the year	Rs.258.19 Lakhs
5.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	Nil
6.	Any other contribution made to the Trust during the year	Nil

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

Particulars		Details
(a)	Number of shares held at the beginning of the year	Nil
(b)	Number of shares acquired during the year through	
	(i) Primary issuance	-
	- Percentage of paid up equity capital as at the end of the previous financial year	-
	- Weighted average cost of acquisition per share;	-
	(ii) Secondary acquisition	3739
	- Percentage of paid up equity capital as at the end of the previous financial year	0.03%
	- Weighted average cost of acquisition per share;	Rs.6865
(c)	Number of shares transferred to the employees / sold along with the purpose thereof;	-
(d)	Number of shares held at the end of the year.	3739

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

Particulars	Shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	Nil	Nil
Acquired during the year	3739	0.03%
Sold during the year	Nil	Nil
Transferred to the employees during the year	Nil	Nil
Held at the end of the year	3739	0.03%

It is hereby confirmed that there are no material change in the scheme(s) and the scheme is in compliance with the SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE - VI TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

(As required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1) Company's Philosophy

The Company is dedicated to upholding the principles of strong Corporate Governance and acting as a responsible corporate citizen. We are committed to conducting our business ethically and in full compliance with all applicable legal requirements. Our goal is to continually enhance our Corporate Governance practices to build and maintain the trust and respect of our stakeholders. We believe in fostering values such as transparency, professionalism, and accountability at every level of our operations. The Company acknowledges the critical role of the Board in shaping decisions that affect our customers, dealers, employees, shareholders, and everyone who interacts with the Company. It is widely recognized, both in India and globally, that organizations with sound governance are better positioned to maximize stakeholder value over the long term. At CERA, we are driven by integrity in achieving our performance objectives. The Company has adopted various codes and policies that provides a structure within which Directors and the management can effectively pursue the Company's objectives. Corporate Governance has always been at the heart of our business operations, and we remain compliant with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

2) Board of Directors

The composition of the Board with reference to the number of Executive Director, Non-Executive Directors, Independent Directors and Woman Directors, meets the requirement of Regulation 17(l) of Listing Regulations and it consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The Board comprises of a Chairman and Managing Director, Vice Chairman and Joint Managing Director, Executive Director (Technical) and 4 (Four) Independent Directors. The profiles of Directors can be accessed on the Company's website at <https://www.cera-india.com/about-us/leadership-team>

During the year under review, 6 (Six) Board Meetings were held on 8th April 2024, 13th May, 2024, 5th August, 2024, 12th August, 2024, 12th November, 2024 and 11th February, 2025.

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

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

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship	No. of other Committee Membership @		Names of Listed entities where person is also director and category of Directorship
						Member	Chairperson	
1	Mr. Vikram Somany	Chairman and Managing Director Promoter Director	6	Yes	2	-	-	-
2	Mrs. Deepshikha Khaitan*	Vice Chairman and Joint Managing Director Promoter Director	6	Yes	2	-	-	-

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship	No. of other Committee Membership @		Names of Listed entities where person is also director and category of Directorship
						Member	Chairperson	
3	Mr. Anupam Gupta	Executive Director (Technical)	6	Yes	-	-	-	-
4	Mr. Surendra Singh Baid	Non-Executive Independent Director	6	Yes	-	-	-	-
5	Ms. Akriti Jain	Non-Executive Woman Independent Director	6	Yes	1	-	-	-
6	Mr. Ravi Bhamidipaty	Non-Executive Independent Director	6	Yes	3	-	-	-
7.	Mr. Anandh Sundar	Non-Executive Independent Director	6	Yes	3	1	-	Thyrocare Technologies Limited – Independent Director

* Re-Appointed as Vice Chairman and Joint Managing Director of the Company w.e.f. 1st April, 2025.

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

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

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

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

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

Skills / Expertise / Competence of the Board:

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

Possessing knowledge relating to Ceramic Industry	Wide experience and expertise possessing knowledge relating to clay, sculptures, pottery items, sanitary ware, home-ware products, cookware, bathroom fittings etc. with innovative ideas innovative technology for enhancing the production.
Commercial	Ability to understand what makes business or organization successful through either buying or selling products, cost of goods and Services and taxes, commercial contracts etc.

Finance	Having knowledge in accounting, finance, treasury, tax, financial management of large-scale corporates, financial reporting process etc.
Sales and marketing	Having understanding of complex and large corporate structure supply and marketing chain, strategic planning, marketing skills. Understanding local and global trends in the business.
Technology and technical know how	Having knowledge of emerging areas of digital technology, artificial intelligence, cyber technology etc. and having good understanding of technical knowhow and technologies specifically used in ceramic industry.
General Administration and Human Resources	Having understanding of organizational system, complex business and regulatory environment, strategic planning and handling routine affairs and Human resources of the Company.
Risk management and mitigation planning	Ability to understand and assess the key risks to the organization, legal compliances, and to ensure that appropriate procedures and policies are in place for effective managing the Company and mitigate risk.
Legal and Corporate Laws	Understanding the legal eco system in which the Company operates, experience and expertise in implementing good corporate governance,

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

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

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of the specific duties, obligations and governance were also evaluated.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc. The performance evaluation of the Independent

Directors was carried out by the entire Board (excluding the Director being evaluated). The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Board also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Independent Directors' Meeting:

During the year under review, a separate meeting of Independent Directors was held on 28th March, 2025 inter alia, to discuss:

- Review of the performance of Non-Independent Directors, Executive Directors, Joint Managing Director and Board as whole;
- Review of the performance of the Chairman & Managing Director of the Company, taking into account the views of the Executive and Non-Executive Directors;

- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

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

Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any Insider Trading and it is applicable to all the Directors, Promoters, Designated Persons and other connected persons of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company and cautions them of consequences of violations. The Company has updated and revised the Internal Code of Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in line with the amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015 from time to time. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Code of Conduct:

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

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

3) Audit Committee

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

During the year under review, 4 (Four) meetings of Audit Committee were held on 13th May, 2024, 12th August, 2024, 12th November, 2024 and 11th February, 2025.

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

Name of Director	No. of Meetings	
	Held	Attended
Mr. Surendra Singh Baid	4	4
Ms. Akriti Jain	4	4
Mr. Ravi Bhamidipaty	4	4
Mr. Anandh Sundar	4	4

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and Company Secretary. If requires, the Audit Committee holds a separate meeting with Statutory Auditors in absence of the management representatives. The Company Secretary acts as Secretary to the Committee. Mr. Surendra Singh Baid, Chairman of the Audit Committee was present at the last 26th Annual General Meeting held on 11th July, 2024 to answer the shareholders' queries. The Committee has full access to information and records of the Company and can seek information from Senior Management Personnel of the Company and may invite such executives, as it considers appropriate, to be present at the meetings of Committee.

Terms of reference

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;

- ✦ Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;
- ✦ Changes, if any, in accounting policies and practices & reasons for the same
- ✦ Major accounting entries involving estimates based on the exercise of judgment by management;
- ✦ Significant adjustments made in the financial statements arising out of audit findings;
- ✦ Compliance with listing and other legal requirements relating to financial statements;
- ✦ Disclosure of any related party transactions;
- ✦ modified opinion (s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant finding & follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there

is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ` 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Additionally, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor.
- Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

4) **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee, comprises of 3 (Three) Independent Directors as its members namely, Mr. Surendra Singh Baid (Independent) - Chairman, Ms. Akriti Jain (Independent)

- Member and Mr. Anandh Sundar (Independent)
- Member.

During the year under review, 3 (Three) meetings of Nomination and Remuneration Committee were held on 6th April, 2024, 11th May, 2024 and 8th February, 2025.

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

Name of Director	No. of Meetings	
	Held	Attended
Mr. Surendra Singh Baid	3	2
Ms. Akriti Jain	3	3
Mr. Anandh Sundar	3	3

Terms of reference

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

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity,
 - consider the time commitments of the candidates.

- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Independent Directors are appointed, and their performance are evaluated based on the criteria such as knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company, number of meetings attended, familiarization programs attended, time devoted etc.

Executive Directors are appointed on the basis of requirement of the Company, qualifications & experience, association with the Company, loyalty etc. The committee recommends the appointment of Directors to the Board.

5) Corporate Social Responsibility Committee

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

During the year under review, 3 (Three) meetings of Corporate Social Responsibility Committee were held on 17th April, 2024, 24th September, 2024 and 16th January, 2025. Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Mr. Vikram Somany	3	3
Mrs. Deepshikha Khaitan	3	3
Mr. Surendra Singh Baid	3	3
Mr. Anupam Gupta	3	3

Terms of reference

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

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

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

6) Risk Management Committee:

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

Risk Management Committee comprises of Mr. Vikram Somany - Chairman, Mrs. Deepshikha Khaitan - Member, Mr. Anupam Gupta - Member, Mr. Surendra Singh Baid (Independent)- Member and Mr. Vikas Kothari, Chief Financial Officer - Member.

During the year 2 (Two) meetings of Risk Management Committee were held on 1st July, 2024 and 16th January, 2025. Details of number of meetings and attendance there at is as under:

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

Terms of reference

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

- To formulate a detailed risk management policy which shall include:

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

7) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

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

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

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

8) Details of remuneration for the year ended 31st March, 2025.

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

(Rs. in Lakhs)

Name and Designation	Remuneration	Perquisites and other benefits	Commission
Mr. Vikram Somany Chairman & Managing Director	776.57	100.20	-
Mrs. Deepshikha Khaitan Vice Chairman and Joint Managing Director	381.60	26.81	-
Mr. Anupam Gupta Executive Director (Technical)	368.44	73.86	-

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

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

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

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

Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

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

Name of the Director	Sitting Fees (Rs. in Lakhs)	Commission (Rs. in Lakhs)	No. of Shares held
Mr. Surendra Singh Baid	1.60	5.00	NIL
Ms. Akriti Jain	1.60	5.00	NIL
Mr. Ravi Bhamidipaty	1.60	5.00	NIL
Mr. Anandh Sundar	1.60	5.00	NIL
Total	6.40	20.00	

(ii) Non-Executive Directors & their Shareholding:

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

Criteria for Remuneration to Non-Executive Directors:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders. An Independent

iii) EMPLOYEE STOCK OPTION PLAN ("ESOP")

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on 6th April, 2024 and 8th April, 2024 approved the introduction and implementation of 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024" or "Scheme") by the primary issuance/secondary acquisition of the shares through trust route or both in one or more tranches by Cera Sanitaryware Employees Welfare Trust. The aforesaid ESOS 2024 was also approved by the Members of the Company through postal ballot process on 16th May, 2024.

The 'CERA Sanitaryware Employees Welfare Trust' (Trust) was set-up and bring into existence in due compliance with the Securities and Exchange Board of India (Share Based Employee Benefits

and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and provisions of the Applicable Laws including the Indian Trusts Act, 1882, with a view to administer Scheme through the Trust. This trust is managed by Qapita Equitytech Ltd (Formerly known as KP Corporate Solutions Ltd.) as an Independent Trustee.

During the year under review the Trust has purchased 3739 Equity shares of the Company from open Market. The Nomination and remuneration Committee of the Company have granted 14950 Options to 24 eligible employees of the Company on 4th June, 2024 in accordance with Scheme.

9) Share Transfer Committee:

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

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

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

10) Stakeholders Relationship Committee:

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

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

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

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

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

Status of Complaints during the financial year ended on 31st March, 2025:

Complaints at the beginning of the year	1
Complaints received during the year*	13
Complaints resolved during the year	14
Complaints remain unresolved at the end of the year	0

** Out of the 13 complaints 10 were clarifications regarding buyback of equity shares.*

All the complaints received from the Shareholders were resolved to the satisfaction of shareholders. The Company has not received any serious complaints during the year.

11) Senior Management

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

Sr. No.	Name	Designation
1.	Mr. Vikas Kothari	Chief Financial Officer
2.	Mr. Sandeep Abraham	President – Sales
3.	Mr. Rahul Jain	President – Marketing
4.	Mr. Ramesh Baliga Bantwal*	Chief Business Officer- Polymers and Emerging Business India
5.	Mr. Hemal Sadiwala	Company Secretary

**Appointed w.e.f. 24th February, 2025*

12) General Body Meetings and Postal Ballot

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

Annual General Meetings:

Financial Year ended	Date	Time	Venue
31 st March, 2024	11 th July, 2024	11.30 a.m.	Held Through Video Conferencing / Other Audio-Visual Means
31 st March, 2023	6 th July, 2023	11.30 a.m.	Held Through Video Conferencing / Other Audio-Visual Means
31 st March, 2022	30 th June, 2022	11.30 a.m.	Held Through Video Conferencing / Other Audio-Visual Means

Extra-Ordinary General Meeting:

Financial Year ended	Date	Time	Venue
NIL			

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

- I. Adoption of new set of Articles of Association of the Company. (Annual General meeting held on 11th July, 2024)
- II. Re-appointment of Ms. Akriti Jain as an Independent Director for second term of 5 years. (Annual General meeting held on 6th July, 2023)
- III. Re-appointment of Mr. Vikram Somany as Chairman and Managing Director (Annual General meeting held on 30th June, 2022)
- IV. Re-appointment of Mr. Ayush Bagla as an Executive Director (Annual General meeting held on 30th June, 2022)
- V. Appointment of Mr. Anupam Gupta as an Executive Director (Technical). (Annual General meeting held on 30th June, 2022)
- VI. Re-appointment of Mr. Surendra Singh Baid as an Independent Director. (Annual General meeting held on 30th June, 2022)
- VII. Payment of Commission to Non- Executive Directors. (Annual General meeting held on 30th June, 2022)

Passing of Resolution through Postal Ballot:

Sr. No.	Resolution	Date of Postal Ballot Notice	Type of Resolution	Details of voting on Resolutions	
				% of votes in Favour of Resolution	% of votes Against the Resolution
1.	Re-appointment of Mrs. Deepshikha Khaitan (DIN:03365068) as a “Vice Chairman and Joint Managing Director” of the Company.	11 th February, 2025	Ordinary	100%	Negligible
2.	Approval of the ‘Cera Sanitaryware – Employee Stock Option Scheme 2024’ (“ESOS 2024”/ “Scheme”).	8 th April, 2024	Special	86%	14%
3.	Approval of secondary acquisition of shares through Trust route for the implementation of ‘Cera Sanitaryware – Employee Stock Option Scheme 2024’.	8 th April, 2024	Special	87%	13%
4.	Provision of money by the Company for subscription and purchase of its own Shares by the Trust under the ‘Cera Sanitaryware – Employee Stock Option Scheme 2024’.	8 th April, 2024	Special	87%	13%
5.	Appointment of Mr. Anandh Sundar as an Independent Director of the company.	12 th February, 2024	Special	100%	Negligible
6.	Appointment of Mr. Ravi Bhamidipaty as an Independent Director of the company.	13 th September, 2022	Special	100%	Negligible

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

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

13) Means of Communication

1. Quarterly results are published in leading daily newspapers viz. The Economic Times / Business Standard/ Times of India and a local language newspaper viz. Times of India / Navgujarat Samay. The other Communication/ notices to the shareholders are published in Indian Express and Financial Express Gujarati both Ahmedabad Editions. The annual reports are circulated to all the members of the Company electronically, whose email ids are registered with depository participant and with the Registrar and Share Transfer Agent / Company only.
2. The official news releases/investor communication, if any, are given directly to the press and simultaneously submitted to the Stock Exchanges.
3. Quarterly and annual financial results, Shareholding pattern and other general information of the company are displayed on the company’s website: www.cera-india.com.
4. Earnings Calls and Presentations at the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations

made to analysts and transcripts of earnings calls are uploaded on the website of the Company thereafter also submitted to the stock exchanges.

14) General Shareholders' Information

1. Annual General Meeting

Date and Time : Thursday, 17th day of July, 2025 at 11.30 a.m.

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

2. Financial Calendar 2025-26 (tentative)

Annual General Meeting:	By 30 th September, 2026
Results for quarter ending June 30, 2025	By 14 th day of August, 2025
September 30, 2025	November, 2025
December 31, 2025	February, 2026
March 31, 2026 (Audited)	By 29 th May, 2026

3. Dividend Payment

Dividend for the year ended 31st March, 2025 will be paid within 30 days from the date of approval by the members at the Annual General Meeting either by direct credit into the members' bank accounts or by posting of dividend warrants / demand draft cases where proper bank details are not available with Company / R&T agent.

The Register of Members and Share transfer book of the Company will remain closed from 2nd July, 2025 to 9th July, 2025 (both days inclusive). Accordingly the Record Date for the purpose of ascertaining the eligibility of the members to receive the dividend is 1st July, 2025.

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

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

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and its amendment made from time to time, all the shares on which dividend has not been paid or claimed for seven consecutive years or more, such shareholders'

shares are required to be transferred to the Investor Education and Protection Fund. Company would be sending individual communications to all such shareholders whose dividend has not been paid or claimed for any year during the said seven consecutive years requesting them to claim their dividend before the due date of transfer failing which their shares would be transferred to the IEPF. Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the IEPF Authority at www.iepf.gov.in. Such shareholders are requested to update their KYC, claim their shares and unclaimed / unpaid dividend immediately.

5. Listing on Stock Exchanges

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

The company has paid annual listing fees for the year 2024-25 and 2025-26 to both the Stock Exchanges.

BSE Limited	National Stock Exchange of India Limited
Scrip Code: 532443 Scrip ID: CERA	Trading Symbol: CERA

6. Registrar and Share Transfer Agent

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

7. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition or re-lodgment of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected

through the depositories with no involvement of the Company. The Board has delegated the authority for approving transfer, transmission etc. to the Share Transfer Committee.

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

8. Information for Physical Shareholders

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

- 1) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details,

Bank Account details like Bank Name, Branch, Bank Account No, IFSC Code and MICR code, Address with Pin code, Email ID and Mobile Number (Form ISR-1)

- 2) Specimen Signature (Form ISR-2)
- 3) Registration of Nominee (Form No. SH-13) or Declaration for opting-out of Nomination (Form ISR-3)

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

For queries, you can approach to our Registrar and Share Transfer Agent (RTA) at: MCS Share Transfer Agent Limited (Unit: Cera Sanitaryware Limited), 101, 1st Floor, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380009, Email: mcsstaahmd@gmail.com, Tel.: +91 79 26580461/62.

9. Distribution of Shareholding as on 31st March, 2025.

Shares			No. of Shareholders	Total No. of Equity Shares
1	-	500	1,57,873	11,26,828
501	-	1,000	192	1,42,247
1,001	-	2,000	83	1,21,577
2,001	-	3,000	26	65,372
3,001	-	4,000	16	58,166
4,001	-	5,000	12	52,972
5,001	-	10,000	22	1,56,901
10,001	-	50,000	49	10,94,557
50,001	-	1,00,000	7	4,98,011
1,00,001	and	above	16	95,80,910
Total			1,58,296	1,28,97,541

10. Pattern of Shareholding as on 31st March, 2025.

Sr. No.	Category	No. of Shares	Percentage (%)
1.	Promoters & Promoter Group	70,17,760	54.41
2.	Mutual Funds	7,92,009	6.14
3.	Foreign Portfolio Investors	26,55,229	20.59
4.	Financial Institutions / Banks / Trusts / Insurance Co.	1,04,866	0.81
5.	IEPF	1,08,371	0.84
6.	NRI's	74,298	0.58
7.	Bodies Corporate	4,06,005	3.15
8.	Indian Public / HUFs / Firms	17,35,264	13.45
9.	Employee Welfare Trust	3,739	0.03
	Total	1,28,97,541	100.00

11. Dematerialization of Shares as on 31st March, 2025.

As on 31st March, 2025, 99.21% of the Company's total shares representing 1,27,96,060 Shares were held in dematerialized form and the balance 0.79% representing 1,01,481 shares are in physical form. The ISIN Number in NSDL and CDSL is "INE739E01017".

12. Secretarial Audit for Reconciliation of Capital pursuant to SEBI (Depositories and Participants) Regulations, 2018:

A practicing company secretary has carried out the aforesaid Secretarial Audit for all the quarters of Financial Year 2024-25. The Audit Reports confirms that there is no discrepancy in the issued, listed and admitted capital of the Company.

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

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

15. Credit Rating:

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

Facilities	Ratings	Remarks
Long-Term Bank Facilities	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
	CRISIL AA/ Stable	Reaffirmed
Long-Term / Short-Term Bank Facilities	CARE AA; Stable / CARE A1+ (Double A; Outlook: Stable / A One Plus)	Reaffirmed
Short-Term Bank Facilities	CRISIL A1+	Reaffirmed
Commercial Paper (Rs. 30 Crores)	CRISIL A1+	Reaffirmed

16. Plant Locations

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

- Sanitaryware and Faucetware Plants:
9, GIDC Industrial Estate, Kadi - 382715,
Dist. Mehsana, Gujarat.
- Wind Farms:

- Village & Tal. Kalyanpur, Dist. Devbhumi, Dwarka, Gujarat.
- Village Kadoli, Tal. Abdasa, Dist. Kutch, Gujarat.
- Village Jivapar (Anandpar), Tal. Chotila, Dist. Surendranagar, Gujarat.
- Village Mota Gunda, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.
- Village Navagam, Tal. Bhanwad, Dist. Devbhumi, Dwarka, Gujarat.

17. Address for Correspondence

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

- The Company has received Certificate from Parikh Dave & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory Authority. Certificate forms part of this report.
- During the FY. 2024-25 the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- During the year, total fees of Rs. 32.50 Lakhs have been paid to Statutory Auditors, Singhi & Co. and total fees of Rs. 2.83 Lakhs paid to Statutory Auditors of Subsidiaries, N. M. Nagri & Co.
- Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - Number of Complaints filed during the financial year. - NIL
 - Number of Complaints disposed of during the financial year. - NIL
 - Number of Complaints pending as on end of the financial year. - NIL
- Compliance certificate from Parikh Dave & Associates, practicing company secretary, regarding compliance of conditions of corporate governance is annexed with this report.

15) Other Disclosures

1. There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.
2. Disclosure of Accounting Treatment:
These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Financial Statements up to and for the year ended 31st March, 2025 were prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The previous year's figures have been regrouped / reclassified or restated, so as to make the figures comparable with the figures of current year.
3. There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authority of any matter related to the capital market, during the last three years.
4. Vigil Mechanism (Whistle Blower Policy):
The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/vigil-mechanism-whistle-blower-policy> and no person is denied access to the Audit Committee. The Company is doing business with honesty and integrity over the years. The system is in place to report unethical conduct in order to promote professionalism, fairness, dignity, and ethical behaviour in its staff and stakeholders.

The said system also safeguards the employees who use the vigil mechanism from being victimized.
5. The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has partly adopted nonmandatory requirements. The Company is having unmodified audit opinion and the Internal Auditor reports to the Executive Director (Technical) & CFO and has direct access to the Audit Committee. The Company is complying with applicable Secretarial Standards.
6. The Company has no material subsidiary. The Policy on Material Subsidiary framed by the Board of Directors of the Company is available on Company's website at <https://www.cera-india.com/policy-and-statutory-documents/policy-for-determining-materiality-of-events>
7. Related Party Transactions:
All transactions entered into with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and approved by the Audit Committee and the Board of Directors, as applicable. There were no materially significant transactions with related parties during the financial year which were in conflict of interest of the Company. Considering the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Related Party transactions, the board review and revise the Related party Transaction policy of the Company, time to time and it has been uploaded on the website of the Company at <https://www.cera-india.com/policy-and-statutory-documents/related-party-transaction>
8. Commodity Risk or Foreign Exchange Risk:
The Company is not dealing in any activity which may have commodity price risk or Foreign Exchange risk or undertaken hedging activities.
9. There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2024-25.
10. CEO and CFO certification
As per Regulation 17(8) and Part - B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Managing Director / CEO and CFO has been obtained.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

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

This is to certify that the Company has laid down Code of Conduct for Board Members and Senior Management of the Company. In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2025.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To,
The Board of Directors,
Cera Sanitaryware Limited,
9, GIDC Industrial Estate, Kadi – 382715.

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2025 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year.
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) that there is no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Ahmedabad
3rd May, 2025

Vikas Kothari
Chief Financial Officer

Vikram Somany
Chairman and Managing Director

CERTIFICATE

To,
The Members,
CERA SANITARYWARE LIMITED
CIN: L26910GJ1998PLC034400

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

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number – DIN on the portal of Ministry of Corporate Affairs – MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as a Director of the Company by the Board i.e. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such statutory authority.

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

FOR PARIKH DAVE & ASSOCIATES

COMPANY SECRETARIES

UMESH G. PARIKH

PRACTICING COMPANY SECRETARY

PARTNER

ICSI Unique Code No.: P2006GJ009900

Peer Review Certificate No.: 6576/2025

FCS NO. 4152 CP. NO. 2413

UDIN: F004152G000326419

Ahmedabad
9th May, 2025

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
CERA SANITARYWARE LIMITED
CIN: L26910GJ1998PLC034400

We have examined all relevant records of CERA SANITARYWARE LIMITED for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under para C and D of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2025.

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

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

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

Ahmedabad
9th May, 2025

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES
UMESH G. PARIKH
PRACTICING COMPANY SECRETARY
PARTNER
ICSI Unique Code No.: P2006GJ009900
Peer Review Certificate No.: 6576/2025
FCS NO. 4152 CP. NO. 2413
UDIN: F004152G000326430

ANNEXURE VII TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

The Directors present the Business Responsibility and Sustainability Reporting for the financial year ended on 31st March, 2025

SECTION A: GENERAL DISCLOSURE

I. Details of Listed Entity

1	Corporate Identity Number (CIN) of the Company	L26910GJ1998PLC034400
2	Name of the Company	CERA Sanitaryware Limited
3	Year of Incorporation	1998
4	Registered Office address	9, GIDC Industrial Estate, Kadi-382715, Dist. Mehsana, Gujarat, India.
5	Corporate Address	7 th & 8 th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Crossroads, Ahmedabad - 380059
6	Email ID	kadi@cera-india.com
7	Telephone	02764 - 243000, 242329 079 - 49112222
8	Website	www.cera-india.com
9	Financial year of which Reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid Up Capital	Rs. 644.88 Lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Hemal Sadiwala 2764-243000, 242329 hemal.sadiwala@cera-india.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Name of assessment or assurance provider	-
15	Type of assessment or assurance obtained	-

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

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

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

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Manufacturing and Trading of Sanitaryware	23922	45%
2	Manufacturing and Trading of Faucetware	28132	39%
3	Manufacturing and Trading of Bathroom Accessories & Allied products	28132	06%
4	Trading of Tiles	23912	10%

**NIC -2008*

III. Operations

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

Location	Number of Plants	Number of Offices*	Total
National	2	30	32
International	-	-	-

(Including Depots)*

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of states)	28 States 08 Union Territories
International (No. of countries)	29

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

Exports contribute 1% to the total turnover.

c. A brief on types of customers

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

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1240	1158	93%	82	7%
2.	Other than Permanent (E)	213	207	97%	6	3%
3.	Total Employees (D + E)	1453	1365	94%	88	6%
WORKERS						
4.	Permanent (F)	1234	1232	99.8%	2	0.2%
5.	Other than Permanent (G)	2924	2726	93%	198	7%
6.	Total workers (F + G)	4158	3958	95%	200	5%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	4	100%	0	0
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total differently abled employees (D + E)	4	4	100%	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	14	14	100%	0	0
5.	Other than permanent (G)	0	0	-	0	-
6.	Total differently abled workers (F + G)	14	14	100%	0	0

21. Participation/Inclusion/Representation of women (As on 31st March, 2025)

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.6%
Key Management Personnel	2	0	-

22. Turnover rate for permanent employees and workers

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25%	16%	24%	23%	13%	22%	19%	19%	19%
Permanent Workers	4%	0%	3%	3%	0%	3%	4%	0%	4%

V. Holding, Subsidiary and Associate Companies (Including Joint Ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ 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	Packcart Packaging LLP	Subsidiary	51%	No
2	Race Polymer Arts LLP	Subsidiary	51%	No

VI. CSR DETAILS

- 24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No) - Yes
- (ii) Turnover (in Rs.) - Rs. 1,91,525.12 Lakhs
- (iii) Net worth (in Rs.) - Rs. 1,35,034.32 Lakhs

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	CERA has implemented a Vigil Mechanism (whistleblower mechanism) to address grievances. Vigil Mechanism Policy link: https://www.CERA-india.com/policy-and-statutory-documents/vigil-mechanism-whistle-blower-policy	0	0	-	0	0	-
Investors (Other than shareholders)		0	0	-	0	0	-
Shareholders	Additionally, the Company has also implemented a Vishwaas Setu established for daily shop floor grievances and support management tool as a redressal mechanism; for its workers.	13	0	-	4	1	-
Employees and workers		0	0	-	0	0	-
Value Chain Partners	For shareholders and investors, there is a dedicated email ID along with Contact details for their queries/ grievances, the same is placed on the website of the Company	0	0	-	0	0	-
Other (please specify)	Grievance Redressal Mechanism Policy link: https://www.cera-india.com/policy-and-statutory-documents	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.

Sr No.	Material Issue Identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implications
1	GHG and Energy Management	Risk and Opportunity	<p>Risk</p> <p>The manufacturing processes of sanitaryware, faucet ware, bathroom accessories involve the consumption of electricity and natural gas for operating kilns which results in greenhouse gases emissions (GHGs).</p> <p>Opportunity</p> <p>Adopting energy efficiency initiatives and integrating renewables into the energy mix, CERA can reduce operational costs and strengthen its position as a responsible brand.</p>	<p>CERA has set up solar and wind plants with a combined capacity of 10.325 MW, generating 13,000 MWh. This setup sufficiently meets around 60% of the electricity requirements, thus reducing its dependency on grid electricity.</p> <p>Further, the Company has also installed a waste heat recovery system, which optimizes energy extraction/utility from fuels.</p> <p>Our R&D unit explores various alternatives aimed at reducing fuel consumption, including using fuel-efficient burners and incorporating newer energy-saving technologies.</p>	Positive & Negative

Sr No.	Material Issue Identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implications
2	Water Management	Risk & Opportunity	<p>Risk:</p> <p>Water is crucial in the mixing and moulding stages of production. Improper water management poses risks to operations, increases costs, and could result in non-compliance which affects the business continuity.</p> <p>Opportunity:</p> <p>Implementing water management practices that optimize water usage is critical to reduce the dependency on freshwater sources. Additionally, incorporating water-efficient product designs and manufacturing fosters resilience and encourages innovation within our business model.</p>	<p>The Company recognises the importance of the water and it has installed state-of-the-art ETP, STP, MEE, RO units in the manufacturing facility to treat the effluents. Further, the company reuses the treated water in the production process, gardening and other applications. This has enabled us to achieve Zero Liquid Discharge (ZLD) in our operations.</p> <p>we have developed a fully functional rainwater-harvesting system by maintaining over 10 wells within the premises. This water is further treated and reused in production which reduces the dependency on groundwater.</p> <p>As a socially responsible corporate citizen, CERA prioritizes water-efficient product design, with 48% of its portfolio consisting of water-saving products.</p>	Positive & Negative
3	Waste Management	Opportunity	<p>The majority of the waste generated in the Company's operations is recyclable. Through 'Waste Minimization and Waste Utilization' initiative, the company has undertaken several measures to reduce, reuse, and recycle its waste.</p> <p>Repurposing waste at various production stages (including both unfired and fired waste) and implementing stringent pollution control measures reduces environmental impact and provides a competitive edge in the market.</p>		Positive

Sr No.	Material Issue Identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implications
4	Community (CSR)	Opportunity	<p>The Company demonstrates its commitment to social responsibility through the implementation of strategic and trust-based community development interventions.</p> <p>The Company actively engages with local communities and participates in various social welfare activities.</p> <p>These programs enhance the company's engagement with surrounding communities and contribute to strengthening its social commitments.</p>		Positive
5	Human Rights	Risk & Opportunity	<p>Risk: Adhering to human rights principles is a fundamental responsibility of the company. It is essential to prioritize compliance with laws and regulations related to human rights. Failure to do so can lead to legal consequences and negatively affect the company's reputation and brand perception.</p> <p>Opportunity: Adhering to ethical labour practices and promoting diversity, equity and inclusion through stakeholder engagement reinforces our position as a responsible and preferred employer.</p>	<p>At CERA, we are dedicated to safeguarding the human rights of our employees and workers.</p> <p>We have adopted various policies including Code of Conduct, Anti-Corruption Policy, Business Ethics & Labour Policy, Policy on Child Labour & Forced Labour, Policy on Sexual Harassment, Whistle-blower Policy.</p> <p>These policies serve as guiding principles for us to establish and implement processes and procedures aimed at eliminating all forms of human rights violations.</p>	Positive & Negative

Sr No.	Material Issue Identified	Classification (Risk/ Opportunity)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implications
6	Employee Safety and Well-being	Opportunity	At CERA, we consider our employees as our most valuable asset. CERA is ISO 45001:2018 certified, which ensures our compliance with health and safety practices. This along with our focus on employee engagement initiatives play a crucial role in enhancing the productivity of the company.		Positive
7	Product Quality and Brand Image	Opportunity	To distinguish ourselves as a leading market player and the most preferred consumer brand in sanitaryware and bathroom allied products, CERA has established strong market connects and built legacy brands that ensure consumer satisfaction.		Positive
8	Supply Chain Management	Opportunity	<p>A resilient supply chain is key to optimizing operations, enhancing efficiency, and gaining a competitive advantage. Establishing long-term relationships with our suppliers, dealers, and retailers fosters trust and reliability, leading to smoother operations and consistent product quality.</p> <p>Our business continuity plan and risk management plan comprehensively address all foreseeable risks within our supply chain, with necessary measures in place to mitigate any disruptions that may arise.</p>		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)									
Policy for Preservation of Documents	✓								
Related Party Transaction	✓								
Code of Fair Disclosure	✓								
Code of Conduct	✓				✓				
Code for Insider Trading	✓			✓					
CSR Policy				✓				✓	
Vigil Mechanism (Whistle blower policy)	✓		✓	✓			✓		✓
Policy for Determining Materiality of Events	✓			✓					
Archival Policy	✓								
Nomination and Remuneration Policy	✓								
Dividend Distribution Policy				✓					
Policy for determining Material Subsidiary	✓								
Anti-Corruption Policy	✓								
Business Ethics & Labour Policy	✓		✓		✓				
Discipline and Grievance Policy			✓	✓					
Environmental Policy		✓				✓			
Occupational Health & Safety Policy			✓						
Policy on Child Labor & Forced Labor					✓				
POSH Policy					✓				
Quality Policy		✓							
BRS Policy	✓	✓	✓	✓	✓	✓	✓	✓	✓
b. Has the policy been approved by the Board? (Yes/No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
c. Web Link of the Policies, if available	https://www.CERA-india.com/policy-and-statutory-documents								
2. Whether the entity has translated the policy into procedures. (Yes / No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No, the Company encourages its value chain partners to adopt best practices to achieve responsible business operations.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 Quality Management System ISO 45001:2018 Safety Management System ISO 14001:2018 Environment Management System Product confirmation to BIS (ISI) CE IAPMO								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our company is certified with ISO 14001:2018 for environmental management systems. We have established internal targets for energy and water consumption, as well as waste generation. These targets are established by the taskforce and operation control teams led by HODs. Regular assessments and monitoring ensure alignment with our overarching goals, fostering a culture of continuous improvement and environmental stewardship across our operations.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance of these targets is integral to the company and is assessed by the respective HODs.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>At CERA, we remain committed to integrating Environmental, Social, and Governance (ESG) principles into every aspect of our business. We approach ESG matters holistically, recognising their critical role in shaping sustainable and responsible growth.</p> <p>The sector's growth, driven by changing consumer preferences and national priorities, is expected to support long-term, sustainable progress for committed players like us. As India moves toward modern, wellness-focused living, we continue to innovate and stay aligned with evolving customer needs. The formalisation of the sanitaryware sector, supported by recent reforms, has strengthened the organised market and expanded its reach. We aim to minimise our environmental footprint by investing in energy-efficient processes and responsible sourcing, with approximately 48% of our product portfolio comprising water-saving solutions. On the social front, our focus remains on ensuring workplace safety, supporting employee well-being, and enabling inclusive growth through deeper community engagement. Governance is a cornerstone of our operations, grounded in transparency, accountability, and ethical conduct.</p> <p>With these three levers of ESG guiding us at the core of our strategy, we remain committed to embedding sustainability, driving long-term value creation for all stakeholders.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<ul style="list-style-type: none"> DIN Number: 09290890 Name: Mr. Anupam Gupta Designation: Executive Director (Technical) Telephone: (02764) 243000, 242329 								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Risk Management Committee (RMC), comprising members of the Board and the KMP, is responsible for overseeing and guiding the management of risks related to Environmental, Social, and Governance (ESG) aspects.								

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)								
										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The review is undertaken by the Executive Director (Technical)									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	At CERA, we have implemented internal control measures to regularly check compliance requirements.									Quarterly								

11. **Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency**
The entity has not conducted any independent assessment or evaluation of its policies. However, we ensure that internal control procedures and periodic assessments of our operations are conducted to verify compliance with our policies.
12. **If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:** Not Applicable

SECTION C PRINCIPLE-WISE PERFORMANCE DISCLOSURE



PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	As part of the Board and Committee meetings, a total of 19 programs were held	<ul style="list-style-type: none"> - Corporate governance - Companies Act, and rules made there under - SEBI regulations - ESG related issues & updates - CSR initiatives - Risk management 	97%
Employees other than BoD and KMPs	198	<ul style="list-style-type: none"> - Familiarization programmes - Health and safety trainings - Skill upgradation - POSH - Leadership - Mental Health 	68%
Workers	190	<ul style="list-style-type: none"> - Data security - Health and safety trainings - Skill upgradation - POSH - Mental Health 	60%

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

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

	Monetary				
	NGRBC Principle	Name of the Regulatory Enforcement Agencies/ Judicial Institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding Fee	Nil				

	Monetary			
	NGRBC Principle	Name of the Regulatory Enforcement Agencies/Judicial Institutions	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.**

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

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, CERA has implemented an Anti-Corruption Policy that emphasizes ethical business practices as a core value, supported by the board, and senior management. The company does not participate in or tolerate any form of bribery or corruption. We are committed to complying with all legal requirements related to anti-bribery and corruption. All allegations of ethical misconduct reported are thoroughly investigated and addressed. Ethical business practices are further reinforced through transparent financial reporting.

Policy Link: <https://www.cera-india.com/sites/default/files/2022-05/Anti-Corruption-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:** No directors, key management personnel, employees, or workers have faced disciplinary actions by law enforcement agencies for allegations related to bribery or corruption.
6. **Details of complaints with regard to conflict of interest:** No complaints received in relation to issues of conflicts of interest of Directors / KMPs.
7. **Provide details of any corrective action taken or 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
8. **Number of days of accounts payables in the following format:**

	FY 2024-25	FY 2023-24
Number of days of accounts payables	56	66

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 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	2.65%	6.61%
	b. Number of trading houses where purchases are made from	15	14
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	97.43%	71.42%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	65%	67%
	b. Number of dealers / distributors to whom sales are made	2992	3257
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	12.25%	14.68%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	4.27%	6.70%
	b. Sales (Sales to related parties / Total Sales)	Nil	0.00%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
<p>The Company has been encouraging its vendors to follow the path of sustainability. The Company has a strong emphasis on ESG factors in addition to general competencies, finances, and capacity. CERA regularly conducts training sessions for plumbers and masons to enhance their technical skills and product knowledge. These sessions empower participants to earn better wages, address customer queries effectively, and ensure hassle-free product installation.</p>		

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

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

Policy link:

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

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

Essential Indicator

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

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	16%	11%	Details are mentioned in Annexure III of the Directors' Report.
Capex	13%	38%	

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)*

Yes, CERA has instituted responsible sourcing procedures. The primary raw material, clay, is largely sourced from within the same state or neighbouring states as the manufacturing facility, thereby reducing emissions associated with transportation. We prioritise sourcing from suppliers who are reputable and adhere to environmental standards. Our vendor selection process emphasises responsible business conduct, and we prioritize establishing long-term partnerships with suppliers who align with our values. CERA operates with a just-in-time vendor system, optimising inventory, reducing material wastage, and enhancing supply chain logistics.

- If yes, what percentage of inputs were sourced sustainably?*

Raw material purchase from neighbouring states 78%.

- 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 do not reclaim any of our products at the end of their life cycle due to their long lifespan. However, we ensure proper disposal of plastic, e-waste, and hazardous waste in accordance with CPCB compliance norms.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable for our activities and we adhere to Extended Producer Responsibility (EPR) compliance norms and regulations as mandated by the Central pollution control boards.

Leadership Indicators

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Green Waste	12%	12%
Fired Waste	10%	10%

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

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	We do not reclaim any of our products at the end of their life cycle due to their long lifespan. Nevertheless, we optimize waste disposal through a circular approach, maximizing reuse and recovery wherever applicable.					
E-waste						
Hazardous waste						
Other waste						

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
At CERA, we do not reclaim our sold products at the end of their life cycle due to their long lifespan. The cardboard used in our packaging material is recyclable.	

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

Essential Indicator

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

Category	% Employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1158	726	63%	1158	100%	0	0%	0	0%	0	0%
Female	82	41	50%	82	100%	82	100%	0	0%	15	18%
Total	1240	767	62%	1240	100%	82	7%	0	0%	15	1%
Other than Permanent employees											
Male	207	207	100%	207	100%	0	0%	0	0%	0	0%
Female	6	6	100%	6	100%	6	100%	0	0%	0	0%
Total	213	213	100%	213	100%	6	3%	0	0%	0	0%

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

Category	% of Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1232	1111	90%	1232	100%	0	0%	0	0%	0	0%
Female	2	2	100%	2	100%	2	100%	0	0%	2	100%
Total	1234	1113	90%	1234	100%	2	0.2%	0	0%	2	0.2%
Other than Permanent Workers											
Male	2726	2726	100%	2726	100%	0	0%	0	0%	0	0%
Female	198	198	100%	198	100%	198	100%	0	0%	198	100%
Total	2924	2924	100%	2924	100%	198	7%	0	0%	198	7%

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

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.13%	0.11%

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

Benefits	FY 2022-24			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	3.31%	90%	Y	5.67%	91.02%	Y
Others- please specify	-	-	-	-	-	-

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.

At CERA, we are committed to fostering an inclusive and supportive work environment for all the employees. We have mapped certain roles where differently abled employees can work without any constraints. We sensitize employees to raise awareness of the needs and requirements of differently-abled individuals, enabling our employees to offer appropriate assistance when needed.

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

The Company's policies—such as the Business Ethics Policy, Labour Policy, and the Policy on Child and Forced Labour—demonstrate a strong commitment to providing equal opportunities for all individuals, irrespective of caste, creed, gender, nationality, colour, race, religion, disability, or sexual orientation. Our BRS Policy also reinforces this commitment as per the act.

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

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

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

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

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

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

Category	FY 2024-25			FY 2023-24		
	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	1240	0	0%	1231	0	0%
- Male	1158	0	0%	1148	0	0%
- Female	82	0	0%	83	0	0%
Total Permanent Workers	1234	1234	100%	1279	1274	99.6%
- Male	1232	1232	100%	1277	1272	99.6%
- Female	2	2	100%	2	2	100%

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	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	1158	465	40%	771	67%	1148	415	36%	425	37%
Female	82	24	29%	30	37%	83	8	10%	8	10%
Total	1240	489	39%	801	65%	1231	423	35%	433	36%
Workers										
Male	1232	1133	92%	1133	92%	1277	971	76%	1277	100%
Female	2	2	100%	2	100%	2	2	100%	2	100%
Total	1234	1135	92%	1135	92%	1279	973	76%	1279	100%

Note: All workers and employees working at the plant have been trained on health and safety measures. Only employees located at sales offices are currently exempted from this training. By the 'One Culture, One Communication', CERA contributes to inclusive growth and skill development for its employees and workforce.

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1158	1074	93%	1148	1148	100%
Female	82	74	90%	83	83	100%
Total	1240	1148	93%	1231	1231	100%
Workers						
Male	1232	1232	100%	1277	1277	100%
Female	2	2	100%	2	2	100%
Total	1234	1234	100%	1279	1279	100%

10. Health and safety management system:

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

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

We aim to minimize health and safety risks by leveraging technology and implementing safe work practices, all in the pursuit of sustainable development. To further strengthen safety practices, CERA has celebrated the National Safety Week with a series of initiatives focused on promoting awareness and engagement among employees. The week-long campaign included practical, shop-floor safety training to help employees apply safe practices in their daily tasks. Activities such as safety quizzes, slogan and poster competitions, essay writing, a safety march, and a safety oath ceremony were conducted to reinforce safety protocols. During these events, employees reaffirmed their commitment to safety norms. Safety banners and badges were used across the plant to enhance safety awareness and employee accountability.

Policy Link:

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

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

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

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

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

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

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

Yes, CERA's manufacturing facility is equipped with an Occupational Health Centre (OHC) to ensure prompt and efficient healthcare response for the workforce. Employees and workers are covered by health insurance, and those not included in these insurance schemes have access to the ESIC program. Additionally, we organize annual health check-up programs at all operational sites, complemented by twice-a-month health check-ups conducted under the Shramyogi Vaan initiative. In case of emergencies, we have a tie-up with a local hospital (Rhythm) to ensure timely medical support. Awareness programs are also regularly conducted to educate the workforce on the prevention of tobacco, alcohol, and drug use, promoting overall well-being.

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

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	2.79	5.24
Total recordable work-related injuries	Employees	-	-
	Workers	10	19
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce.

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

At CERA, we are committed to health and safety of our employees by eliminating unsafe conditions and acts within the workplace. As a preventive measure, workers are allowed to begin work only after receiving a safety briefing on the tasks involved. For all safety-related incidents, our safety team conducts root cause analysis and implements corrective actions to eliminate hazards. To reduce ergonomic impact, we have introduced stack lifters, forklifts, trolleys, and designated internal movement pathways, minimizing physical stress. We also ensure a clean and hygienic work environment. We have 60 trained first aiders workers and 750+ trained firefighting workers. The dedicated safety committee, comprising 11 management representatives and 12 workers, facilitates discussions on all safety-related aspects, fostering collaboration between management and workers to maintain a safe work environment.

Comprehensive training and awareness programs on health and safety practices		
Hazard response	Safety systems	Infrastructure utility
<ul style="list-style-type: none"> - Emergency mock drills - Work permit system training - Road safety & helmet usage - Awareness on working at heights - Accident prevention - Firefighting drills - Construction site safety - PPE usage training 	<ul style="list-style-type: none"> - Lockout-Tagout (LOTO) integrated with Work Permit System - Near-miss reporting across departments - Internal safety reviews and compliance tracking 	<ul style="list-style-type: none"> - Fire extinguishers, hydrant systems across the plant - Detection systems at critical locations - Safety guard installations (e.g., conveyors) - Railings at elevated/hazardous zones - Eyewash stations, dust extractors, and other protective infrastructure

During FY 2024-25, a total of 147 safety training sessions were conducted. Practical training was provided to 427 members of the workforce on firefighting, including the use of fire hoses and extinguishers, of which 84 members were further trained on emergency rescue procedures. Toolbox talks are conducted for the workforce to reinforce safety procedures and promote a culture of awareness to mitigate workplace risks. Further, we have plans to provide appropriate training for our offsite employees. All these initiatives aim to foster a culture of safety, supported by continuous communication, education, and engagement, reinforcing everyone's role in incident prevention

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

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

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

The Company implements corrective actions based on the relevance and severity assessments, which helps prioritize corrective actions for the implementation. As part of our safety enhancement efforts, detailed audits were carried out across operational areas. Based on the findings, corrective and preventive measures were implemented. These included improved machine guarding, enhanced barricading, reinforcement of PPE usage and provision of additional protective gear, including masks and protective spectacles. Key safety infrastructure such as eyewash stations, dust extraction systems, and fire safety provisions were also installed. Targeted safety trainings, along with improvements to operational safety controls in high-risk areas, were enhanced to ensure workers are well-equipped to operate safely in dynamic and potentially hazardous environments, reinforcing both compliance and workforce well-being.

Leadership Indicators

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

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

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

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

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	-	-	-	-
Workers	-	-	-	-

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

No.

5. Details on assessment of value chain partners:

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

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

Not Applicable

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

Essential Indicators

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

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

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	<ul style="list-style-type: none"> Quarterly financial results Annual report Investor presentations & meetings Annual General Meeting Earnings conference call Regulatory Filing 	Annually, quarterly, periodically	<ul style="list-style-type: none"> Business Updates Financial information- Market developments Non-financial disclosures ESG
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> Regulatory filings Facility inspections Annual report 	As per applicable rules/regulations	<ul style="list-style-type: none"> Audit and inspections requirements Policy requirements NGRBC and BRSR compliances
Employees	No	<ul style="list-style-type: none"> Induction program Training programmes Intranet portals Performance appraisal reviews 	Periodically/ Regularly at the time of joining	<ul style="list-style-type: none"> Training requirements Employee well-being, health, and safety Perks & remuneration-engagement programme
Consumers or End Users	No	<ul style="list-style-type: none"> Advertisement, exhibitions and events Digital and social media connect Dealer showrooms Brochures and catalogues Website Phone calls, e-mails and meetings 	Periodically/ Regularly	<ul style="list-style-type: none"> Product details Product pricing Product feedback New product development Better service

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Industry Bodies and Associations	No	- Participation in industry forums	Periodically Regularly	- Discussions on the issues faced by the Ceramic sector and housing & construction sector - Knowledge exchange and latest trends in the Ceramic industry
Communities	Yes	- CSR projects through surveys and focused group discussions - Discussions - Visits	Periodically Regularly	- Community needs - Selection of new projects based on needs - Monitoring and evaluation of on-going projects - Welfare of marginalized and vulnerable sections of the society
Suppliers	No	- E-mails and phone calls - Meets - Purchase order	Periodically Regularly	- Pricing and quality issues - Supply chain issues/ solutions- Capacity development - New material development
Dealers	No	- Advertisement, exhibitions and events - Company's Website - Meetings - Conferences & awards ceremony - Emails and phone calls	Periodically Regularly	- New product launches - Distribution channel issues/solutions - Showroom upgradation/ renovation - Customer Preferences- Incentive Scheme

Leadership Indicators

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

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

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

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

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

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

- a) Woman empowerment
- b) Rural and urban infrastructure
- c) Education
- d) Health & Poverty eradication
- e) Environment and Sustainability

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees' workers covered (B)	% (B / A)	Total (C)	No. of employees' workers covered (D)	% (D / C)
Employees						
Permanent	1240	1240	100%	1231	131	11%
Other than permanent	213	0	0	132	0	0%
Total Employees	1453	1240	85%	1363	131	10%
Workers						
Permanent	1234	1234	100%	1279	2	0%
Other than permanent	2924	186	6%	2704	162	6%
Total Workers	4158	1420	34%	3983	164	4%

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wages		More than Minimum Wages		Total (D)	Equal to minimum wages		More than Minimum Wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1158	0	0%	1158	100%	1148	0	0%	1148	100%
Female	82	0	0%	82	100%	83	0	0%	83	100%
Total	1240	0	0%	1240	100%	1231	0	0%	1231	100%
Other than Permanent										
Male	207	0	0%	207	100%	130	0	0%	130	100%
Female	6	0	0%	6	100%	2	0	0%	2	100%
Total	213	0	0%	213	100%	132	0	0%	132	100%

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wages		More than Minimum Wages		Total (D)	Equal to minimum wages		More than Minimum Wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	1232	0	0%	1232	100%	1277	0	0%	1277	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
Total	1234	0	0%	1234	100%	1279	0	0%	1279	100%
Other than Permanent										
Male	2726	2726	100%	0	0%	2508	2508	100%	0	0%
Female	198	198	100%	0	0%	196	196	100%	0	0%
Total	2924	2924	100%	0	0%	2704	2704	100%	0	0%

3. Details of remuneration/salary/wages.

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	Refer Director's report	1	Refer Director's report
Key Managerial Personnel#	2	Refer Director's report	0	-
Employees other than BoD and KMP	1158	11 lakhs	82	9.05 lakhs
Workers	1232	2.88 lakhs	2	4.50 lakhs

* Managing Directors and Executive Directors

Excludes Directors

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages.	5.01%	4.54%

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

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

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

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

CERA has established policies, including the Policy on Sexual Harassment of Employees, Policy on Child Labour & Forced Labour, and Business Ethics & Labour Policy, to demonstrate zero tolerance for human rights violations. These policies serve as a guiding framework to address grievances related to human rights issues and other internal matters. Additionally, we maintain regular dialogue with worker union representatives to address concerns, promote welfare, and foster a collaborative work environment.

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

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour / Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013(POSH)	-	-
Complaints on POSH as a % of female employees/workers	-	-
Complaints on POSH upheld	-	-

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

CERA is committed to fostering a respectful and safe workplace, where all employees can perform their roles free from discrimination and harassment. We have established internal mechanisms to safeguard against and address grievances related to discrimination and harassment, ensuring the protection of complainants from adverse consequences. Further, our internal compliance committee (ICC) is dedicated to addressing complaints related to sexual harassment and provides a confidential platform for employees to report issues without fear of retaliation. It ensures that the identities of both the complainant and the accused are protected throughout the investigation process. As part of awareness and prevention, CERA communicates its POSH (Prevention of Sexual Harassment) policy to all employees. Additionally, during the induction program, new employees are provided with awareness and training on the POSH policy ensuring they understand the company's commitment to a safe and respectful workplace. We also provide access to the SHEBOX platform, enabling any employee or worker to confidentially report incidents of discrimination or harassment, which are promptly addressed.

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

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

10. Assessments for the year:

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

Note: Local government authorities conduct periodic assessments at the plant, at least once every quarter, focusing on human resource and labour law aspects.

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

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

Leadership Indicators

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

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

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

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

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

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

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced Labour/Inventory Labour	100%
Wages	100%
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. Not applicable

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (Giga Joules) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A)	46,809	52,112
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	46,809	52,112
From non-renewable sources		
Total electricity consumption (D)	29,430	18,038
Total fuel consumption (E)	3,43,689	3,27,863
Energy consumption through other sources (F)	20,054	20,171
Total energy consumed from non-renewable sources (D+E+F)	3,93,174	3,66,072
Total energy consumed (A+B+C+D+E+F)	4,39,983	4,18,184
Energy intensity per rupee of turnover (Total energy consumed / Lakh of revenue from operations)	2.30	2.23

Parameter	FY 2024-25	FY 2023-24
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Lakh of revenue from operations adjusted for PPP)	47.46	49.84
Energy intensity in terms of physical output per ton of production	16.18	14.95
Energy intensity (optional) – the relevant metric may be selected by the entity		-

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

CERA has engaged the Energy Management System, Ahmedabad for conducting Energy Audit.

Note: PPP conversion factor for FY 2023-24 has been referred from ISF guidance (as per SEBI circular), while for FY 2024-25, the same has been taken from IMF website (source mentioned in the ISF).

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

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	79,410	87,453
(iii) Third party water	85,195	73,228
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,64,605	1,60,681
Total volume of water consumption (in kilolitres)	1,51,040	1,51,005
Water intensity per rupee of turnover (Total Water consumption / Lakh of revenue from operations)	0.79	0.80
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Lakh of revenue from operations adjusted for PPP)	16.29	18.00
Water intensity in terms of physical output per ton of production	5.55	5.40
Water intensity (optional) – the relevant metric may be selected by the entity		-

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

CERA has engaged National Productivity Council Gandhinagar for conducting Water Audit Study.

- Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With Treatment – please Specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment.	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment.	-	-
(iv) Sent to third-parties		
- No treatment	-	-

Parameter	FY 2024-25	FY 2023-24
- With treatment – please specify level of treatment.	-	-
(v) Others		
- No treatment	-	-
- With treatment – Please specify level of treatment.	-	-
Total water discharged (in kilolitres)	-	-

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

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

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

We have implemented advanced wastewater treatment systems to support responsible water management and achieve Zero Liquid Discharge (ZLD) at our manufacturing units:

Effluent Treatment Plants (ETPs): Two ETPs with a total capacity of 710 KLD. The treated water is further purified via Reverse Osmosis (RO), and the RO reject is recirculated into the ETPs through a closed-loop system to maximize reuse.

Sewage Treatment Plants (STPs): Two STPs with a combined capacity of 140 KLD handle on-site domestic sewage treatment.

ZLD Commitment: Our commitment to ZLD is reinforced through the installation of a Multiple Effect Evaporator (MEE) for high-TDS wastewater treatment, alongside ozonators and RO units, to ensure responsible water discharge and maintain rigorous quality standards.

A major portion of the treated water is **reused in key production processes** such as mould making, slip preparation, glaze preparation, casting, and in chillers. The remaining treated water is utilized for **gardening and landscaping**. (75% – plant operation use; 25% – domestic use)

We have achieved **zero external discharge** from our manufacturing operations and conducted water audit, reflecting our commitment to sustainable water management and environmental protection.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	mg/Nm ³	3.97	8
SOx	ppm	N.D.	18
Particulate matter (PM)	ppm	17	62
Persistent organic pollutants (POP)	-	-	-
Volatile	organic compounds (VOC)	-	-
Hazardous air pollutants (HAP)	-	-	-
Others Please specify	-	-	-

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

The Company has engaged Happy Associate (Enviropious EHS Solution) as agency to carry out assessment.

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

Parameter	Unit	FY 2024-25	FY 2023-24
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)	Metric tonnes of CO ₂ equivalent	19,832	18,821
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)	Metric tonnes of CO ₂ equivalent	5,943	3,623
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions /Lakh of revenue from operations)	tCO ₂ e/Lakhs	0.13	0.12

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Lakh of revenue from operations adjusted for PPP)	tCO ₂ e/Lakhs	2.78	2.68
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/ Ton of production	0.95	0.80
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

Note: In FY 2024–25, although the overall production declined slightly, energy consumption and emissions increased. This was primarily due to the expansion of a specific production unit and increased reliance on grid electricity during the shutdown of the renewable energy plant for maintenance and weather-related issues. Efficiency improvements and equipment upgrades did provide considerable savings (listed below), but these were offset by higher grid dependency. Additionally, the emission factors for Scope 1 and Scope 2 have been updated in accordance with the 2024 GHG Protocol and the Indian CEA (SEBI ISF guidance). Consequently, the figures for FY 2023–24 have also been revised to ensure consistency and comparability.

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

CERA has initiated Non-Conventional Energy generation project since 1995, harnessing wind and solar power to produce 10.325 MW of energy. Today, our manufacturing plants in Gujarat fulfil about 60% of electricity requirements through non-conventional captive generation. To further improve efficiency, we have partly replaced our existing solar panels with newer ones, enhancing the overall performance of our renewable energy systems. Additionally, we prioritize cleaner fuels like market gas for our production processes. At our Kadi factory premises, we host a dedicated R&D unit recognized by the Department of Scientific and Industrial Research (DSIR). This unit spearheads initiatives to minimize fuel consumption, driving efficiency improvements throughout our operations.

Energy audits were conducted at our locations, which helped identify energy-saving opportunities for energy conservation and cost reduction. The recommendations from these audits are implemented based on priority.

Optimizing energy efficiency and emission reduction		
Fuel	Electrical	Mechanical
Automation and control improvements were implemented through auto ON-OFF valves, burner/kiln timers, and pressure-based gas booster control.	Extensive timer installations across plant equipment (HF plant, coolers, mixers, conveyors) to optimize runtime.	Equipment modifications and upgrades such as higher-capacity dryers, slip blunger belt changes, and agitator timer pilots enhanced efficiency.
Optimization of gas usage included prioritizing GAIL gas for generator usage and utilizing waste heat in dryers.	Replacing tube lights with sensor-based lighting and disconnecting idle equipment.	Transition to energy-efficient components, including IE3 motors and delta-to-star conversion for multiple agitators.
Equipment-level efficiency measures like damper adjustments and mould-weight-based burner shutdown were introduced.	Control enhancements via remote ON/OFF switches and interlocks (e.g., pitcher ball mill with compressor) reduced unnecessary consumption.	Process streamlining with improved shuttle kiln loading and blower-airline interlocking helped reduce mechanical load and improve safety.

These have resulted in approximately 600 MWh/2000 GJ in energy savings and 250 MtCO₂e of emission reduction for FY 2024-25

Moreover, frequent monitoring of energy consumption enables us to swiftly identify inefficiencies and optimization opportunities. This approach aids in informed decision-making towards energy conservation and cost reduction.

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

Parameter	Units	FY 2024-25	FY 2023-24
Plastic waste (A)	Tons	22.79	36.23
E-waste (B)	Tons	2.85	3.41
Bio-medical waste (C)	Tons	-	-
Construction and demolition waste (D)	Tons	-	-
Battery waste (E)	Tons	0.89	1.00
Radioactive waste (F)	Tons	-	-
Other Hazardous waste. Please specify, if any. (G)	Tons	1,351.68	1,205.32
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Tons	17,606.25	20,307.03
Total waste generated (A+B + C + D + E + F + G + H)	Tons	18,984.44	21,552.99
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	Tons/Lakh	0.10	0.11
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Tons/Lakh	2.05	2.57
Waste intensity in terms of physical output per tons of production	Tons/Tons	0.70	0.77
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*NOTE: In the current reporting year, waste generation and disposal quantities have been standardized and refined by estimating total weight instead of reporting by number of items. Consequently, waste data for both the current and previous years may reflect variations compared to earlier disclosures.

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

Parameter		FY 2024-25	FY 2023-24
Category of waste			
(i) Recycled	Tons	9198.00	9675.60
(ii) Re-used	Tons	1302.33	1,150.84
(iii) Other recovery operations	Tons	-	-
Total	Tons	10,500.33	10,826.44

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste			
(i) Incineration	Tons	-	-
(ii) Landfilling	Tons	-	-
(iii) Other disposal operations	Tons	8,484.11	10,726.55
Total	Tons	8,484.11	10,726.55

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

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

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

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

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

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

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

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

S. No.	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
Not Applicable				

Leadership Indicators

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

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

(i) Name of the area :

(ii) Nature of operations :

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

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in Kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Total Water consumed / Lakhs of revenue from Operation)		-
Water intensity (optional) – the relevant metric may be selected by the entity		-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		

Parameter	FY 2024-25	FY 2023-24
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	Not applicable	Not applicable
- 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. Cera has engaged National Productivity Council Gandhinagar for conducting Water Audit Study.

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

Parameter	Unit	FY 2024-25	FY 2023-24
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)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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

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

Not Applicable

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reuse and Recycling. Conserving natural resources by reusing and recycling of the waste	The Company reuses majority of the waste and has recycling process to reduce paper, plastic and other waste. The Company has also appointed waste management agencies.	Decrease in raw material cost and less waste is generated
2	Installing Rain Water Harvesting system	The Company has installed rain water harvesting system which helps conserve majority of water. About 48% of products in the portfolio are water-saving products.	Water conservation has improved, and dependency on groundwater has reduced by 10%. Based on piezometer-based testing, the rainwater harvesting initiative has contributed to a 15m groundwater recharge.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3	Renewable resources	The Company's electricity needs are predominantly met by the wind turbines and solar plants, which collectively contribute to 61% of our total electricity requirement. This significant investment in renewable energy sources underscores our commitment to sustainability and reducing our environmental footprint.	Less emissions generated. Lower dependency on thermal energy.
4	Enhancing operational efficiency through equipment upgrades	Timing and automation upgrades in machinery have improved energy efficiency and enhanced overall production performance.	Reduced the energy consumption and resultant emissions.
5	Timer control	Timer controlled electrical equipment operations like HF Plant, water coolers, ACs, street light etc.	Reduces the unnecessary consumption of the electricity
6	Improvement in power factor	Installation of automatic power factor bank.	Enhances energy efficiency and reduces operational costs by improving the power factor of electrical systems
7	Sanitaryware Robotic Pressure Casting	Implementation of robotic pressure casting systems to produce high-end sanitaryware in large quantities.	Significantly increases production efficiency, enhances product quality, and supports large-scale manufacturing to meet growing market demand.
8	Sanitaryware Robotic Glazing	Integration of robotic glazing technology to ensure smooth surface finishes with minimal wastage of materials.	Reduces material waste, improves surface quality, and enhances operational sustainability by optimizing the glazing process.
9	Reduction of Hazardous Solid Waste in Faucet ware Division	Treatment optimization and waste segregation efforts were implemented in the faucet ware division to reduce hazardous solid waste.	Achieved ~30% reduction in hazardous solid waste (ETP) generation per SKU in FY 2024-25.

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

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

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. Nil

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. Nil

8. How many Green Credits have been generated or procured: Nil

a) By the listed entity

b) By the top ten value chain partners (in terms of value of purchases and sales, respectively)

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

Essential Indicators

1. *a. Number of affiliations with trade and industry chambers/ associations.*
The company is affiliated with four trade and industry chambers and associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.*

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

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

Leadership Indicator

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	Issues relating to ceramic Industries, evolving new standards for finished products and raw materials for human safety and environmental protection.	Through affiliations with industry associations such and direct participation in meetings with statutory agencies.	No	As and when required	Not Applicable

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. Not Applicable
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable
3. Describe the mechanisms to receive and redress grievances of the community.
CERA has established mechanism for receiving and addressing community grievances involving regular interaction between our Human Resources (HR) and Corporate Social Responsibility (CSR) teams with community members. This proactive approach is designed to identify and address any concerns that may arise within the communities in which we operate.

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

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	65%	52%
Directly from within India	86%	95%

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 2024-25	FY 2023-24
Rural	0.00%	0.00%
Semi-Urban	49.10%	49.56%
Urban	16.21%	16.63%
Metropolitan	34.69%	33.82%

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

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):** Not applicable
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:** We have not undertaken any CSR projects under any of the aspirational districts
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** No
 - From which marginalized /vulnerable groups do you procure?** Not Applicable
 - What percentage of total procurement (by value) does it constitute?** Not Applicable
- Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:** Not Applicable
- Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.** Not Applicable
- Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalized groups
1	Promoting healthcare including preventive health care & Eradicating hunger, malnutrition	17,118	Majority of the Company's CSR activities benefit individuals from vulnerable and marginalized groups.
2	Promoting education, including special education	8,508	
3	Environment sustainability	5500	
4	Rural development.		

* Approximate annual beneficiaries.

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

Essential Indicators

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

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

- **After-sales support:** CERA has established 13 service offices across the country, with 43 officers overseeing a team of 455 technicians who are dedicated to attending to complaints and providing service in every state. The company also conducts periodical training for its technicians to ensure better quality service and product knowledge. CERA provides a mobile app for customer support to enhance communication and service efficiency.
- **24-Hour toll-free call centre:** We offer a toll-free call centre that operates around the clock, allowing consumers to easily reach out to us with their concerns and feedback at any time. Also, we address grievances reported under 48-hour window, which is considered the lowest in the industry.
- **Consumer satisfaction surveys:** To gauge consumer satisfaction levels and identify emerging trends, we conduct periodic surveys. These surveys provide valuable insights that help us continuously improve our products and services.
- **Management review:** The survey system and consumer feedback mechanisms are periodically reviewed by our management team. This ensures that consumer insights are effectively integrated into our business strategies and operations.

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

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

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

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

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	
Advertising	-	-	-	-	-	
Cyber-security	-	-	-	-	-	
Delivery of essential services	-	-	-	-	-	
Restrictive Trade Practices	-	-	-	-	-	
Unfair Trade Practices	-	-	-	-	-	
Other*	20,817	1,547		22,239	-	-

(* Consumer Complaints regarding Products)

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

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

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

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

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. *Number of instances of data breaches*

Nil

b. *Percentage of data breaches involving personally identifiable information of customers*

Not Applicable

c. *Impact, if any, of the data breaches*

Not Applicable

Leadership Indicators

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

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

- **Company's website:** Our main platform for providing comprehensive information about our products and services is our website, available at www.CERA-india.com.
- **Dealer network:** Our extensive dealer network across regions offers personalized assistance and information on our offerings.
- **Display boards and exhibitions:** We utilize display boards at strategic locations and participate in exhibitions to showcase our products and innovations.
- **Catalogues and advertisements:** Printed and digital catalogues, along with advertisements in various media, serve to inform and engage potential customers about our latest products and services.
- **Social media:** We leverage major social media platforms to showcase our products, engage with customers, and build a vibrant online community.
- **Brand Stores:** We undertook a complete transformation of its brand stores. These include CERA Style Galleries, CERA Style Hub, CERA Style Centre, and CERA Tile Centres. This initiative has enhanced customer experience, creating a strong brand pull and aiding in better decision-making.
- **Company-Owned Studios:** Company have significantly expanded the reach by opening Company-Owned, Company-Managed CERA Style Studios across all key markets in the country- Mohali, Jaipur, Pune and Lucknow. The Company own 13 experience centres across the country.

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

CERA adopts a multi-channel approach to promote the safe and responsible use of its products. All product packaging is designed with clear, concise instructions, and each unit is accompanied by a comprehensive user manual that includes safety precautions, usage guidelines, and maintenance tips to ensure correct handling. Our dedicated customer support team is readily available to address any questions or concerns about product safety and responsible usage, offering personalized guidance to ensure consumer well-being. The CERA Superstar Retailer program has seen strong participation with 24,400 retailers enrolled, while the CERA Star Plumber initiative successfully onboarded 52,556 plumbers. This enables them to effectively guide customers during purchase decisions and provide informed support after the sale. The initiative has been instrumental in fostering long-term relationships and boosting sales performance, while also promoting responsible product usage.

This combination of direct-to-consumer communication and an informed retail network helps us build a responsible, well-informed customer base, aligned with our commitment to consumer well-being.

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

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

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

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

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, CERA routinely conducts consumer surveys to gauge customer satisfaction.

Ahmedabad
9th May, 2025

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

ANNEXURE - VIII TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended on March 31, 2025

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

To,
The Members,
CERA SANITARYWARE LIMITED
CIN: L26910GJ1998PLC034400
9, GIDC Industrial Estate,
Kadi, Mehsana- 382715.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CERA SANITARYWARE LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as

there were no reportable events during the financial year under review;

- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the year under review;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable during the year under review;
 - (g) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
 - (h) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the year under review;

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

- i. Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

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

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the manufacturing activities:

1. Factories Act, 1948;
2. Acts prescribed under prevention and control of pollution;
3. Acts prescribed under Environmental protection.

We further report that:

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

Adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors and Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the Audit period under review:

1. The shareholders of the Company through postal ballot on May 16, 2024 have accorded their approval for the 'Cera Sanitaryware - Employee Stock Option Scheme 2024' ("ESOS 2024"/"Scheme"). Pursuant to same, the Nomination & Remuneration Committee of the Board of Directors has granted 14,950 Options on June 4, 2024 to the eligible employees.
2. In the Annual General Meeting held on July 11, 2024, the shareholders have approved adoption of new set of Articles of Association of the Company.
3. The Board of Directors at its meeting held on August 5, 2024 approved the proposal of Buy back of 1,08,333 Equity shares, having face value of Rs. 5/- each, at a price of Rs. 12,000/- per equity share i.e. 0.84% of pre buy back share capital thorough tender offer. Accordingly, on September 4, 2024 the Company has completed the process for buy back of 1,08,333 Equity shares and consequently the paid up share capital of the Company is reduced from Rs. 6,50,29,370 to Rs. 6,44,87,705.

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES

UMESH PARIKH

PRACTICING COMPANY SECRETARY
PARTNER

ICSI Unique Code No.: P2006GJ009900

Peer review Certificate No.: 6576/2025

FCS No.:4152 C. P. No.: 2413

UDIN: F004152G000326353

Place : Ahmedabad

Date : 9th May, 2025

Note:

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

ANNEXURE – A

To,
The Members,
CERA SANITARYWARE LIMITED
CIN: L26910GJ1998PLC034400

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES

UMESH PARIKH
PRACTICING COMPANY SECRETARY
PARTNER

ICSI Unique Code No.: P2006GJ009900

Peer review Certificate No.: 6576/2025

FCS No.:4152 C. P. No.: 2413

UDIN: F004152G000326353

Place : Ahmedabad
Date : 9th May, 2025

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Cera Sanitaryware Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cera Sanitaryware Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the

standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
A) Allowance for Expected Credit Losses (ECL) As at 31 st March 2025, the carrying amount of Trade Receivables aggregated Rs. 26796.41 Lakhs (net of Expected credit loss of Rs.1359.71 Lakhs) constituting a significant component of the Company's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.	Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others: <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions;

Key audit matters	How our audit addressed the key audit matter
<p>The Company has made provision for / (Reversal of) Expected Credit Losses in respect of trade receivables aggregating to Rs. 1359.71 lakhs up to 31st March, 2025 (including Rs.(-) 15.90 Lakhs during the year). These are based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to entities the Company deals with. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgement in calculating the expected credit losses.</p> <p>Refer Notes No. 12, 37 and 41 to the standalone financial statements.</p>	<ul style="list-style-type: none"> • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. <ul style="list-style-type: none"> ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information. ➤ We carried out detailed analysis of balances of trade receivables and capital advances, (i) where no legal actions have been taken so far by the Company and the reasons therefor, (ii) where legal actions have been taken and the allowance for ECL has been partially / fully made and considered the reasons therefor and (iii) where legal actions have been taken but no allowance for ECL has been made, if any, and the reasons therefor. ➤ Assessed the adequacy of allowance for ECL recorded and evaluated disclosures in the standalone financial statements in relation to these items. ➤ Verified Balance Confirmations directly received by us from few selected trade receivables of the Holding Company and also examined reconciliations / discrepancies, if any. ➤ We carried out analysis of those trade receivables where there is significant increase in credit risk and also reviewed the ageing of the trade receivables pertaining to current and immediately preceding years.
<p>B) Revenue recognition – Discounts, incentives and volume rebates</p> <p>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on Company's sales. Due to Company's presence across different marketing zones within the country and the competitive nature of the business makes the assessment of various type of discounts, incentives and volume rebates as complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and volume rebates. Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is considered as a key audit matter.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and volume rebates. ➤ Reviewed Company's computation for accrual of discounts, incentives and volume rebates, on a test basis, and compared the accruals made with the approved schemes and underlying documents. ➤ Verified on test basis, the underlying documents for the various schemes for discounts, incentives and volume rebates recorded and disbursed during the year. ➤ Compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. ➤ Examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items, if any. ➤ Assessed disclosures in standalone financial statements in respect of revenue recognition as specified in Ind AS 115.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash

Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - (i). The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 47 (b) to the standalone financial statements;
 - (ii). The Company has accounted for material foreseeable losses for long term contracts, if any. The Company did not have any long term derivative contracts.
 - (iii). There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall,

whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented, that, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, if any, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- (v) The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Company are in compliance with Section 123 of the Act.
- (vi) As per the information and explanations provided to us by the management and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Further, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Sudesh Choraria
Partner

Place: Mumbai
Date: 9th May, 2025

Membership No: 204936
UDIN: 25204936BMIOWP7712

ANNEXURE – A to the Independent Auditor's Report of even date to the members of Cera Sanitaryware Limited on the Standalone Financial Statements as of and for the year ended 31st March 2025

(Referred to in paragraph 1 of our Report on Other legal and regulatory requirements)

We report that:

i. In respect of its Property Plant and Equipment and Intangible Assets:

- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) As explained to us, the Company has a regular program of conducting physical verification of its property, plant and equipment in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- c) According to the information and explanations given to us and on the basis of our examination, title deeds of the immovable property (other than self - constructed immovable property (buildings), and where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in schedule of Property, Plant and Equipment to the standalone financial statements, are held in the name of the Company.
- d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e) According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.

ii. In respect of its Inventories:

- a) As per information and explanations provided to us, physical verification has been conducted by the management at reasonable intervals during the year in respect of inventory of raw materials, work in progress, finished goods, traded goods and by products (other than inventories lying with third parties), and no material discrepancies were noticed on such physical verification.

- b) Based on our examination of the books of accounts of the Company, with respect to the sanctioned working capital limits availed in excess of Rs. five Crore from banks or financial institutions during the year on the basis of security of current assets of the Company, the Quarterly return / statements have been regularly submitted by the company and no material discrepancies were noticed.

- iii. a) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.

- b) The investments made are, in our opinion, prima facie, not prejudicial to the company's interest. The Company has not provided any guarantee or security or granted loans or advances in the nature of loans during the year.

- c) As per the information and explanation provided to us, the Company has not granted any loans or advances in the nature of loans during the year therefore the provisions of clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.

- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 with respect to the investments made. The Company has not given any loans, provided any guarantee or security during the year.

- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or amount which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) rules 2014 (as amended).

- vi. We have broadly reviewed the cost records maintained by the Company in respect of products for which maintenance of prescribed cost records is mandated by Government of India U/S 148 (1) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.

- vii. According to the information and explanations given to us and the records of the Company examined by us:

- a) the Company has been generally regular in depositing amounts deducted/accrued in the books

of accounts in respect of undisputed statutory dues, including goods and service tax provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable. There were no material undisputed outstanding statutory dues as at the year end, for a period of more than six months from the date they became payable.

- b) The particulars of dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Sr. No.	Name of Statute	Nature of Dues	Amount in dispute (Net of Advances Paid) (Rs. in Lakhs)	Period to which the amount relates (FY.)	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	7.29	2021-22	CIT-Appeals
2	Central Excise Act, 1944	Service Tax	89.05	2014-15, 2015-16 and 2016-17	CESTAT
3	Goods & Service Tax Act, 2017	GST, Gujarat	14.26	2017-18 2019-20	GST Commissioner (Appeals)
4		GST, Uttar Pradesh	193.40	2017-18 2018-19 2020-21	GST Commissioner (Appeals)
5		GST, Telangana	7.81	2018-19	GST Commissioner (Appeals)
6		GST, Karnataka	42.88	2018-19 2019-20	GST Commissioner (Appeals)
7		GST, Tamilnadu	7.26	2017-18	GST Commissioner (Appeals)
8		GST, New Delhi	24.18	2019-20 2020-21	GST Commissioner (Appeals)
9		GST, Orissa	19.53	2018-19	GST Commissioner (Appeals)

viii. According to the information and explanation given to us, there were no transactions which have not been recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.

- ix. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or debenture holders.
- b) Basis the information and explanation provided to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not have any term loans outstanding from banks and

financial institutions. Further the Company has not availed any loans from Government or has not issued any debenture during the year.

- d) Based on the information and explanation given to us, and the books of account examined by us, short term funds raised during the year have not been utilized for long term purposes.
- e) Based on the information and explanation given to us, and the books of account examined by us, during the year, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise

any money by way of initial public offer or further public offer (including debt instruments) during the year. Thus, the provisions of clause 3(x)(a) of the order are not applicable to the Company.

- b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- xi. a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
- b) We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As reported to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business; We have considered internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of

the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi)(a) of the Order is not applicable to the Company.
- b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company;
- c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company;
- d) According to the representations given by the management, the Company does not have any CIC. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company;
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In respect of Corporate Social Responsibility Expenditure:

- a) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of CSR Expenditure other than ongoing CSR projects, there were no amount remaining unspent u/s 135 (5) of the Companies Act, hence no amount was required to be transferred to a Fund specified in Schedule VII to the Companies Act.
- b) In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said

Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Sudesh Choraria
Partner

Place: Mumbai
Date: 9th May, 2025

Membership No: 204936
UDIN: 25204936BMIOWP7712

ANNEXURE – B to the Independent Auditor's Report of even date to the members of Cera Sanitaryware Limited on the Standalone Financial Statements as of and for the year ended 31st March, 2025

(Referred to in paragraph 2 (f) of our Report on Other legal and regulatory requirements)

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

1. We have audited the internal financial controls over financial reporting of Cera Sanitaryware Limited ('the Company') as of 31st March, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining

an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Sudesh Choraria
Partner

Place: Mumbai
Date: 9th May, 2025

Membership No: 204936
UDIN: 25204936BMIOWP7712

STANDALONE BALANCE SHEET as at 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	33,459.50	33,175.01
(b) Capital work-in-progress	4	1,072.47	1,296.39
(c) Investment Property	5	149.08	156.71
(d) Right-of-use assets	46(i)	4,326.47	2,137.97
(e) Other Intangible Assets	6	61.12	95.18
(f) Financial Assets			
(i) Investments			
- Investments in Subsidiaries & Associates	7	600.78	600.78
- Other Investments	7	2,393.73	2,557.07
(ii) Other Financial Assets	8	471.69	150.19
(g) Other Non-current Assets	9	579.96	796.74
Total Non-current Assets		43,114.80	40,966.04
(2) Current Assets			
(a) Inventories	10	40,581.93	35,863.66
(b) Financial Assets			
(i) Investments	11	67,174.19	77,589.48
(ii) Trade Receivables	12	26,796.41	20,134.19
(iii) Cash and Cash Equivalents	13	411.84	1,792.42
(iv) Other Balances with Banks	14	2,208.42	1,619.81
(v) Other Financial Assets	15	291.38	275.87
(c) Other Current Assets	16	3,512.45	3,686.88
(d) Current Tax Assets (Net)	17	-	589.15
Total Current Assets		1,40,976.62	1,41,551.46
Total Assets		1,84,091.42	1,82,517.50
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	644.88	650.29
(b) Other Equity	19	1,34,389.44	1,33,603.81
Total Equity		1,35,034.32	1,34,254.10
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	46 (iii)	4,009.00	1,683.36
(ii) Other Financial Liabilities	20	3,014.46	2,943.14
(b) Provisions	21	1,043.43	937.51
(c) Deferred Tax Liabilities (Net)	22	3,885.43	4,646.59
Total Non-current Liabilities		11,952.32	10,210.60
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	1,553.52	1,629.33
(ii) Lease Liabilities	46(iii)	781.88	696.73
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	24	8,184.95	7,444.83
- total outstanding dues of creditors other than micro enterprises and small enterprises	24	10,912.11	10,759.97
(iv) Other Financial Liabilities	25	10,043.04	12,462.66
(b) Other Current Liabilities	26	3,409.48	3,449.05
(c) Provisions	27	1,819.20	1,610.23
(d) Current Tax Liabilities (Net)	28	400.60	-
Total Current Liabilities		37,104.78	38,052.80
Total Equity and Liabilities		1,84,091.42	1,82,517.50

Material Accounting Policies

3

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

Place: Ahmedabad

Date: 9th May, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31 st March , 2025	Year ended 31 st March, 2024
INCOME			
Revenue from Operations	29	1,91,525.12	1,87,123.47
Other Income	30	6,249.84	6,114.59
Total Income		1,97,774.96	1,93,238.06
EXPENSES			
Cost of Materials Consumed	31	24,693.58	21,881.74
Purchases of Stock-in-Trade	32	69,457.79	65,719.07
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	33	(3,190.01)	618.09
Employee Benefits Expense	34	24,154.29	22,754.64
Finance Costs	35	711.57	529.93
Depreciation and Amortization Expense	36	3,851.49	3,437.37
Other Expenses	37	47,336.58	46,721.45
Total Expenses		1,67,015.29	1,61,662.29
Profit before exceptional items and tax		30,759.67	31,575.77
Exceptional Items	7.1(D)	(150.43)	(155.57)
Profit before tax		30,609.24	31,420.20
Tax Expense :	38		
(1) Current Tax		6,721.97	6,467.37
(2) Deferred Tax		(761.16)	1,035.93
Total Tax Expense		5,960.81	7,503.30
Profit for the year		24,648.43	23,916.90
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(119.06)	(108.77)
(ii) Income tax relating to items that will not be reclassified to profit or loss		29.97	27.37
Total Other Comprehensive Income for the year (Net of Tax)		(89.09)	(81.40)
Total Comprehensive Income for the year		24,559.34	23,835.50
Earnings per equity share of face value of Rs. 5/- each			
(1) Basic (in Rs.)	39	190.40	183.89
(2) Diluted (in Rs.)	39	190.40	183.89

Material Accounting Policies

3

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

Place: Ahmedabad

Date: 9th May, 2025

STANDALONE STATEMENTS OF CHANGES IN EQUITY for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	2024-25		2023-24	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital due to prior period items	-	-	-	-
Restated balance as the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital during the year	(1,08,333)	(5.42)	-	-
Equity shares outstanding at the end of the year	1,28,97,541	644.87	1,30,05,874	650.29

B. OTHER EQUITY

Particulars	Reserves and Surplus						Total	
	Securities Premium	General Reserve	Retained Earnings	Treasury Shares #	Share Option Outstanding Reserve	Capital Redemption Reserve		Other Comprehensive Income (Actuarial Gain / (Loss))
Balance as at 1st April, 2024	8,095.94	62,286.64	63,916.88	-	-	-	(695.65)	1,33,603.81
Transferred from Retained Earnings	-	6,113.35	(6,113.35)	-	-	-	-	-
Dividend on Equity Shares	-	-	(7,803.52)	-	-	-	-	(7,803.52)
Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	(119.06)	(119.06)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	29.97	29.97
Buyback of Equity Shares incl. tax thereon @	(8,095.94)	(7,925.81)	-	-	-	-	-	(16,021.75)
Transferred to Capital Redemption Reserve on Buyback of Equity Shares	-	(5.42)	-	-	-	-	-	(5.42)
Transferred from General reserve on Buyback of Equity Shares	-	-	-	-	-	5.42	-	5.42
Employee stock option expenses	-	-	-	-	309.96	-	-	309.96
Treasury Shares held	-	-	-	(258.40)	-	-	-	(258.40)
Profit for the year	-	-	24,648.43	-	-	-	-	24,648.43
Balance as at 31st March, 2025	-	60,468.76	74,648.44	(258.40)	309.96	5.42	(784.74)	1,34,389.44

STANDALONE STATEMENTS OF CHANGES IN EQUITY for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves and Surplus							Total
	Securities Premium	General Reserve	Retained Earnings	Treasury Shares #	Share Option Outstanding Reserve	Capital Redemption Reserve	Other Comprehensive Income (Actuarial Gain / (Loss))	
Balance as at 1st April, 2023	8,095.94	56,823.98	51,965.58	-	-	-	(614.25)	1,16,271.25
Transferred from Retained Earnings	-	5,462.66	(5,462.66)	-	-	-	-	-
Dividend on Equity Shares	-	-	(6,502.94)	-	-	-	-	(6,502.94)
Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	(108.77)	(108.77)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	-	-	-	27.37	27.37
Profit for the year	-	-	23,916.90	-	-	-	-	23,916.90
Balance as at 31st March, 2024	8,095.94	62,286.64	63,916.88	-	-	-	(695.65)	1,33,603.81

@ During the year the Company did a buyback of 1,08,333 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of Rs. 12000/- per Equity Share payable in cash. All valid bids for an amount aggregating to Rs. 12,999.96 Lakhs (excluding transaction cost and taxes) were settled and was adjusted against Securities Premium & General Reserve. All the equity shares bought back during the year have been extinguished.

The Company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2024 (ESOS 2024). These shares are treated as Treasury Shares and deducted from equity in accordance with Ind AS 32- "Financial Instruments: Presentation".

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No.: 302049E)

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Place: Ahmedabad

Date: 9th May, 2025

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

STANDALONE STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 st March, 2025		Year ended 31 st March, 2024	
A. Cash flows from operating activities				
Net Profit before tax		30,609.24		31,420.20
Adjustments for :				
Depreciation & Amortization	3,851.49		3,437.37	
Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(15.90)		(922.43)	
Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	-		(468.91)	
Impairment Loss on Investment	150.43		155.57	
Amortization of Prepaid Rentals	20.81		19.91	
Bad Debts written off (Net)	67.34		1,141.23	
Capital Advance written off	-		468.91	
Finance Cost	711.57		529.93	
Interest on Security Deposit (Non Cash)	(18.61)		(20.20)	
Other Interest Received	(342.81)		(356.47)	
Foreign Exchange Fluctuations (Income) / Loss (Net)	16.95		21.41	
Profit on Sale of Investments	(312.77)		(51.84)	
Net Gain on Fair Valuation of Investments in Mutual Funds	(5,202.81)		(5,143.98)	
Compensation Expenses under Employees Stock Options Scheme	308.84		-	
Share Buy Back Expenses	181.55		-	
Liabilities & provisions no longer required, written back	(0.93)		(15.61)	
Credit Balances written back	(3,414.04)		(868.33)	
Loss / (Gain) on Foreign Currency Translation (Net)	(10.29)		(18.37)	
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(77.64)		(113.27)	
Loss / (Profit) on Discard of Property, Plant and Equipment	223.30		26.61	
Share of Profit on Investment in LLP	(228.15)		(237.71)	
Loss / (Gain) on Termination of Lease	(38.84)		(70.16)	
		(4,130.51)		(2,486.34)
Operating profit before working capital changes		26,478.73		28,933.86
Adjustments for changes in working capital				
(Increase)/Decrease in Inventories	(4,718.27)		1,777.25	
(Increase)/Decrease in Trade Receivables	(6,713.66)		(1,526.23)	
(Increase)/Decrease in Other Financial Assets	(65.79)		34.82	
(Increase)/ Decrease in Other Assets	166.09		656.33	
Increase/(Decrease) in Trade Payable	892.26		(2,795.14)	
Increase/(Decrease) in Other Financial Liabilities	(2,347.37)		1,632.00	
Increase/(Decrease) in Provisions	195.83		294.20	
Increase/(Decrease) in Other Liabilities	3,374.47		1,376.73	
		(9,216.44)		1,449.96
Cash generated from operations		17,262.29		30,383.82
Income Taxes paid		(5,702.25)		(7,624.54)
Net cash generated by operating activities (Total-A)		11,560.04		22,759.28

STANDALONE STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 st March, 2025		Year ended 31 st March, 2024	
B. Cash flow from Investing activities				
Payments for Property, Plant and Equipments, Capital Work-in-progress, Investment Property & Capital Advances	(2,739.30)		(6,274.15)	
Payments for Intangible Assets	(58.51)		(70.91)	
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	124.14		248.40	
Proceeds / (Payments) from Debentures	-		100.37	
Proceeds / (Payments) from Fixed Deposit	(820.17)		512.53	
Payments for purchase of Mutual Funds	(11,200.00)		(19,710.00)	
Proceeds from sale of Mutual Funds	27,130.87		10,768.20	
Movement in Current Account of Subsidiaries & Associate	25.69		17.30	
Interest Received	355.72		369.48	
Net cash used in investing activities (Total-B)		12,818.44		(14,038.78)
C. Cash flow from financing activities				
Payment of Lease Liabilities	(1,210.98)		(990.03)	
Proceed / Repayment of Short Term Borrowings (Working Capital)	(75.81)		(204.73)	
Dividend on Equity Shares paid	(7,803.52)		(6,502.94)	
Buyback of equity shares including tax and expenses thereon	(16,208.72)		-	
Treasury Shares purchased during the year (ESOP)	(257.28)		-	
Finance Cost (Other than Non Cash)	(202.75)		(272.07)	
Net cash used in financing activities (Total-C)		(25,759.06)		(7,969.77)
Net increase/(decrease) in Cash & cash equivalents (A+B+C)		(1,380.58)		750.73
Cash & cash equivalent - Opening Balance		1,792.42		1,041.69
Cash & cash equivalent - Closing Balance		411.84		1,792.42

Notes to Cash Flow Statement	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Components of Cash & cash equivalents		
Balances with banks	410.87	511.11
Cash on Hand	0.97	3.24
Bank FDs with original maturity of less than 3 months	-	600.15
Margin Money Deposits with Bank held as security with maturity of less than 3 months	-	677.92
Cash & cash equivalents considered in Cash Flow Statement	411.84	1,792.42

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

STANDALONE STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

2. Reconciliation of Liabilities arising from financing activities

Particulars	Outstanding as at 1 st April, 2024	Cash Flows	Non-Cash Changes	Outstanding as at 31 st March, 2025
Short Term Borrowings	1,629.33	(75.81)	-	1,553.52
Lease Liabilities	2,380.09	(1,210.98)	3,621.77	4,790.88
Total Liabilities from financing activities	4,009.42	(1,286.79)	3,621.77	6,344.40

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No.: 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place: Ahmedabad

Date: 9th May, 2025

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

1. Corporate Information

Cera Sanitaryware Limited (the “Company”) is a public limited company domiciled in India having its registered office situated at 9, GIDC Industrial Estate, Kadi – 382715, Dist. Mehsana, Gujarat, India. The Company was incorporated on 17th July, 1998, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Company is engaged in the business of manufacturing, selling and trading of building material products and is having non-conventional wind farm & solar power for captive use in the State of Gujarat.

2. Basis of Preparation

2.1 Statement of Compliance with Ind AS

The Standalone Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

These Standalone Financial Statements of the Company as at and for the year ended 31st March, 2025 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 9th May, 2025.

2.2 Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values have been rounded off to the nearest lakh, unless otherwise indicated.

2.3 Basis of Measurement

These Standalone Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value
Employee Share based payments	Fair Value
Non-current Assets classified as held for sale	Lower of carrying amount and fair value less costs to sell

3. Material Accounting Policies

3.1 Property, Plant and Equipment

[a] Tangible Assets

[i] Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 “Revenue from Contracts with Customers”.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

[ii] Subsequent Expenditure

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

[iii] Derecognition

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

[iv] Depreciation/ Amortization

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight-line method in respect of plant and machinery and electric plant and installation and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external/internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Company's Plant and Equipments are considered on the basis of continuous process plant.

Depreciation on additions (disposals) is provided on a pro rata basis that is from (up to) the date on which asset is ready for use (disposed of).

[b] Capital work-in-progress

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

[c] Intangible Assets

[i] Initial Recognition and Classification

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

[ii] Subsequent Expenditure

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

[iii] Amortization

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

[iv] Derecognition

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

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

[v] Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible Assets under Development”.

[vi] Investment Property

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 3.1(a)[iv] above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

[d] Impairment of Non-Financial Assets

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

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

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

3.2 Borrowing Costs

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

3.3 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Company has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

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

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

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

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

3.5 Inventories

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

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

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

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

3.6 Cash and Cash Equivalents

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

3.7 Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent liability is disclosed in the case of:

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

Contingent assets are not recognised in the financial statements however, contingent assets, if any, are disclosed in the financial statements.

3.8 Earnings Per Share

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

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

3.9 Foreign Currency Transactions and Translations

Initial Recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts/payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.10 Revenue from Contracts with Customers

The Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Further, the Company evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue arises from sale of goods and rendering of services.

Sale of Goods

Most of the Company's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The Company recognises revenue from the sale of goods upon transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, in accordance with Ind AS 115 "Revenue from contract with customers". Amounts disclosed as revenue are net of returns and allowances, trade discounts, volume rebates and value added taxes/ Goods and service tax.

As per Ind AS 115, the Company determines whether there is a significant financing component in its contracts. However, the Company has decided to use practical expedient provided in Ind AS 115 and not to adjust the promised amount of consideration for the effects of a significant financing components in the contracts, where the Company expects, at contract inception that the period of completion of contract terms are one year or less. Therefore, for short-term advances, the company does not account for a financing component. No long - term advances from customers are generally received by the Company.

The Company provides for warranties for general repairs and replacement which will be assurance-type warranties under Ind AS 115, which will continue to be accounted for under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", consistent with its current practice.

Rendering of Services

The Company is rendering after sales services for its sold products. The after sales services is rendered against independent contracts with customers or against assurance type warranty for goods sold. Revenue from sale of services is recognised at an amount entitled in exchange for transferring services at a point in time to a customer.

Interest and Dividends and Other Income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the unconditional right to receive payment is established. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.11 Exceptional Items

An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

3.12 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

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

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 46, classification of leases and other disclosures relating to leases.

Company as a lessor

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

3.13 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences and Share based Payments.

Defined Contribution Plans

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

Defined Benefit Plans

The Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term Employee Benefits

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

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

Long-term Employee Benefits

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

Share Based Payments

The Company recognizes compensation expense relating to share-based payment in statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments".

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model which is dependent on the terms and conditions of the grant.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Treasury shares

The Company has formed the Cera Sanitaryware Limited Employee Welfare Trust ("ESOP trust") for purchasing the Company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2024. The Company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

3.14 Taxes on Income

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

(a) Current Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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(b) Deferred Tax

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

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

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

Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

3.15 Fair Value Measurement

The Company measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

3.16 Financial Instruments

I. Financial Assets

(a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

(ii) *Financial assets at fair value through Other Comprehensive Income (FVOCI)*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) *Financial assets at fair value through Profit or Loss (FVTPL)*

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) **Derecognition of Financial Assets**

A financial asset is derecognised when:

- * The Company has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Company transfers substantially all the risks and rewards of ownership of the financial asset, the Company shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognise the financial asset.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. *Financial Liabilities*

Initial Recognition and Subsequent Measurement

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. *Fair Value of Financial Instruments*

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. *Offsetting of Financial Instruments*

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

V. *Investment in Subsidiaries, Joint Ventures and Associates*

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

3.17 Significant Judgments, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

Judgments

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

Contingencies

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

Estimates and Assumptions

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

(a) Impairment of Non-financial Assets

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

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

(b) Estimation of Defined Benefit Obligations

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

(c) Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active market, their fair value is measured using valuation techniques including the

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) **Estimation of Current Tax and Deferred Tax**

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

(e) **Impairment of Financial Assets**

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

(f) **Impairment of Investments in Subsidiaries, Joint Ventures and Associates**

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually. If the estimated recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(g) **Useful lives of property, plant and equipment, and intangible assets**

Property, plant and equipment, and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(h) **Share based Payments**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.2.

3.18 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on March 31, 2025 there were no material amendments to the Companies (Indian Accounting Standards) Rules issued by the MCA which were not yet effective.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note – 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Gross Carrying Amount								
	As at 1 st April, 2023	1,311.31	16,901.70	27,505.08	3,044.78	1,370.09	732.01	1,049.23	51,914.20
	Addition / Transfers	2,317.46	1,881.94	1,173.06	562.33	246.36	91.88	159.86	6,432.89
	Disposal / Adjustments	-	(55.12)	(150.75)	(93.23)	(175.95)	(72.44)	(175.05)	(722.54)
	As at 31 st March, 2024	3,628.77	18,728.52	28,527.39	3,513.88	1,440.50	751.45	1,034.04	57,624.55
	Addition / Transfers	60.32	1,253.21	705.34	792.70	210.07	157.85	162.79	3,342.28
	Disposal / Adjustments	-	(216.86)	(249.21)	(845.85)	(104.95)	(47.75)	(79.14)	(1,543.76)
	As at 31 st March, 2025	3,689.09	19,764.87	28,983.52	3,460.73	1,545.62	861.55	1,117.69	59,423.07
2	Accumulated Depreciation / Amortization								
	As at 1 st April, 2023	-	7,180.84	10,552.95	2,286.34	1,154.64	631.94	586.53	22,393.24
	Charge for the year	-	728.54	1,060.22	452.26	148.47	54.51	173.10	2,617.10
	Disposal / Adjustments	-	(39.01)	(80.06)	(75.68)	(156.96)	(68.51)	(140.58)	(560.80)
	As at 31 st March, 2024	-	7,870.37	11,533.11	2,662.92	1,146.15	617.94	619.05	24,449.54
	Charge for the year	-	813.82	1,128.94	412.31	196.54	88.00	152.02	2,791.63
	Disposal / Adjustments	-	(103.08)	(185.95)	(788.94)	(84.54)	(45.37)	(69.72)	(1,277.60)
	As at 31 st March, 2025	-	8,581.11	12,476.10	2,286.29	1,258.15	660.57	701.35	25,963.57
3	Net Carrying Amount								
	As at 31 st March, 2024	3,628.77	10,858.15	16,994.28	850.96	294.35	133.51	414.99	33,175.01
	As at 31 st March, 2025	3,689.09	11,183.76	16,507.42	1,174.44	287.47	200.98	416.34	33,459.50

(b) Capital work-in-progress (CWIP)

As at 1 st April, 2023	1,693.48
Additions	1,028.17
Capitalized / Adjustments	(1,425.26)
As at 31 st March, 2024	1,296.39
Additions	1,072.47
Capitalized / Adjustments	(1,296.39)
As at 31 st March, 2025	1,072.47

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(c) Capital work-in-progress (CWIP) ageing schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2025	1,072.47	-	-	-	1,072.47
Sanitaryware	662.45	-	-	-	662.45
Faucetware	410.02	-	-	-	410.02
As at 31st March, 2024	1,079.71	216.68	-	-	1,296.39
Sanitaryware	1,005.77	216.68	-	-	1,222.45
Faucetware	73.94	-	-	-	73.94

All the projects are executed as per rolling annual plan.

Notes:

- Previous period's figures have been re-grouped /re-classified wherever required to current year's classification.
- Cost of Buildings includes ownership offices in co-operative societies for Rs. 2,636.64 lakhs (PY Rs. 2,636.64 lakhs) including 60 shares of Rs. 50/- each in three Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is Rs. 69.55 lakhs as on 31st March, 2025 & Rs. 538.06 lakhs as on 31st March, 2024. [Refer Note No. 47(a)]

Note – 5. INVESTMENT PROPERTY

Sr. No.	Particulars	Building
1	Gross Carrying Amount	
	As at 1 st April, 2023	-
	Additions / Transfers	159.94
	As at 31st March, 2024	159.94
	Addition / Transfers	-
	As at 31st March, 2025	159.94
2	Accumulated Depreciation	
	As at 1 st April, 2023	-
	Charge for the year	3.23
	As at 31 st March, 2024	3.23
	Charge for the year	7.63
	As at 31st March, 2025	10.86
3	Net Carrying Amount	
	As at 31 st March, 2024	156.71
	As at 31st March, 2025	149.08

Notes:

- Fair value of the above investment property as at 31st March, 2025 is Rs. 163.26 lakhs (31st March, 2024 : Rs. 161.02 Lakhs) based on external valuation. The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent in village Bhiwadi area. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- The Company has not earned any rental income on the above properties.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 6. OTHER INTANGIBLE ASSETS

(a) Other Intangible Assets

Sr. No.	Particulars	Computer Softwares
1	Gross Carrying Amount	
	As at 1 st April, 2023	548.80
	Addition / Transfers	74.13
	Disposal / Adjustments	(1.24)
	As at 31st March, 2024	621.69
	Addition / Transfers	58.51
	Disposal / Adjustments	(72.66)
	As at 31st March, 2025	607.54
2	Accumulated Amortization	
	As at 1 st April, 2023	497.04
	Charge for the year	30.65
	Disposal / Adjustments	(1.18)
	As at 31 st March, 2024	526.51
	Charge for the year	88.93
	Disposal / Adjustments	(69.02)
	As at 31st March, 2025	546.42
3	Net Carrying Amount	
	As at 31 st March, 2024	95.18
	As at 31st March, 2025	61.12

(b) Intangible Assets under development (IAUD)

As at 1 st April, 2023	3.22
Addition	-
Capitalized / Adjustments	(3.22)
As at 31 st March, 2024	-
Addition	-
Capitalized / Adjustments	-
As at 31st March, 2025	-

(c) Intangible Assets under development (IAUD) ageing schedule

Projects in progress	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2025	-	-	-	-	-
As at 31st March, 2024	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 7. INVESTMENTS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	Non-Current Investments		
	Trade Investments (valued at cost, net of impairment loss)		
	Investments in Subsidiaries		
A	Investments in Limited Liability Partnership (Unquoted)		
	(a) Packcart Packaging LLP (Subsidiary)	90.78	90.78
	(b) Race Polymer Arts LLP (Subsidiary)	510.00	510.00
	Total Trade Investments in Subsidiaries (A)	600.78	600.78
	Non Trade Investments		
B	Investments in Debentures (at amortised cost) (Unquoted)		
	(a) State Bank of India Series I 7.74% - NCD Perpetual 50 Units of face value of Rs. 10,00,000 per unit (50 Units of face value of Rs. 10,00,000 per unit as at 31 st March, 2024)	500.24	500.50
	(b) State Bank of India Series I 7.73% - NCD Perpetual 50 Units of face value of Rs. 10,00,000 per unit (50 Units of face value of Rs. 10,00,000 per unit as at 31 st March, 2024)	501.82	503.62
	(c) State Bank of India SR III 7.55% - BD Perpetual FVRSICR 7 Units of face value of Rs. 1,00,00,000 per unit (7 Units of face value of Rs. 1,00,00,000 per unit as at 31 st March, 2024)	696.63	694.96
	Total (B)	1,698.69	1,699.08
C	Investments in Bonds (at amortised cost) (Unquoted)		
	(a) Rural Electrification Corporation Limited SR - 2 8.12 / 8.32 (Tax free) 28000 Bonds of face value of Rs. 1,000 per Bond (28000 Bonds of face value of Rs. 1,000 per Bond as at 31 st March, 2024)	295.37	300.91
	(b) Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of Rs. 1,00,000 per Bond (385 Bonds of face value of Rs. 1,00,000 per Bond as at 31 st March, 2024)	399.54	406.52
	Total (C)	694.91	707.43
D	Investments in Limited Liability Partnership (Unquoted)		
	(a) Milo Tile LLP (Associate entity) *	806.00	806.00
	Less: Provision for Impairment (Refer Note 7.1D)	(806.00)	(655.57)
	Add: Reversal of Provision for Impairment	806.00	-
	Less: Investment written off	(806.00)	-
	Total (D)	-	150.43
E	Investments in Government Securities (at cost) (Unquoted)		
	(a) National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (E)	0.13	0.13
	Total Non-Trade Investments (B + C + D + E)	2,393.73	2,557.07
	Total Non- Current Investments (A + B + C + D + E)	2,994.51	3,157.85
	Aggregate amount of Unquoted Investments (A + B + C + D + E)	3,800.51	3,813.42
	Aggregate amount of write off / Impairment in value of Investments	806.00	655.57

*Refer Note 7.1(D)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

7.1 (A) Investment in Packcart Packaging LLP (subsidiary), their partners, total capital and shares of each partner are as under :

Sr. No.	Name of Partners	As at 31 st March, 2025		As at 31 st March, 2024	
		Capital (Rs. in Lakhs)	Share percentage	Capital (Rs. in Lakhs)	Share percentage
1	Cera Sanitaryware Limited	90.78	51%	90.78	51%
2	Mrs. Kinjal Bhatt	87.22	49%	87.22	49%
	Total	178.00	100%	178.00	100%

7.1 (B) Investment in Race Polymer Arts LLP (subsidiary), their partners, total capital and shares of each partner are as under :

Sr. No.	Name of Partners	As at 31 st March, 2025		As at 31 st March, 2024	
		Capital (Rs. in Lakhs)	Share percentage	Capital (Rs. in Lakhs)	Share percentage
1	Cera Sanitaryware Limited	510.00	51%	510.00	51%
2	Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP)	490.00	49%	490.00	49%
	Total	1,000.00	100%	1,000.00	100%

7.1 (C) Investment in Milo Tile LLP (associate entity), their partners, total capital and shares of each partner are as under :

Sr. No.	Name of Partners	As at 31 st March, 2025 (*)		As at 31 st March, 2024	
		Capital (Rs. in Lakhs)	Share percentage	Capital (Rs. in Lakhs)	Share percentage
1	Cera Sanitaryware Limited	-	-	806.00	26%
2	Mr. Rameshbhai Vashrambhai Bhalodia	-	-	100.00	28%
3	Mrs. Ansoyaben Rameshbhai Bhalodia	-	-	80.00	12%
4	Mr. Milanbhai Rameshbhai Bhalodia	-	-	80.00	12%
5	Mr. Kevin Rameshbhai Bhalodia	-	-	70.00	12%
6	Mrs. Jalpaben Milanbhai Bhalodia	-	-	35.00	5%
7	Mrs. Sweta Kevin Bhalodia	-	-	35.00	5%
	Total	-	-	1,206.00	100%

(*) Refer Note 7.1 (D) below

7.1 (D) The Company acquired share capital worth Rs. 806 Lakhs for 26% stake in M/s Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo.

Subsequently, the matter was referred to arbitration in accordance with the terms of the agreement between the parties. However, during the mediation process, both parties agreed to an amicable settlement in March 2025 whereby CERA retired from the LLP without any claim on its capital or share of profits in the LLP and also paid an amount of Rs. 160 Lakhs as full and final settlement against the Trade Payables due to Milo.

Pursuant to this settlement, the entire investment of Rs. 806 lakhs in Milo Tile LLP was not recoverable, hence written off by adjusting against the impairment Loss provided (Rs. 500.00 Lakhs in FY 2022-23, Rs. 155.57 Lakhs in FY 2023-24 and remaining amount of Rs. 150.43 Lakhs in FY 2024-25) and disclosed as an exceptional item in the respective periods.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

7.2 Ownership Interest in Subsidiaries :

Sr. No.	Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
			As at 31 st March, 2025	As at 31 st March, 2024	
1	Investment in Limited Liability Partnership - Packcart Packaging LLP	India	51%	51%	Manufacturing of Corrugated Boxes.
2	Investment in Limited Liability Partnership - Race Polymer Arts LLP	India	51%	51%	Manufacturing of Seat Cover, Cistren, Fitting.

7.3 Ownership Interest in Associates (*):

Sr. No.	Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
			As at 31 st March, 2025	As at 31 st March, 2024	
1	Milo Tile LLP	India	-	26%	Manufacturing of Tiles.

(*) Refer Note 7.1 (D) above

Note - 8. OTHER FINANCIAL ASSETS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At amortised cost		
1	Security Deposits	256.00	187.11
	Less: Allowance for Expected Credit Loss	(39.20)	(39.20)
	Net Security Deposits	216.80	147.91
	Other Bank Balances		
2	Margin Money Deposits with a bank held as security with more than 12 months maturity	215.38	2.28
3	Bank FDs with more than 12 months maturity	39.51	-
	Total	471.69	150.19

Note - 9. OTHER NON-CURRENT ASSETS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Capital Advances	129.32	508.38
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	14.82	31.44
	(b) Other Advances (Unsecured, considered good)		
	Advance Lease Rentals - Security Deposits	82.40	24.17
	(c) Income Tax of earlier years	353.42	232.75
	Total	579.96	796.74

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 10. INVENTORIES

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At lower of Cost and Net Realisable Value		
1	Raw Materials	5,340.61	4,069.14
2	Work-in-progress	1,384.29	1,376.80
3	Finished Goods	17,462.17	16,298.70
4	Stock-in-trade	14,369.51	12,336.96
5	Stock-in-trade in Transit	40.12	53.62
6	Stores and Spares	1,967.83	1,726.25
7	Stores and Spares in Transit	17.40	2.19
	Total	40,581.93	35,863.66

Note :

10.1 Inventories are hypothecated to secure working capital facilities from State Bank of India.

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	Current Investments		
	Investments in Mutual Funds (Unquoted)		
	Measured at fair value through Profit & Loss (FVTPL)		
1	Bandhan Corporate Bond Fund - Regular Growth 3416670.0920 Units NAV of Rs. 18.8091 each (4812489.6130 Units NAV of Rs. 17.3762 each as at 31 st March, 2024)	642.64	836.23
2	HDFC Corporate Bond Fund - Regular Plan - Growth 2016540.4970 Units NAV of Rs. 31.8650 each (5127446.6910 Units NAV of Rs. 29.3347 each as at 31 st March, 2024)	642.57	1,504.12
3	Axis Banking & PSU Debt Fund - Direct Plan - Growth 23266.5560 Units NAV of Rs. 2657.6768 each (23266.5560 Units NAV of Rs. 2453.8381 each as at 31 st March, 2024)	618.35	570.92
4	HSBC Banking and PSU Debt Fund - Direct Growth 4840052.4810 Units NAV of Rs. 24.9454 each (4840052.4810 Units NAV of Rs. 23.0989 each as at 31 st March, 2024)	1,207.37	1,117.99
5	Bharat Bond ETF - April 2030 40000.0000 Units NAV of Rs. 1476.8637 each (40000.0000 Units NAV of Rs. 1354.5721 each as at 31 st March, 2024)	590.74	541.83
6	HSBC Corporate Bond Fund - Direct Growth 426193.2750 Units NAV of Rs. 75.9890 each (426193.2750 Units NAV of Rs. 69.9990 each as at 31 st March, 2024)	323.86	298.33
7	HDFC Corporate Bond Fund - Direct Plan - Growth 15143548.5460 Units NAV of Rs. 32.5415 each (15143548.5460 Units NAV of Rs. 29.8835 each as at 31 st March, 2024)	4,927.94	4,525.42
8	Kotak Floating Rate Fund - Direct Plan - Growth 13375.9980 Units NAV of Rs. 1508.5360 each (13375.9980 Units NAV of Rs. 1385.3890 each as at 31 st March, 2024)	201.78	185.31

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
9	SBI Dynamic Bond Fund - Direct Plan - Growth 709853.9780 Units NAV of Rs. 38.3539 each (709853.9780 Units NAV of Rs. 35.1644 each as at 31 st March, 2024)	272.26	249.61
10	Bharat Bond FOF - April 2025 - Direct Plan - Growth 23810152.9690 Units NAV of Rs. 12.8435 each (23810152.9690 Units NAV of Rs. 11.9226 each as at 31 st March, 2024)	3,058.06	2,838.80
11	SBI Floating Rate Debt Fund - Direct Plan - Growth 41133366.4740 Units NAV of Rs. 13.1398 each (60529563.6120 Units NAV of Rs. 12.1390 each as at 31 st March, 2024)	5,404.84	7,347.68
12	HDFC Banking & PSU Debt Fund - Direct Plan - Growth 1976743.8600 Units NAV of Rs. 23.4198 each (1976743.8600 Units NAV of Rs. 21.5820 each as at 31 st March, 2024)	462.95	426.62
13	Bandhan Bond Fund - Short Term - Direct Plan - Growth 2078625.8820 Units NAV of Rs. 59.7620 each (2078625.8820 Units NAV of Rs. 54.9249 each as at 31 st March, 2024)	1,242.23	1,141.68
14	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 26404021.8750 Units NAV of Rs. 30.5515 each (16464710.6090 Units NAV of Rs. 28.1456 each as at 31 st March, 2024)	8,066.83	4,634.09
15	DSP Bond Fund - Direct Plan Growth 1461851.0920 Units NAV of Rs. 84.8645 each (1461851.0920 Units NAV of Rs. 77.9984 each as at 31 st March, 2024)	1,240.59	1,140.22
16	ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth 1887260.7350 Units NAV of Rs. 33.3743 each (1887260.7350 Units NAV of Rs. 30.7789 each as at 31 st March, 2024)	629.86	580.88
17	ICICI Prudential Short Term Fund - Direct Plan - Growth 5933470.6160 Units NAV of Rs. 64.0608 each (5933470.6160 Units NAV of Rs. 58.9322 each as at 31 st March, 2024)	3,801.03	3,496.72
18	Bandhan Crisil IBX Gilt April 2028 Index Fund- Direct Plan - Growth 17416655.9240 Units NAV of Rs. 12.7726 each (17416655.9240 Units NAV of Rs. 11.7754 each as at 31 st March, 2024)	2,224.56	2,050.88
19	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund - Direct Growth 20040969.4670 Units NAV of Rs. 12.1453 each (20040969.4670 Units NAV of Rs. 11.2477 each as at 31 st March, 2024)	2,434.04	2,254.15
20	Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan - Growth 16362429.2430 Units NAV of Rs. 12.7958 each (16362429.2430 Units NAV of Rs. 11.8725 each as at 31 st March, 2024)	2,093.70	1,942.64
21	Aditya Birla Sun Life Money Manager Fund - Direct Plan- Growth 1349806.8100 Units NAV of Rs. 367.6703 each (358222.8470 Units NAV of Rs. 340.7909 each as at 31 st March, 2024)	4,962.84	1,220.80
22	Aditya Birla Sun Life Corporate Bond Fund - Growth - Direct Plan 2315758.2510 Units NAV of Rs. 112.4521 each (523558.7033 Units NAV of Rs. 103.2453 each as at 31 st March, 2024)	2,604.12	540.55

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
23	Bandhan Crisil IBX Gilt June 2027 Index Fund Direct Plan - Growth 9170151.5210 Units NAV of Rs. 12.7021 each (9170151.5210 Units NAV of Rs. 11.7361 each as at 31 st March, 2024)	1,164.80	1,076.22
24	Bharat Bond FOF - April 2030 - Direct Plan - Growth 6073406.8810 Units NAV of Rs. 14.6921 each (6073406.8810 Units NAV of Rs. 13.5296 each as at 31 st March, 2024)	892.31	821.71
25	DSP Corporate Bond Fund - Direct Plan - Growth 12844054.4060 Units NAV of Rs. 15.8618 each (12844054.4060 Units NAV of Rs. 14.6784 each as at 31 st March, 2024)	2,037.30	1,885.30
26	DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund - Direct - Growth 10414446.1130 Units NAV of Rs. 12.1899 each (10414446.1130 Units NAV of Rs. 11.2295 each as at 31 st March, 2024)	1,269.51	1,169.49
27	Kotak Bond Short Term Plan - Growth - Direct 3084411.0010 Units NAV of Rs. 56.0463 each (3084411.0010 Units NAV of Rs. 51.5232 each as at 31 st March, 2024)	1,728.70	1,589.19
28	Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 16941895.2191 Units NAV of Rs. 12.0412 each (16941895.2191 Units NAV of Rs. 11.1049 each as at 31 st March, 2024)	2,040.00	1,881.39
29	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth 19351259.2560 Units NAV of Rs. 12.0498 each (19351259.2560 Units NAV of Rs. 11.1675 each as at 31 st March, 2024)	2,331.79	2,161.05
30	SBI Magnum Gilt Fund - Direct Plan - Growth 3502260.7340 Units NAV of Rs. 69.1029 each (3502260.7340 Units NAV of Rs. 63.1318 each as at 31 st March, 2024)	2,420.16	2,211.04
31	SBI Magnum Low Duration Fund - Direct Plan - Growth 133346.8470 Units NAV of Rs. 3557.7202 each (170462.6010 Units NAV of Rs. 3297.4205 each as at 31 st March, 2024)	4,744.11	5,620.87
32	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 6986468.8800 Units NAV of Rs. 12.7726 each (6986468.8800 Units NAV of Rs. 11.7754 each as at 31 st March, 2024)	892.35	822.68
33	SBI Savings Fund - Direct Plan - Growth NIL Unit (17001121.1260 Units NAV of Rs. 40.4415 each as at 31 st March, 2024)	-	6,875.51
34	Axis Short Term Fund - Regular Plan - Growth NIL Unit (1816802.2210 Units NAV of Rs. 27.8930 each as at 31 st March, 2024)	-	506.76
35	Axis Banking & PSU Debt Fund - Regular Plan - Growth NIL Unit (10026.9320 Units NAV of Rs. 2388.0476 each as at 31 st March, 2024)	-	239.45
36	Bandhan Banking & PSU Debt Fund - Regular Plan - Growth NIL Unit (4105987.9300 Units NAV of Rs. 22.3400 each as at 31 st March, 2024)	-	917.28

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
37	HSBC Banking and PSU Debt Fund - Regular Growth NIL Unit (2566877.3220 Units NAV of Rs. 22.0337 each as at 31 st March, 2024)	-	565.58
38	ICICI Prudential Corporate Bond Fund - Growth NIL Unit (1477353.3180 Units NAV of Rs. 26.9465 each as at 31 st March, 2024)	-	398.09
39	HSBC Short Duration Fund - Regular Growth NIL Unit (1519949.1080 Units NAV of Rs. 23.9400 each as at 31 st March, 2024)	-	363.88
40	SBI Corporate Bond Fund - Regular Plan Growth NIL Unit (8848146.5610 Units NAV of Rs. 14.0027 each as at 31 st March, 2024)	-	1,238.98
41	Kotak Banking and PSU Debt Fund - Regular Plan - Growth NIL Unit (412484.0420 Units NAV of Rs. 59.1583 each as at 31 st March, 2024)	-	244.02
42	Kotak Floating Rate Fund - Regular Plan - Growth NIL Unit (138304.2380 Units NAV of Rs. 1360.1725 each as at 31 st March, 2024)	-	1,881.17
43	HSBC Corporate Bond Fund - Regular Growth NIL Unit (716573.7480 Units NAV of Rs. 65.9926 each as at 31 st March, 2024)	-	472.89
44	ICICI Prudential Banking and PSU Debt Fund - Growth NIL Unit (3439414.8080 Units NAV of Rs. 29.6561 each as at 31 st March, 2024)	-	1,019.99
45	Bandhan Bond Fund - Short Term - Regular Plan - Growth NIL Unit (2076176.3730 Units NAV of Rs. 51.6046 each as at 31 st March, 2024)	-	1,071.40
46	ICICI Prudential Short Term Fund - Growth Option NIL Unit (2371754.8990 Units NAV of Rs. 54.4366 each as at 31 st March, 2024)	-	1,291.10
47	Axis Corporate Debt Fund - Regular Plan Growth NIL Unit (8021457.6570 Units NAV of Rs. 15.3965 each as at 31 st March, 2024)	-	1,235.02
48	DSP Bond Fund - Growth NIL Unit (791425.2720 Units NAV of Rs. 73.7850 each as at 31 st March, 2024)	-	583.95
	Total	67,174.19	77,589.48
	Aggregate Cost of Unquoted Investments	56,527.85	68,926.94
	Aggregate Fair Value of Unquoted Investments	67,174.19	77,589.48

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 12. TRADE RECEIVABLES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(a)	Trade Receivables considered good - Secured	2,953.98	2,872.16
(b)	Trade Receivables considered good - Unsecured	23,321.63	16,750.15
(c)	Trade Receivables which have significant increase in Credit Risk	316.74	152.60
(d)	Trade Receivables - credit impaired	1,563.77	1,734.89
		28,156.12	21,509.80
	Less: Allowance for Expected Credit Losses	(1,359.71)	(1,375.61)
	Total	26,796.41	20,134.19

Movement in Allowance for Expected Credit Losses

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance at the beginning of the year	1,375.61	2,298.03
Allowance for Expected Credit Losses provided during the year (Refer Note No. 37)	212.35	442.43
Amounts written back during the year	(167.20)	(266.75)
Amounts of Trade Receivables written off during the year	(61.05)	(1,098.10)
Balance at the end of the year	1,359.71	1,375.61

Notes :

12.1 Trade Receivables are hypothecated to secure working capital facilities from State Bank of India.

12.2 No Trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

12.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

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

12.5 Ageing for Trade Receivables (Gross) as at 31st March, 2025 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment					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	14,803.15	11,472.46	-	-	-	-	26,275.61
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	316.74	-	-	-	316.74
(iii)	Undisputed Trade Receivables - credit impaired	-	-	-	96.95	400.80	1,066.02	1,563.77
(iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	Total	14,803.15	11,472.46	316.74	96.95	400.80	1,066.02	28,156.12

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Ageing for Trade Receivables (Gross) as at 31st March, 2024 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment					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	12,378.64	7,243.67	-	-	-	-	19,622.31
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	152.60	-	-	-	152.60
(iii)	Undisputed Trade Receivables - credit impaired	-	-	-	466.38	79.98	1,188.53	1,734.89
(iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	Total	12,378.64	7,243.67	152.60	466.38	79.98	1,188.53	21,509.80

Note - 13. CASH & CASH EQUIVALENTS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Balances with banks in current accounts	410.87	511.11
2	Cash on hand	0.97	3.24
3	Bank FDs with original maturity of less than 3 months	-	600.15
4	Margin Money Deposits with Bank held as security with maturity of less than 3 months	-	677.92
	Total	411.84	1,792.42

Note - 14. OTHER BALANCES WITH BANKS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,837.05	1,173.53
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	237.79	333.75
3	Earmarked Balances with Banks (Unpaid Dividend)*	133.58	112.53
	Total	2,208.42	1,619.81

* Not due for deposit in the Investor Education and Protection Fund

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 15. OTHER FINANCIAL ASSETS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At amortised cost (Unsecured, considered good)		
1	Security Deposits*	122.68	109.49
2	Insurance claims receivable	72.01	63.04
3	Interest accrued and receivable	74.90	75.02
4	Advance to staff	21.79	28.32
	Total	291.38	275.87

* including Rs. 20.29 Lakhs (PY Rs. 20.29 Lakhs) given to a related party

Note - 16. OTHER CURRENT ASSETS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	Advances other than Capital Advances (Unsecured, considered good)		
(i)	Prepaid Expenses	696.07	914.92
(ii)	Balance with Govt. Authorities	112.97	244.35
(iii)	Advance Lease Rentals - Security Deposits	21.00	11.78
(iv)	Advance to Suppliers	1,329.82	1,444.80
(v)	Other Advances*	1,352.59	1,071.03
	Total	3,512.45	3,686.88

* Amounts due from related parties amounting to Rs. 509.01 Lakhs (PY Rs. 461.00 Lakhs). Refer Note No. 40 and 48.

Note - 17. CURRENT TAX ASSETS (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Current Tax Assets (Net)	-	589.15
Total	-	589.15

Note - 18. SHARE CAPITAL

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Authorized Share Capital		
	2,00,00,000 Equity Shares of Rs. 5/- each (2,00,00,000 Equity Shares of Rs. 5/- each as at 31 st March, 2024)	1,000.00	1,000.00
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,28,97,541 Equity Shares of Rs. 5/- each fully paid up (1,30,05,874 Equity Shares of Rs. 5/- each fully paid up as at 31 st March, 2024)	644.88	650.29
	Total	644.88	650.29

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

18.1 The reconciliation of Equity Shares outstanding at the beginning and at the end of the year is set out below :

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Issued during the year	-	-	-	-
Shares extinguished on buyback	1,08,333	5.42	-	-
Balance at the end of the year	1,28,97,541	644.88	1,30,05,874	650.29

18.2 Terms / Rights attached to Equity Share :

The Company has only one class of Equity Shares having a par value of Rs. 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note 53 for the particulars of Dividend Paid / proposed during the year.

18.3 The Board of Directors of the Company at its meeting held on 5th August, 2024 approved the proposal of buyback 1,08,333 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of Rs. 12000/- per Equity Share payable in cash for an amount aggregating to Rs. 12,999.96 Lakhs (excluding transaction cost and taxes). The Company bought back 1,08,333 fully paid-up Equity Shares and settled all valid bids and extinguished equity shares bought back during the year.

18.4 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of Shareholder	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	28,71,814	22.27%	29,00,275	22.30%
Mr. Vikram Somany	9,36,567	7.26%	9,45,847	7.27%
Ms. Smiti Somany	13,29,070	10.30%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,34,298	9.57%	12,98,143	9.98%

18.5 Details of the shareholding of promoters are set out below :

Promoter Name	As at 31 st March, 2025		As at 31 st March, 2024		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	28,71,814	22.27%	29,00,275	22.30%	-0.03%
Mr. Vikram Somany	9,36,567	7.26%	9,45,847	7.27%	-0.01%
Ms. Smiti Somany	13,29,070	10.30%	13,42,240	10.32%	-0.02%
Rekha Commercial Pvt. Ltd.	5,27,165	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,79,648	3.72%	4,84,400	3.72%	-
Ms. Deepshikha Khaitan	3,35,789	2.60%	3,39,116	2.61%	-0.01%
Suvinay Trading & Investment Co. Ltd.	3,19,642	2.48%	3,22,808	2.48%	-
Ms. Pooja Jain Somany	2,00,000	1.55%	2,00,000	1.54%	0.01%
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,17,760	54.41%	70,85,139	54.48%	

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

18.6 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares during the last 5 years. During the year the Company had bought back shares as disclosed in note 18.3 above.

Note – 19. OTHER EQUITY

Sr. No.	Particulars	As at		As at
		31 st March, 2025	31 st March, 2024	31 st March, 2024
1	Other Reserves			
	(i) Securities Premium			
	Balance at the beginning of the year	8,095.94	8,095.94	
	Buyback of equity shares (Refer Note 18.3)	(8,095.94)	-	
	Balance at the end of the year	-		8,095.94
	(ii) General Reserve			
	Balance at the beginning of the year	62,286.64	56,823.98	
	Transferred to Capital Redemption Reserve on buyback of equity shares	(5.42)	-	
	Buyback of equity shares including tax thereon (Refer Note 18.3)	(7,925.81)	-	
	Transferred from Statement of Profit and Loss	6,113.35	5,462.66	
	Balance at the end of the year	60,468.76		62,286.64
	(iii) Treasury Shares			
	Balance at the beginning of the year	-	-	
	Treasury Shares purchased during the year	(258.40)	-	
	Balance at the end of the year	(258.40)		-
	(iv) Share Options Outstanding Reserve			
	Balance at the beginning of the year	-	-	
	Created during the year	309.96	-	
	Balance at the end of the year	309.96		-
	(v) Capital Redemption Reserve			
	Balance at the beginning of the year	-	-	
	Created during the year on buyback of equity shares	5.42	-	
	Balance at the end of the year	5.42		-
2	Retained Earnings			
	Balance at the beginning of the year	63,916.88	51,965.58	
	Profit for the year	24,648.43	23,916.90	
	Transferred to General Reserve	(6,113.35)	(5,462.66)	
	Dividend on Equity Shares distributed for F.Y. 2023-24	(7,803.52)	-	
	Dividend on Equity Shares distributed for F.Y. 2022-23	-	(6,502.94)	
	Balance at the end of the year	74,648.44		63,916.88
3	Other Comprehensive Income			
	Remeasurement of Defined Benefit Plan	-	-	
	Balance at the beginning of the year	(695.65)	(614.25)	
	Actuarial (Loss) / Gain on Remeasurement of Defined Benefit Plans	(119.06)	(108.77)	
	Current Tax effect on Gratuity	29.97	27.37	
	Balance at the end of the year	(784.74)		(695.65)
	Total	1,34,389.44		1,33,603.81

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Nature and purpose of Other Reserves

a) **Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) **General Reserve**

General Reserve is created out of profit after tax earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

c) **Treasury Shares**

Treasury Shares represents cost of shares of the Company purchased by "Cera Sanitaryware Limited Employees Welfare Trust" to be utilized for the purpose of granting ESOPs to the eligible employees of the Company.

d) **Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

e) **Capital Redemption Reserve**

In accordance with Section 69 of the Companies Act, 2013, the Company has created capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from the General Reserve.

f) **Share Options Outstanding Reserve**

Share Options Outstanding Reserve is created as required by Ind AS 102, 'Share Based Payments' on the employee stock option scheme operated by the Company for its eligible employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Note - 20. OTHER FINANCIAL LIABILITIES - NON CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Deposits by Dealers	2,992.23	2,920.91
2	Due to others	22.23	22.23
	Total	3,014.46	2,943.14

Note - 21. PROVISIONS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Provision for Employee Benefits		
	Provision for Leave Encashment	756.65	650.73
2	Provision for Tax		
	Provision for Income Tax of earlier years	286.78	286.78
	Total	1,043.43	937.51

Refer Note No. 44 for Movement of Provisions

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 22. DEFERRED TAX LIABILITIES (NET)

Sr. No.	Particulars	Balance Sheet		Statement of Profit and Loss	
		As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024
i.	Difference between Written down value of Property, Plant and Equipment and Intangible assets as per books of accounts and income tax	2,774.87	2,924.31	(149.44)	(46.58)
ii.	Fair valuation of Investments	1,554.44	2,180.19	(625.75)	1,287.01
iii.	Impact of Right-of-use Assets and Lease Liabilities	(116.88)	(60.94)	(55.94)	4.01
iv.	Provision allowed under tax on payment basis	(327.00)	(211.32)	(115.68)	(22.86)
v.	Unabsorbed Long-term Capital Loss	-	(185.65)	185.65	(185.65)
	Deferred Tax (Income) / Expense			(761.16)	1035.93
	Net Deferred Tax (Assets) / Liabilities	3,885.43	4,646.59		

Reconciliation of Deferred Tax Liabilities(Net) :

Particulars	31 st March, 2025	31 st March, 2024
Opening Balance	4,646.59	3,610.66
Tax Expense/(Income) during the period recognised in Profit or Loss	(761.16)	1,035.93
Tax Expense/(Income) during the period recognised in Other Comprehensive Income	-	-
Tax Expense/(Income) during the period recognised directly in Other Equity	-	-
Closing balance	3,885.43	4,646.59

Note - 23. BORROWINGS - CURRENT

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Borrowings Repayable on Demand		
From State Bank of India (Secured)		
Cash Credit	1,553.52	1,629.33
Total	1,553.52	1,629.33

Notes :

23.1 Primary Security

Cash Credit facilities from State Bank of India (SBI) are secured by exclusive hypothecation over entire Current Assets of the Company comprising stock of raw materials, work in process, finished goods, stock in trade, stores & spares and receivables, both present and future.

23.2 Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.50% above 6 months MCLR (Present effective rate 9.40% p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2% for 90 days.

23.3 Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

Note - 24. TRADE PAYABLES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Total outstanding dues of micro enterprises and small enterprises*	8,184.95	7,444.83
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	10,912.11	10,759.97
	Total	19,097.06	18,204.80

* Disclosure with respect to amount due to MSME is given in Note No. 45 and due to related parties amounting to Rs. 503.59 Lakhs (PY Rs.765.16 Lakhs) is given in Note No. 40.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

24.1 Ageing for Trade Payables as at 31st March, 2025 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i)	MSME	8,184.95	-	-	-	-	8,184.95
(ii)	Others	10,318.51	592.72	-	-	0.88	10,912.11
(iii)	Disputed Dues - MSME	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-
	Total	18,503.46	592.72	-	-	0.88	19,097.06

Ageing for Trade Payables as at 31st March, 2024 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i)	MSME	7,444.83	-	-	-	-	7,444.83
(ii)	Others	9,145.50	1,357.53	18.27	-	0.88	10,522.18
(iii)	Disputed Dues - MSME	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	237.79	-	-	237.79
	Total	16,590.33	1,357.53	256.06	-	0.88	18,204.80

Note - 25. OTHER FINANCIAL LIABILITIES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Unpaid dividends*	133.58	112.53
2	Retention money payable	101.20	214.55
3	Employee related payable	2,863.24	3,114.55
4	Other payable #	6,945.02	9,021.03
	Total	10,043.04	12,462.66

* Not due for deposit in the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at year end.

Other payable includes Sales Incentives and other Expenses payable

Note - 26. OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Payable towards Statutory dues	2,338.73	2,221.92
2	Advances received from Customers	1,070.75	1,227.13
	Total	3,409.48	3,449.05

Note - 27. CURRENT PROVISIONS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Provision for Leave Encashment	195.21	178.91
2	Provision for Gratuity	-	0.49
3	Provision for Loyalty Program	1,623.99	1,430.83
	Total	1,819.20	1,610.23

Refer Note No. 44 for Movement of Provisions

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 28. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for tax (Net)	400.60	-
Total	400.60	-

Note - 29. REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from Operations		
A Revenue from Contracts with Customers		
(a) Sale of products (Building Products)	1,87,502.31	1,85,777.32
(b) Sale of services	64.89	67.35
	1,87,567.20	1,85,844.67
B Other Operating Revenue		
(a) Exports Incentives	46.53	51.38
(b) Insurance Claims Received	123.13	11.71
(c) Credit balances written back	3,414.97	871.19
(d) Miscellaneous Operating Income	373.29	344.52
	3,957.92	1,278.80
Total	1,91,525.12	1,87,123.47

Notes :

29.1 Disaggregation of Revenue

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data :

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Product Type		
Goods	1,87,502.31	1,85,777.32
After Sales Services	64.89	67.35
Total	1,87,567.20	1,85,844.67
Contract Counterparties		
Dealers	1,87,487.74	1,85,777.32
Direct to Consumers	79.46	67.35
Total	1,87,567.20	1,85,844.67
Timing of Transfer of Goods and Services		
Point in time	1,87,567.20	1,85,844.67
Total	1,87,567.20	1,85,844.67

29.2 The expected credit loss recognised on receivables arising from the Company's contracts with customers is disclosed in Note No. 12.

29.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 12 and 26 respectively.

29.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 30. OTHER INCOME

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Interest Income from Financial Assets at Amortised Cost		
	(a) On Security Deposits	18.61	20.20
	(b) Others	342.81	356.47
2	Other Non-operating Income		
	(a) Profit on Sale of Investments (Net)	312.77	51.84
	(b) Net Gain on Fair Valuation of Investments	5,202.81	5,143.98
	(c) Profit on Sale of Property, Plant and Equipment (Net)	77.64	113.27
	(d) Share of Profit on Investment in LLP*	228.15	237.71
	(e) Net Gain on foreign currency translation	10.29	18.37
	(f) Gain on termination of Lease (Net)	38.84	70.16
	(g) Miscellaneous Income	17.92	89.84
	(h) Items pertaining to Previous year, unspent liabilities & Provisions no longer required written back (Net)	-	12.75
	Total	6,249.84	6,114.59

* Refer Note no. 40

Note - 31. COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Stock	4,069.14	5,000.63
Add: Purchases (Net)	25,965.05	20,950.25
Sub Total	30,034.19	25,950.88
Less: Closing Stock	5,340.61	4,069.14
Total	24,693.58	21,881.74

Note - 32. PURCHASES OF STOCK IN TRADE

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Sanitaryware and other allied products	69,457.79	65,719.07
Total	69,457.79	65,719.07

Note - 33. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Inventories at the end of the year :		
Finished Goods	17,462.17	16,298.70
Work-in-progress	1,384.29	1,376.80
Stock-in-Trade	14,409.63	12,390.58
	33,256.09	30,066.08
Inventories at the beginning of the year :		
Finished Goods	16,298.70	16,056.06
Work-in-progress	1,376.80	1,107.68
Stock-in-Trade	12,390.58	13,520.43
	30,066.08	30,684.17
Changes in Inventories	(3,190.01)	618.09

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 34. EMPLOYEE BENEFITS EXPENSE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Salaries, Wages and Bonus*	21,406.75	20,194.10
2	Contribution to Provident Fund and other Funds	1,174.22	1,101.57
3	Staff and Labour Welfare Expenses	1,573.32	1,458.97
	Total	24,154.29	22,754.64

* includes Compensation Expenses under ESOP Scheme Rs. 308.84 Lakhs (PY - Nil). Refer note 34.2

34.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

A. Defined Contribution Plan

The Company's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

B. Defined Benefit Plan

The Company operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognized as expense for the year.

(i) Actuarial Assumptions

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Discount Rate	7.00%	7.00%	7.25%	7.25%
Rate of escalation in Salary	6.00%	6.00%	6.00%	6.00%
Attrition Rate	6.10%	6.00%	6.10%	6.00%
Expected Average working Life of employees (years)	40.10	40.10	39.70	39.70

(ii) Changes in the Present value of Defined Benefit Obligation

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Present value of Obligation at beginning of the year	2,360.49	829.64	2,181.66	738.78
Current Service Cost	233.86	174.54	211.73	150.86
Interest Cost	171.14	60.15	163.62	55.41
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	42.58	12.89	39.62	11.18
Due to Experience adjustments (Loss)	72.87	193.90	62.11	148.21
Benefits paid	(290.14)	(319.27)	(298.25)	(274.80)
Present Value of Defined Benefit Obligation at year end	2,590.80	951.85	2,360.49	829.64

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(iii) Present Value of Change in the Fair value of Plan assets

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Fair value of Plan Assets at beginning of the year	2,360.00	-	2,162.44	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	165.20	-	156.77	-
Actuarial Gain / (Loss)	(3.60)	-	(7.03)	-
Employer Contribution	363.01	-	346.07	-
Benefits paid	(290.14)	-	(298.25)	-
Fair Value of Plan Assets at year end	2,594.47	-	2,360.00	-
Return on Plan Assets recognised in Other Comprehensive Income (Gain) / Loss	119.06	-	108.77	-
Actual return on Plan Assets	161.59	-	149.74	-

(iv) Expense recognized in the Statement of Profit & Loss

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Current Service Cost	233.86	174.54	211.73	150.86
Interest Cost	171.13	60.15	163.62	55.41
Expenses deducted from the fund	-	-	-	-
Expected return on Plan Assets	(165.20)	-	(156.78)	-
Net Cost	239.79	234.69	218.57	206.27

(v) Expense recognized in the Statement of Other Comprehensive Income

Particulars	2024-25	2023-24
	Post Retirement Benefits	
Actuarial changes arising from changes in financial assumption	42.58	39.62
Changes in Demographic assumption	-	-
Experience Adjustment (gain)/losses - Planed Liabilities	72.87	62.12
Experience Adjustment (gain)/losses - Planed Assets	3.61	7.03
OCI for the year	119.06	108.77

(vi) Assets & Liabilities Recognized in Balance Sheet

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Fair value of Plan Assets	2,594.47	-	2,360.00	-
Less : Present value of Obligation	2,590.79	(951.85)	2,360.49	(829.64)
(Liability) / Assets amount of Plans recognised in Balance Sheet	3.68	(951.85)	(0.49)	(829.64)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

(vii) Expected Contribution to fund in the next year

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Gratuity	278.44	251.48

(viii) Sensitivity Analysis

Particulars	Changes in assumption	Impact On Defined Benefit Obligation (Gratuity)					
		Increase in assumption			Decrease in assumption		
		Increase / Decrease by	31 st March, 2025	31 st March, 2024	Increase / Decrease by	31 st March, 2025	31 st March, 2024
Discount Rate	1%	Increase by	7%	7%	Decrease by	8%	8%
Salary Growth Rate	1%	Increase by	8%	8%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	0%	0%	Decrease by	0%	1%

Particulars	Changes in assumption	Impact On Defined Benefit Obligation (Leave Encashment)					
		Increase in assumption			Decrease in assumption		
		Increase / Decrease by	31 st March, 2025	31 st March, 2024	Increase / Decrease by	31 st March, 2025	31 st March, 2024
Discount Rate	1%	Increase by	7%	7%	Decrease by	8%	8%
Salary Growth Rate	1%	Increase by	8%	8%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

(ix) Maturity Profile of defined benefit obligation

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1 st April 2023 to 31 st March 2024	-	-
1 st April 2024 to 31 st March 2025	-	262.12
1 st April 2025 to 31 st March 2026	267.14	138.40
1 st April 2026 to 31 st March 2027	186.78	180.04
1 st April 2027 to 31 st March 2028	173.70	147.37
1 st April 2028 to 31 st March 2029	168.03	133.80
1 st April 2029 to 31 st March 2030	125.24	-
1 st April 2029 onwards	-	1,498.75
1 st April 2030 onwards	1,669.90	-

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

34.2 SHARE BASED PAYMENTS

a) Scheme Details :

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on 6th April, 2024 and 8th April, 2024 approved an issue of stock options aggregating 14,950 equity shares of the face value of Rs. 5 each. The shareholders of the Company vide their special Resolution passed through postal ballot on 16 May, 2024 approved the issue of equity shares of the Company under Cera Sanitaryware Employee Stock Scheme 2024 (ESOP 2024).

Details of options granted by the Company under the said scheme are as follows

Particulars	ESOP 2024
	Grant-1
No. of Options Granted	14,950
Grant Date	05-Jun-24
Vesting Schedule	The vesting period for conversion of Options for ESOP 2024 Grant 1 subject to achieving performance targets, are as follows: <ul style="list-style-type: none"> On completion of 12 months from the date of grant of the Options: 10% vests On completion of 24 months from the date of grant of the Options: 15% vests On completion of 36 months from the date of grant of the Options: 15% vests On completion of 48 months from the date of grant of the Options: 30% vests On completion of 60 months from the date of grant of the Options: 30% vests
Maximum term of Exercise period	5 years from the date of vesting
Method of settlement	Equity
General terms and conditions of Plan	Each Option entitles the holder thereof to apply for and be allotted 1 Ordinary Share of the Company of Rs. 5.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from the date of vesting in respect of Options granted under the plan. There are no cash settlement alternatives for employees.

b) Compensation expenses arising on account of share based payment :

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Expenses arising from equity settled share-based payment transactions	308.84	-

c) Fair Value on the grant date :

The fair value of option at the Grant date has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model, which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant are given below :

Particulars	ESOP 2024
	Grant-1
Grant Date	05-Jun-24
Exercise price (in Rs.)	5.00
Weighted Average Fair value (in Rs.)	6911.00
Risk-free interest rate	7.10%
Expected life	6.05 Years
Expected volatility	31.9%
Expected dividends	0.80%
The price of the underlying shares in market at the time of Option grant	6915.30

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.
Expected life	The expected option life is assumed to be average between the option vesting and expiry (total time period available with an employee to exercise an option). Since there are multiple vesting and expiry period of each tranche, consequently the expected life will be different for each vesting schedule.

d) Movement in share options during the year (in Numbers) :

Particulars	2024-25	2023-24
	ESOP 2024	-
	Grant-1	-
Balance at the beginning of the year	-	-
Granted during the year	14,950	-
Exercised during the year	-	-
Forfeited/lapsed during the year	-	-
Expired during the year	-	-
Balance at the end of the year	14,950	-
Exercisable as at 31 March, 2025	-	-

Note - 35. FINANCE COSTS

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Interest Costs		
	Interest on financial liabilities	695.68	515.41
2	Other Borrowing Costs	15.89	14.52
	Total	711.57	529.93

Note - 36. DEPRECIATION & AMORTIZATION EXPENSE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,791.63	2,617.10
2	Depreciation of Investment Property (Refer Note No. 5)	7.63	3.23
3	Amortization of Other Intangible assets (Refer Note No. 6)	88.93	30.65
4	Depreciation on Right-of-use Assets (Refer Note No. 46(i))	963.30	786.39
	Total	3,851.49	3,437.37

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 37. OTHER EXPENSES

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Stores, Spares, Chemicals and Packing Materials Consumed	6,715.49	6,081.28
2	Power and Fuel	3,901.95	3,428.51
3	Repairs and Maintenance		
	- To Buildings	189.97	358.84
	- To Plant and Equipment	403.35	497.73
	- To Others	444.04	428.79
4	Auditors' Remuneration		
	- As Audit Fees	16.25	15.50
	- For Limited Review	12.00	7.50
	- For Taxation Matter	4.25	3.50
	- For Reimbursement of Expenses	1.04	0.98
5	Research & Development Expenses	182.05	149.95
6	Freight and Forwarding Expenses (Net)	11,059.10	10,673.55
7	Sales Promotion Expenses	11,437.00	11,633.38
8	Publicity & Advertisement Expenses	5,432.58	6,319.90
9	Bad Debts written off	67.34	1,141.23
10	Capital Advance written off	-	468.91
11	Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(15.90)	(922.43)
12	Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	-	(468.91)
13	Rent Expenses	699.57	690.83
14	Insurance	791.51	1,455.25
15	Rates and Taxes	30.76	30.52
16	Loss on Discard of Property, Plant and Equipment	223.30	26.61
17	Directors' Commission	20.00	30.00
18	Directors' Sitting Fees	6.40	3.70
19	Foreign Exchange Fluctuations (Net)	16.95	21.41
20	Donation	-	0.75
21	CSR Expenses (Refer Note No. 49)	469.29	387.14
22	Share Buyback Expenses	181.55	-
23	Amortization of Prepaid Rentals	20.81	19.91
24	Miscellaneous Expenses	5,025.93	4,237.12
	Total	47,336.58	46,721.45

Note - 38. TAX EXPENSE

38.1 : Current Tax

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Current Tax	6,721.97	6,467.37
Total	6,721.97	6,467.37

38.2 : Deferred Tax

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Deferred Tax	(761.16)	1,035.93
Total	(761.16)	1,035.93

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

38.3 : Amounts recognised in Other Comprehensive Income

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Remeasurement of Defined Benefit Plans		
Before Tax	(119.06)	(108.77)
Tax (Expense) Benefit	29.97	27.37
Net of Tax	(89.09)	(81.40)

38.4 : Reconciliation of Effective tax rate

Particulars	31 st March, 2025	31 st March, 2024
Accounting Profit before Income Tax	30,609.24	31,420.20
India's Statutory Income Tax Rate of 25.168% (P.Y. 25.168%)	7,703.73	7,907.84
Due to Income exempt from Taxation	(10.07)	(10.10)
Non-Deductible Expenses for Tax purpose	1,202.26	1,249.99
Deductible Expenses for Tax purpose	(3,479.91)	(1,518.02)
Income not chargeable for Tax purpose	38.21	38.53
Effects of Unabsorbed Fiscal Losses	185.65	(185.65)
Effects of Inc./(Dec.) Tax for Tax purpose on Capital Gain/Loss	320.94	20.71
Income Tax expense reported in the Statement of Profit and Loss	5,960.81	7,503.30

Note - 39. EARNINGS PER SHARE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Net Profit attributable to the Equity Shareholders (Rs. In Lakhs) (A)	24,648.43	23,916.90
2	Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,29,45,623	1,30,05,874
3	Nominal value of Equity Shares (Rs.)	5	5
4	Basic/Diluted Earnings per Share (Rs.) (A/B)	190.40	183.89

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remains the same.

Note - 40. RELATED PARTY DISCLOSURES

40.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.

(A) Subsidiaries & Associate Entity:

Sr. No.	Name	Nature	Ownership Interest held by the Company directly or indirectly	
			As at 31 st March, 2025	As at 31 st March, 2024
1	Packcart Packaging LLP	Subsidiary	51%	51%
2	Race Polymer Arts LLP	Subsidiary	51%	51%
3	Milo Tile LLP*	Associate	-	26%

* Refer Note 7.1(D)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(B) Key Management Personnel:

Sr. No.	Name	Designation
1	Mr. Vikram Somany	Chairman and Managing Director
2	Ms. Deepshikha Khaitan	Vice Chairman & Joint Managing Director
3	Mr. Anupam Gupta	Executive Director (Technical)
4	Mr. Ayush Bagla	Executive Director (ceased w.e.f. 31.03.2024)
5	Mr. Vikas Kothari	Chief Financial Officer
6	Mr. Hemal Sadiwala	Company Secretary
7	Mr. Sajjan Kumar Pasari	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
8	Mr. Lalit Kumar Bohania	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
9	Mr. Surendra Singh Baid	Non Executive Independent Director
10	Ms. Akriti Jain	Non Executive Independent Director
11	Mr. Ravi Bhamidipaty	Non Executive Independent Director
12	Mr. Anandh Sundar	Non Executive Independent Director (w.e.f. 12.02.2024)

(C) Other Related Parties:

Sr. No.	Particulars
(a)	Enterprises significantly influenced by Key Management Personnel and / or their relatives
1	Madhusudan Industries Limited
2	Cera Foundation
3	Indian Council of Sanitaryware Manufacturers
(b)	Post Employment Benefit Plans
1	Madhusudan Gratuity Fund

40.2. Disclosures of Transactions during the year between the Company and Related Parties:

Sr. No.	Nature of Transaction	Subsidiaries & Associate		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2025	Year ended 31 st March, 2024	Year ended 31 st March, 2025	Year ended 31 st March, 2024	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Purchase of Goods	4,292.10	4,397.23	-	-	-	-
2	Sale of Goods	-	4.20	-	-	-	-
3	Donation	-	-	-	-	-	0.75
4	Remuneration	-	-	1,903.94	2,108.99	-	-
5	Directors Commission & Sitting Fees	-	-	26.40	33.70	-	-
6	Share based payments	-	-	104.31	-	-	-
7	Rent, Rates & Taxes	-	-	-	-	108.79	103.35
8	Other Service	-	-	-	-	20.10	19.12
9	Contribution to Gratuity Fund	-	-	-	-	359.34	310.16
10	Share of Profit distribution in LLP	228.15	237.71	-	-	-	-
11	Provision for Impairment Loss of Investment	-	155.57	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

40.3 The details of amounts due to or due from related parties as at 31st March, 2025 and 31st March, 2024 :

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Trade Payables		
	(a) Subsidiaries		
	Packcart Packaging LLP	55.58	41.60
	Race Polymer Arts LLP	448.01	485.77
	Sub Total (a)	503.59	527.37
	(b) Associate		
	Milo Tile LLP*	-	237.79
	Sub Total (b)	-	237.79
	Total Trade Payable to Subsidiaries & Associates (a + b)	503.59	765.16
2	Other Financial Assets & Advances		
	Other Related Parties		
	Madhusudan Industries Ltd	20.29	20.29
	Balances of advances to Related Parties	20.29	20.29
3	Other Current Assets		
	(a) Subsidiaries		
	Race Polymer Arts LLP	556.52	356.38
	Packcart Packaging LLP	19.58	17.26
	Sub Total (a)	576.10	373.64
	(b) Associate		
	Milo Tile LLP*	-	87.36
	Sub Total (b)	-	87.36
	Balances of other current assets - Related Parties (a + b)	576.10	461.00

* Refer Note 7.1(D)

40.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Sr. No.	Nature of Transaction	Related Parties	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Donation	Cera Foundation	-	0.75
2	Remuneration	Key Management Personnel	1,903.94	2,108.99
3	Directors Commission & Sitting Fees	Key Management Personnel	26.40	33.70
4	Share based payments	Key Management Personnel	104.31	-
5	Rent, Rates & Taxes	Madhusudan Industries Limited	108.79	103.35
6	Other Services	Madhusudan Industries Limited	20.10	19.00
7	Contribution to Gratuity fund	Madhusudan Gratuity Fund	359.34	310.16
8	Share of Profit distribution in LLP	Packcart Packaging LLP	28.01	28.14
		Race Polymers Arts LLP	200.14	209.57
9	Provision for Impairment Loss of Investment	Milo Tile LLP	-	155.57

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

40.5 Breakup of compensation to Key Management Personnel

Sr. No.	Particulars	Key management personnel	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Short-Term Employee Benefits	Mr. Vikram Somany	848.43	816.57
		Ms. Deepshikha Khaitan	400.62	352.76
		Mr. Anupam Gupta	428.98	373.29
		Mr. Ayush Bagla	-	373.32
		Mr. Vikas Kothari	138.34	105.79
		Mr. Hemal Sadiwala	34.33	28.59
2	Commission	Mr. Sajan Kumar Pasari	-	5.00
		Mr. Lalit Kumar Bohania	-	5.00
		Mr. Ravi Bhamidipaty	5.00	5.00
		Mr. Surendra Singh Baid	5.00	5.00
		Ms. Akriti Jain	5.00	5.00
		Mr. Anandh Sundar	5.00	5.00
3	Sitting Fees	Mr. Sajan Kumar Pasari	-	0.40
		Mr. Lalit Kumar Bohania	-	0.80
		Mr. Ravi Bhamidipaty	1.60	0.80
		Mr. Surendra Singh Baid	1.60	0.80
		Ms. Akriti Jain	1.60	0.80
		Mr. Anandh Sundar	1.60	0.10
4	Post-Employment Benefits		-	-
5	Other-Long term benefits	Mr. Vikram Somany	28.34	25.77
		Ms. Deepshikha Khaitan	7.79	6.96
		Mr. Anupam Gupta	13.32	11.42
		Mr. Vikas Kothari	3.41	2.62
		Mr. Hemal Sadiwala	0.38	0.32
6	Termination benefits	Mr. Ayush Bagla	-	11.58
7	Share Based Payments		104.31	-
	Total		2,034.65	2,142.69

Note – 41: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors and the Risk Management Committee. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(A) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Company establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables, advances and investments.

(i) Trade Receivables:

The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdictions and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 5 per cent of total net revenue from operations.

The Company generally does not hold any collateral or other credit enhancements over any of its trade receivables excepting a small amount in the nature of security deposits from its dealers, nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected Credit Loss (ECL):

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for internal and external information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the Company's provision matrix.

Ageing of past dues receivables:

Period	As at 31 st March, 2025	As at 31 st March, 2024
0-3 months	25,608.61	19,216.27
3-6 months	667.00	406.04
6-12 months	316.74	152.60
Beyond 12 months	1,563.77	1,734.89

Ageing of impaired trade receivables:

Period	As at 31 st March, 2025	As at 31 st March, 2024
0-3 months	0.00	0.00
3-6 months	3.28	0.00
6-12 months	42.96	3.30
Beyond 12 months	1,313.47	1,372.31

(i) Cash and cash equivalents and short-term investments:

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(B) Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The details of the contractual maturities of significant liabilities are shown below

Particulars	Notes	As at 31 st March, 2025			
		Within 1 year	1 to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings	23	1,553.52	-	-	1,553.52
Trade payables	24	19,096.18	0.88	-	19,097.06
Other Financial Liabilities	20,25	10,043.04	3,014.46	-	13,057.50
Lease Liabilities	46(iii)	781.88	2,533.50	1,475.50	4,790.88
Total		31,474.62	5,548.84	1,475.50	38,498.96

Particulars	Notes	As at 31 st March, 2024			
		Within 1 year	1 to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings	23	1,629.33	-	-	1,629.33
Trade payables	24	17,947.86	256.94	-	18,204.80
Other Financial Liabilities	20,25	12,462.66	2,943.14	-	15,405.80
Lease Liabilities	46(iii)	696.73	1,305.22	378.14	2,380.09
Total		32,736.58	4,505.30	378.14	37,620.02

(C) Market Risk:

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

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Company does not enter into financial instrument transactions for trading or speculative purpose.

The Company transacts business primarily in Indian Rupees, USD, Euro and GBP. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in Lakhs)

Particulars	Currency	As at	As at
		31 st March, 2025	31 st March, 2024
Trade receivables	USD	0.95	3.08
	EUR	1.02	0.74
Trade payables	USD	0.03	0.57
	EUR	-	0.05
	NPR	-	6.36
Advance to suppliers	USD	2.35	0.84
	EUR	0.03	0.04
	GBP	0.04	-
Advance from customers	USD	0.47	0.99
	EUR	0.29	0.19
Balance in EEFC account	USD	0.01	0.37

(In Rs.)

Currency Rate	31 st March, 2025	31 st March, 2024
USD	85.4317	83.3466
EUR	92.4455	90.0702
AED	23.2698	22.6948
GBP	110.6671	105.2266
NPR	0.6250	0.6250

Of the above foreign currency exposures, following exposures are not hedged:

(in Lakhs)

Particulars	Currency	As at	As at
		31 st March, 2025	31 st March, 2024
Trade receivables	USD	0.95	3.08
	EUR	1.02	0.74
Trade payables	USD	0.03	0.57
	EUR	-	0.05
	NPR	-	6.36
Advance to suppliers	USD	2.35	0.84
	EUR	0.03	0.04
	GBP	0.04	-
Advance from customers	USD	0.47	0.99
	EUR	0.29	0.19
Balance in EEFC account	USD	0.01	0.37

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Sensitivity Analysis:

The following table demonstrates the sensitivity of profit and equity in USD, Euro and GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

Particulars	Change in currency exchange rate	Effect on PBT 31 st March, 25	Effect on PBT 31 st March, 24
USD	5%	12.03	11.39
	-5%	-12.03	-11.39
EUR	5%	3.48	2.42
	-5%	-3.48	-2.42
NPR	5%	-	-0.20
	-5%	-	0.20
GBP	5%	0.24	-
	-5%	-0.24	-

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

(ii) Interest Rate Risk:

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low due to negligible borrowings by the Company.

The Company's non-current borrowings from banks are Nil as at 31st March, 2025 and 31st March, 2024 respectively. Other non-current financial liabilities have fixed rate of interest where the risk of changes in the interest rates is almost nil. As a result, the sensitivity affecting the profit before tax due to the Company's exposure to the risk of changes in market interest rates is almost nil.

(iii) Commodity Risk:

The Company is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Company enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

Capital Management:

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. The capital structure consists of debt which includes the borrowings as disclosed in Note 23, cash and cash equivalents and current investments and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total shareholders' equity as reported in balance sheet (A)	1,35,034.32	1,34,254.10
Net Debt		
Lease Liability (including current lease liability)	4,790.88	2,380.09
Current Financial Liabilities (Borrowings)	1,553.52	1,629.33
Gross Debt	6,344.40	4,009.42
Less: Cash & Cash Equivalents	411.84	1,792.42
Net Debt (B)	5,932.56	2,217.00
Total Capital deployed (A-B)	1,29,101.76	1,32,037.10
Net debt to equity ratio (B/A)	0.04	0.02

Note - 42. ADDITIONAL REGULATORY INFORMATION

Ratios

Particulars	Numerator	Denominator	2024-25	2023-24	Variance
Current ratio (in times)	Total Current Assets	Total Current Liabilities	3.80	3.72	2.1%
Debt - Equity ratio*	Debt = Borrowings + Lease Liabilities (Non- current + Current)	Total Equity	0.05	0.03	57.3%
Debt services coverage ratio (in times)	Earning available for debt service = Net Profit after taxes + Non cash operating expenses + Interest + Loss on sale of Fixed Assets + Impairment allowance + Allowances for Expected Credit Losses	Debt Service = Interest + Lease payments	12.61	15.08	-16.3%
Return on equity ratio (in %)	Net Profits after taxes	Average Equity	18.31%	19.04%	-3.9%
Inventory Turnover ratio (in Times)	Revenue from Operations excluding GST	Average Inventory	5.01	5.09	-1.6%
Trade receivables turnover ratio (in times)	Revenue from Operations including GST	Average Trade Receivable	9.58	11.30	-15.2%
Trade payable turnover ratio (in times)	Purchases including GST	Average Trade Payable	6.48	5.57	16.3%
Net capital turnover ratio (in times)	Revenue from Operations excluding GST	Working Capital = Total Current Assets - Total Current Liabilities	1.84	1.81	2.0%
Net Profit ratio (in %)	Net Profits after taxes	Revenue from Operations excluding GST	12.87%	12.78%	0.7%
Return on capital employed (in %)	Profit before exceptional items, tax and finance cost	Capital employed = Total Equity + Non-Current Liabilities	21.41%	22.22%	-3.7%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	8.66%	7.94%	9.1%

* The increase in debt equity ratio is on account of rise in the Lease liabilities which is recognised as per "Ind AS 116 - Leases", wherein all lease contracts are to be recognised as Right-of-use Assets and Lease liabilities.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note-43. FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

Particulars	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024	
Financial Assets					
Current					
Investments (measured at fair value)	67,174.19	77,589.48	67,174.19	77,589.48	Level 1
Financial assets measured at amortised cost					
Non-Current					
Investments in Subsidiaries (LLP) & Associate	600.78	600.78	600.78	600.78	Level 3
Other Investments	2,393.73	2,557.07	2,393.73	2,557.07	Level 3
Margin Money Deposits with a bank held as security with more than 12 months maturity	215.38	2.28	215.38	2.28	Level 3
Security Deposit	216.80	147.91	216.80	147.91	Level 3
Bank FDs with more than 12 months maturity	39.51	-	39.51	-	Level 3
Current					
Security Deposit	122.68	109.49	122.68	109.49	Level 3
Trade receivables	26,796.41	20,134.19	26,592.35	19,774.91	Level 3
Cash and cash equivalents	411.84	1,792.42	411.84	1,792.42	Level 3
Other Balances with Banks	2,208.42	1,619.81	2,208.42	1,619.81	Level 3
Insurance claims receivables	72.01	63.04	72.01	63.04	Level 3
Advance to Staff	21.79	28.32	21.79	28.32	Level 3
Interest accrued and receivable	74.90	75.02	74.90	75.02	Level 3
Total	1,00,348.44	1,04,719.81	1,00,144.38	1,04,360.53	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-Current					
Lease liabilities	4,009.00	1,683.36	4,009.00	1,683.36	Level 3
Deposits by Dealers	2,992.23	2,920.91	2,992.23	2,920.91	Level 3
Other financial liabilities	22.23	22.23	22.23	22.23	Level 3
Current					
Borrowings	1,553.52	1,629.33	1,553.52	1,629.33	Level 3
Lease liabilities	781.88	696.73	781.88	696.73	Level 3
Trade payables	19,097.06	18,204.80	19,097.06	18,204.80	Level 3
Unpaid dividends	133.58	112.53	133.58	112.53	Level 3
Retention money payable	101.20	214.55	101.20	214.55	Level 3
Employee related payables	2,863.24	3,114.55	2,863.24	3,114.55	Level 3
Other payables	6,945.02	9,021.03	6,945.02	9,021.03	Level 3
Total	38,498.96	37,620.02	38,498.96	37,620.02	

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Notes:

43.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

43.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

43.3 The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

43.4 The fair value of investments in mutual funds is determined using net assets value of the funds. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

43.5 The following methods and assumptions were used to estimate the fair values:

- The fair value of the Company's interest bearing borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

Note-44. MOVEMENT IN PROVISIONS

Disclosure of Movement in Provisions during the year as per Ind AS- 37, Provisions, Contingent Liabilities and Contingent Assets :

Particulars	Balance as on 1 st April, 2024	Provided / Transferred during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2025
Non-current Provisions				
- Accumulated leaves	650.73	246.27	140.35	756.65
- Income Tax of earlier years	286.78	-	-	286.78
Total	937.51	246.27	140.35	1,043.43
Current Provisions				
- Accumulated leaves	178.91	195.21	178.91	195.21
- Gratuity	0.49	358.85	359.34	-
- Loyalty Program *	1,430.83	1,763.64	1,570.48	1,623.99
Total	1,610.23	2,317.70	2,108.73	1,819.20
Grand total	2,547.74	2,563.97	2,249.08	2,862.63

* Provision for Loyalty Program represents the liability w.r.t the defined schemes offered to sub dealers of the Company with an option to avail it within a predefined timeframe.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note-45. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

Particulars	31 st March, 2025	31 st March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year	8,184.95	7,444.83
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note-46. LEASES

(i) Changes in the carrying value of Right-of-use assets

Particulars	Category of Right-of-use asset		
	Land	Buildings	Total
Balance as at 1st April, 2023	7.47	2,460.66	2,468.13
Additions during the year	-	801.56	801.56
Termination during the year	-	(345.33)	(345.33)
Depreciation	(0.59)	(785.80)	(786.39)
Balance as at 31st March, 2024	6.88	2,131.09	2,137.97
Additions during the year	-	3,371.55	3,371.55
Termination during the year	-	(219.75)	(219.75)
Depreciation	(0.59)	(962.71)	(963.30)
Balance as at 31st March, 2025	6.29	4,320.18	4,326.47

The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss. (Refer Note No. 36)

(ii) Movement in Lease Liabilities

Particulars	2024-25	2023-24
Opening Balance	2,380.09	2,726.20
Finance cost accrued during the year	508.82	257.85
Additions during the year	3,371.55	801.56
Termination during the year	(258.60)	(415.49)
Payment of lease liabilities	(1,210.98)	(990.03)
Closing Balance	4,790.88	2,380.09

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(iii) Break-up of current and non-current lease liabilities.

Particulars	2024-25	2023-24
Non-current lease liabilities	4,009.00	1,683.36
Current lease liabilities	781.88	696.73
Total	4,790.88	2,380.09

(iv) Contractual maturities of lease liabilities on undiscounted basis.

Particulars	31 st March, 2025	31 st March, 2024
Not later than one year	1,230.60	892.23
Later than one year but not later than five years	3,677.04	1,652.02
Later than five years	1,748.83	441.83
Total	6,656.47	2,986.08

Note-47. COMMITMENTS AND CONTINGENCIES

(a) Commitments

Particulars	31 st March, 2025	31 st March, 2024
Estimated Amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	69.55	538.06

(b) Contingent Liabilities

Particulars	31 st March, 2025	31 st March, 2024
Claims against the Company not acknowledged as debts (Net of Payments)	247.95	204.97
Letters of Credit (Foreign & Inland) opened and guarantees given (Net)	631.78	588.92

Note-48. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013:

For Subsidiaries

Particulars	Packcart Packaging LLP		Race Polymer Arts LLP	
	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024
Investments*				
At the beginning of the year	90.78	90.78	510.00	510.00
Addition during the year	-	-	-	-
Transferred during the year	-	-	-	-
Transferred to Non-current Assets classified as held for Sale during the year	-	-	-	-
At the end of the year	90.78	90.78	510.00	510.00
Other Current Assets**				
At the beginning of the year	17.26	6.42	356.38	146.81
Addition during the year	28.01	28.14	200.14	209.57
Recovered/Transferred during the year	(25.69)	(17.30)	-	-
At the end of the year	19.58	17.26	556.52	356.38

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

For Associates

Particulars	Milo Tile LLP@	
	As at 31 st March, 2025	As at 31 st March, 2024
Investments*		
At the beginning of the year	-	306.00
Addition during the year	-	-
Provision for Impairment (Refer Note No. 7.1(D))	-	(155.57)
Written off during the year	-	-
At the end of the year	-	150.43
Other Current Assets**		
At the beginning of the year	-	87.36
Addition during the year	-	-
Recovered during the year	-	-
Adjusted / Written off during the year	-	-
At the end of the year	-	87.36

*The company has paid amounts towards its Capital Contribution.

** Represents current account of the Company in respective LLP.

@ The Company ceased to be a partner in Milo Tile LLP upon its retirement from the LLP effective from 17th March, 2025. Accordingly, the Investments and Other Current Assets in Milo Tile LLP have been written off / settled during the FY 2024-25.

Note - 49. NOTE ON CORPORATE SOCIAL RESPONSIBILITY :

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are community healthcare, free food, sanitation & hygiene, environmental sustainability and education. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

Sr. No.	Particulars	Year Ended 31 st March, 2025	Year Ended 31 st March, 2024
1	Gross amount required to be spent by the Company during the year	474.87	380.79
2	Amount approved by the Board to be spent during the year	474.87	380.79
3	Amount spent during the year on :		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	469.29	387.14
4	Shortfall at the end of the year	-	-
5	Total of previous year shortfall	-	-
6	Reason for shortfall	NA	NA
7	Excess spent of previous year brought forward to current year	6.35	-
8	Excess spent of current year carried forward to next year	0.77	6.35
9	Contribution to section 8 companies, which are related parties, included in (3) above, in relation to CSR expenditure	NA	NA
10	Nature of CSR activities:	Promoting Education and enhancing vocational skills, Eradicating hunger, poverty, Malnutrition, promoting health care and sanitation, Ensuring environmental sustainability, Rural Development, Disaster management, including relief, rehabilitation and reconstruction activities.	

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

49.1 The Company does not have any ongoing CSR projects for both the years.

49.2 No expenditure has been paid to a related party, in relation to CSR Expenditure.

49.3 There are no short falls at the end of the year.

Note-50. RESEARCH AND DEVELOPMENT EXPENDITURE:

Research and Development expenditure incurred is set out below

Particulars	2024-25	2023-24
Capital expenditure	96.28	6.29
Revenue expenditure	182.05	149.95

Note-51. OPERATING SEGMENTS:

The Company operates mainly in manufacturing of Building Products and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under IND AS 108 "Operating Segment". The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is Nil.

Note-52.

In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

Note-53. DIVIDENDS PAID AND PROPOSED

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
A. Declared and paid during the year:		
Final dividend for FY 2023-24 : Rs. 60/- per share (FY 2022-23: Rs. 50/- per share)	7,803.52	6,502.94
B. Proposed for approval at the ensuing annual general meeting (not recognised as a liability):		
Final dividend for FY 2024-25 : Rs. 65/- per share (FY 2023-24: Rs. 60/- per share)	8,383.40	7,803.52

Dividend Remittance to Foreign Investors (INR)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Number of non-resident shareholders	1,550	1424
Number of shares held by them on which dividend was paid	2864564	2575287
Amount remitted - Net of Tax (Rs. In Lakhs)	1,459.59	1,016.55

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 54. ADDITIONAL REGULATORY INFORMATION

The following additional disclosures are made pursuant to notification of Ministry of Corporate Affairs dated 24th March 2021.

1. Title deeds of Immovable Properties

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself.

2. Revaluation of Property, Plant & Equipment

The company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

3. Loans / Advances in the nature of loans to Promoters, Directors, KMP's and Related Parties

The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

4. Details of Benami Property held

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

5. Wilful Defaulter

None of the banks, financial institutions or other lenders from whom the company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.

6. Relationship with Struck off Companies

The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.

7. Registration of charges or satisfaction with Registrar of Companies (ROC)

All the charges or satisfaction of which is required to be registered with Registrar of Companies (ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act 2013 and rules made thereunder.

8. Compliance with number of layers of companies

The company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

9. Compliance with Approved Scheme of Arrangements

No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the companies act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the act is not applicable.

10. Borrowing from Banks and Financial Institutions for Specific Purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

11. Utilisation of Borrowed funds and Share Premium

- a) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

- b) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12. Borrowings on the basis of security of Current Assets

The Company has working capital facilities from banks on the basis of security of current assets & are submitting periodically Financial Information as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between quarterly Financial Information and books of accounts.

13. There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

Note-55:

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with relevant Indian Accounting Standard and Schedule III to the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue from Operations. Revenue for the year ended 31st March, 2025 and 31st March, 2024 are net of GST.

The following additional information is being provided to facilitate such understanding.

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Revenue from Operations (Gross)	2,24,843.31	2,20,080.08
Less : GST Recovered	33,318.19	32,956.61
Revenue from Operations (Net)	1,91,525.12	1,87,123.47

Note-56:

Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No.: 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place: Ahmedabad

Date: 9th May, 2025

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Cera Sanitaryware Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cera Sanitaryware Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise of the consolidated balance sheet as at 31st March, 2025 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements and on the other financial information of the subsidiaries as was audited by them, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2025 of its consolidated profit including other comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
A) Allowance for Expected Credit Losses (ECL) As at 31 st March 2025, the carrying amount of Trade Receivables aggregated Rs.27110.70 Lakhs (net of Expected credit loss of Rs. 1359.71 Lakhs) constituting a significant component of the Group's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.	Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others: <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions;

Key audit matters	How our audit addressed the key audit matter
<p>The Group has made provision for / (Reversal of) Expected Credit Losses in respect of trade receivables aggregating to Rs. 1359.71 lakhs up to 31st March, 2025 (including Rs. (-) 15.90 Lakhs during the year). These are based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to entities the Group deals with. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgement in calculating the expected credit losses.</p> <p>Refer Notes No. 12, 39 and 43 to the consolidated financial statements.</p>	<ul style="list-style-type: none"> • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. <ul style="list-style-type: none"> ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information. ➤ We carried out detailed analysis of balances of trade receivables and capital advances, (i) where no legal actions have been taken so far by the Group and the reasons therefor, (ii) where legal actions have been taken and the allowance for ECL has been partially / fully made and considered the reasons therefor and (iii) where legal actions have been taken but no allowance for ECL has been made, if any, and the reasons therefor. ➤ Assessed the adequacy of allowance for ECL recorded and evaluated disclosures in the consolidated financial statements in relation to these items. ➤ Verified Balance Confirmations directly received by us from few selected trade receivables of the Holding Company and also examined reconciliations / discrepancies, if any. ➤ We carried out analysis of those trade receivables where there is significant increase in credit risk and also reviewed the ageing of the trade receivables pertaining to current and immediately preceding years.
<p>B) Revenue recognition – Discounts, incentives and volume rebates</p> <p>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on Group's sales. Due to Group's presence across different marketing zones within the country and the competitive nature of the business makes the assessment of various type of discounts, incentives and volume rebates as complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and volume rebates. Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is considered as a key audit matter.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Group's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Group's internal controls over the provisions, approvals and disbursements of discounts, incentives and volume rebates. ➤ Reviewed Group's computation for accrual of discounts, incentives and volume rebates, on a test basis, and compared the accruals made with the approved schemes and underlying documents. ➤ Verified on test basis, the underlying documents for the various schemes for discounts, incentives and volume rebates recorded and disbursed during the year. ➤ Compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. ➤ Examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items, if any. ➤ Assessed disclosures in consolidated financial statements in respect of revenue recognition as specified in Ind AS 115.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Management and Board of Directors of the companies/ entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the Company and of its subsidiaries included in the Group are responsible for assessing the ability of each company

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the Company and of its subsidiaries included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls. As none of the subsidiaries are a Company incorporated in India under the Act, the audit of internal financial controls over financial reporting is not applicable to these subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

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

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2025

and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information, of 2 subsidiaries, whose financial statements include total assets of Rs. 3,959.86 Lakhs as at March 31, 2025, and total revenues of Rs. 5,658.10 Lakhs total net profit after tax of Rs. 455.21 Lakhs, total comprehensive income of Rs. 454.64 Lakhs and net cash inflow of Rs. 237.24 Lakhs for the year ended March 31, 2025. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), to report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable, we report that there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in these consolidated financial statements.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiaries as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept

so far as it appears from our examination of those books and the report of the other auditor.

- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company are disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act. None of the subsidiaries are a Company incorporated in India under the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
- g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company and its subsidiaries incorporated in India, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations as at 31st March, 2025 on the consolidated financial position of the Group – Refer Note 48 (b) to the Consolidated Financial Statements;
 - ii. The group has accounted for material foreseeable losses for long term contracts, if any. The group did not have any long term derivative contracts.

- iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31st March, 2025;
- iv. The Management has represented that, to the best of its knowledge and belief:
 - (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India, if any, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, if any, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India, if any, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, if any, no funds have been received by the respective Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India, if any, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Holding Company are in compliance with Section 123 of the Act.
- vi. As per the information and explanations provided to us by the management and based on our examination which included test checks,

the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Further, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E

Sudesh Choraria
Partner

Place: Mumbai
Date: 9th May, 2025

Membership No : 204936
UDIN: 25204936BMIOWR5915

ANNEXURE – A to the Independent Auditor's Report of even date to the members of Cera Sanitaryware Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

(Referred to in paragraph 2 (f) of our Report on Other legal and regulatory requirements)

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

In conjunction with our audit of the Consolidated Financial Statements of Cera Sanitaryware Limited ('the Holding Company') as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, as of that date. None of the subsidiaries are a Company incorporated in India under the Act and hence the audit of internal financial controls over financial reporting are not applicable to these subsidiaries.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated

Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

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

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

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31st March, 2025 based on the internal financial controls with reference to Consolidated Financial Statements criteria established by such companies considering the essential components of

such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E

Sudesh Choraria
Partner

Place: Mumbai
Date: 9th May, 2025

Membership No : 204936
UDIN: 25204936BMIOWR5915

CONSOLIDATED BALANCE SHEET as at 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	35,195.36	34,990.36
(b) Capital work-in-progress	4	1,083.47	1,296.39
(c) Investment Property	5	149.08	156.71
(d) Right-of-use assets	47	4,458.58	2,153.83
(e) Other Intangible Assets	6	61.12	95.18
(f) Financial Assets			
(i) Investments			
- Other Investments	7	2,393.73	2,557.07
(ii) Other Financial Assets	8	497.08	176.71
(g) Other Non-current Assets	9	589.12	796.74
Total Non-current Assets		44,427.54	42,222.99
(2) Current Assets			
(a) Inventories	10	41,045.70	36,355.42
(b) Financial Assets			
(i) Investments	11	67,285.30	77,692.21
(ii) Trade Receivables	12	27,110.70	20,260.88
(iii) Cash and Cash Equivalents	13	956.56	2,099.90
(iv) Other Balances with Banks	14	2,208.42	1,619.81
(v) Other Financial Assets	15	318.20	361.01
(c) Other Current Assets	16	2,944.26	3,364.12
(d) Current Tax Assets (Net)	17	-	576.19
Total Current Assets		1,41,869.14	1,42,329.54
Total Assets		1,86,296.68	1,84,552.53
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	644.88	650.29
(b) Other Equity	19.1	1,34,713.30	1,33,928.39
Equity attributable to Owners of the Company		1,35,358.18	1,34,578.68
(c) Non - Controlling Interests	19.2	1,473.32	1,275.23
Total Equity		1,36,831.50	1,35,853.91
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	82.40	258.31
(ii) Lease Liabilities	47(a)	4,121.23	1,683.36
(iii) Other Financial Liabilities	21	3,014.46	2,943.14
(b) Provisions	22	1,051.46	946.04
(c) Deferred Tax Liabilities (Net)	23	4,071.77	4,822.46
(d) Other Non -Current Liabilities	24	6.61	8.10
Total Non-current Liabilities		12,347.93	10,661.41
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	1,728.81	1,787.82
(ii) Lease Liabilities	47(a)	804.21	717.22
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	26	7,696.02	6,940.93
- total outstanding dues of creditors other than micro enterprises and small enterprises	26	11,095.00	10,956.15
(iv) Other Financial Liabilities	27	10,122.07	12,534.83
(b) Other Current Liabilities	28	3,458.23	3,488.67
(c) Provisions	29	1,821.19	1,611.59
(d) Current Tax Liabilities (Net)	30	391.72	-
Total Current Liabilities		37,117.30	38,037.21
Total Equity and Liabilities		1,86,296.68	1,84,552.53

Material Accounting Policies 3
The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place: Ahmedabad

Date: 9th May, 2025

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31 st March , 2025	Year ended 31 st March, 2024
INCOME			
Revenue from Operations	31	1,92,615.31	1,87,941.18
Other Income	32	6,051.52	5,950.49
Total Income		1,98,666.83	1,93,891.67
EXPENSES			
Cost of Materials Consumed	33	28,172.33	25,159.00
Purchases of Stock-in-Trade	34	66,210.28	62,367.24
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	35	(3,191.78)	752.46
Employee Benefits Expense	36	24,530.54	23,093.96
Finance Costs	37	749.13	582.08
Depreciation and Amortization Expense	38	4,065.69	3,654.83
Other Expenses	39	46,910.08	46,241.55
Total Expenses		1,67,446.27	1,61,851.12
Profit before exceptional items and tax		31,220.56	32,040.55
Exceptional Items	7.1(A)	(150.43)	(155.57)
Profit before tax		31,070.13	31,884.98
Tax Expenses :	40		
(1) Current Tax		6,949.50	6,690.65
(2) Deferred Tax		(750.41)	1,062.60
Total Tax Expenses		6,199.09	7,753.25
Profit for the year		24,871.04	24,131.73
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(119.90)	(111.45)
(ii) Income tax relating to items that will not be reclassified to profit or loss		30.25	28.21
Other Comprehensive Income for the year (Net of Tax)		(89.65)	(83.24)
Total Comprehensive Income for the year		24,781.39	24,048.49
Profit attributable to:			
- Owners of the Company		24,647.99	23,900.18
- Non-Controlling Interests		223.05	231.55
		24,871.04	24,131.73
Other Comprehensive Income attributable to:			
- Owners of the Company		(89.37)	(82.34)
- Non-Controlling Interests		(0.28)	(0.90)
		(89.65)	(83.24)
Total Comprehensive Income attributable to:			
- Owners of the Company		24,558.62	23,817.84
- Non-Controlling Interests		222.77	230.65
		24,781.39	24,048.49
Earnings per equity share of face value of Rs. 5/- each			
(1) Basic (in Rs.)	41	190.40	183.76
(2) Diluted (in Rs.)	41	190.40	183.76

Material Accounting Policies

3

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

Place: Ahmedabad

Date: 9th May, 2025

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital due to prior period items	-	-	-	-
Restated balance as the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Changes in equity share capital during the year	(1,08,333)	(5.42)	-	-
Equity shares outstanding at the end of the year	1,28,97,541	644.87	1,30,05,874	650.29

B. OTHER EQUITY

Particulars	Reserves & Surplus						Total
	Securities Premium	General Reserve	Retained Earnings	Treasury Shares #	Share Option Outstanding Reserve	Capital Redemption Reserve	
A	B	C	D	E	F	G	H = (A+B+C+D+E+F+G)
Balance as at 1st April, 2024	8,095.94	62,286.64	64,240.52	-	-	(694.71)	1,33,928.39
Profit for the Year (A)	-	-	24,647.99	-	-	-	24,647.99
Other Comprehensive Income (B)	-	-	-	-	-	(89.37)	(89.65)
Total Comprehensive Income for the Year (A + B)	-	-	24,647.99	-	-	(89.37)	24,558.62
Transferred from Retained Earnings	-	6,113.35	(6,113.35)	-	-	-	-
Dividend on Equity Shares	-	-	(7,803.52)	-	-	-	(7,803.52)
Buyback of Equity Shares incl. tax thereon @	(8,095.94)	(7,925.81)	-	-	-	-	(16,021.75)
Transferred to Capital Redemption Reserve on Buyback of Equity Shares	-	(5.42)	-	-	-	-	(5.42)
Transferred from General reserve on Buyback of Equity Shares	-	-	-	-	5.42	-	5.42
Employee stock option expenses	-	-	-	-	309.96	-	309.96
Treasury Shares held	-	-	-	(258.40)	-	-	(258.40)
Net Increase / (Changes) in Non Controlling Interest	-	-	-	-	-	-	(24.68)
Balance as at 31st March, 2025	-	60,468.76	74,971.64	(258.40)	309.96	(784.08)	1,34,713.30
Balance as at 1st April, 2023	8,095.94	56,823.98	52,305.94	-	-	(612.38)	1,16,613.48
Profit for the Year (C)	-	-	23,900.18	-	-	-	23,900.18
Other Comprehensive Income (D)	-	-	-	-	-	(82.33)	(82.33)
Total Comprehensive Income for the Year (C + D)	-	-	23,900.18	-	-	(82.33)	23,817.85
							24,048.50

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

B. OTHER EQUITY

Particulars	Reserves & Surplus						Other Comprehensive Income	Total attributable to the Owners of the Parents	Non-Controlling Interests	Total
	Securities Premium	General Reserve	Retained Earnings	Treasury Shares #	Share Option Outstanding Reserve	Capital Redemption Reserve				
	A	B	C	D	E	F	G	H = (A+B+C+D+E+F+G)	I	J = (H+I)
Transferred from Retained Earnings	-	5,462.66	(5,462.66)	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	(6,502.94)	-	-	-	-	(6,502.94)	-	(6,502.94)
Net Increase / (Changes) in Non Controlling Interest	-	-	-	-	-	-	-	-	(16.62)	(16.62)
Balance as at 31st March, 2024	8,095.94	62,286.64	64,240.52	-	-	-	(694.71)	1,33,928.39	1,275.23	1,35,203.62

The accompanying Notes form an integral part of these Consolidated Financial Statements.

@ During the year the Parent company did a buyback of 1,08,333 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of Rs. 12000/- per Equity Share payable in cash. All valid bids for an amount aggregating to Rs. 12,999.96 Lakhs (excluding transaction cost and taxes) were settled and was adjusted against Securities Premium & General Reserve. All the equity shares bought back during the year have been extinguished.

The Parent company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2024 (ESOS 2024). These shares are treated as Treasury Shares and deducted from equity in accordance with Ind AS 32- "Financial Instruments: Presentation".

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Sudesh Choraria

Partner

Membership No. 204936

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Place: Ahmedabad

Date: 9th May, 2025

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

CONSOLIDATED STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 st March, 2025		Year ended 31 st March, 2024	
A. Cash flows from Operating Activities				
Net Profit before tax		31,070.13		31,884.98
Adjustments for :				
Depreciation & Amortization	4,065.69		3,654.83	
Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(15.90)		(922.43)	
Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	-		(468.91)	
Impairment Loss on Investment / Business Loss in Associate Entities	150.43		155.57	
Amortization of Prepaid Rentals	21.11		20.21	
Bad Debts written off (Net)	67.34		1,141.23	
Capital Advance written off	-		468.91	
Finance Cost (Other than Loss on Foreign Exchange Fluctuations)	749.13		582.08	
Interest on Security Deposit (Non Cash)	(21.09)		(21.50)	
Other Interest Received	(342.81)		(356.47)	
Foreign Exchange Fluctuations (Income) / Loss (Net)	16.95		21.41	
Profit on Sale of Investments	(312.77)		(51.84)	
Net Gain on Fair Valuation of Investments in Mutual Funds	(5,211.19)		(5,146.72)	
Compensation Expenses under Employees Stock Options Scheme	308.84		-	
Share Buy Back Expenses	181.55		-	
Liabilities & Provisions no longer required, written back	(2.58)		(17.84)	
Loss / (Gain) on Foreign Currency Translation (Net)	(10.29)		(18.37)	
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(76.26)		(116.11)	
Loss / (Profit) on Discard of Property, Plant and Equipment	223.30		26.61	
Deferred Income on Capital Subsidy	(1.49)		(1.49)	
Loss/(Gain) on Termination of Lease	(38.84)		(70.16)	
Credit Balance Written back	(3,414.04)		(868.34)	
		(3,662.92)		(1,989.33)
Operating profit before working capital changes		27,407.21		29,895.65
Adjustments for changes in working capital				
(Increase)/Decrease in Inventories	(4,690.27)		1,897.13	
(Increase)/ Decrease in Trade Receivables	(6,338.62)		(954.13)	
(Increase)/ Decrease in Other Financial Assets	(3.81)		66.24	
(Increase)/Decrease in Other Assets	209.20		614.12	
Increase/(Decrease) in Trade Payable	331.31		(3,406.67)	
Increase/(Decrease) in Other Financial Liabilities	(2,338.89)		1,630.63	
Increase/(Decrease) in Provisions	195.09		294.02	
Increase/(Decrease) in Other Liabilities	3,383.60		1,403.22	
		(9,252.39)		1,544.56
Cash generated from operations		18,154.82		31,440.21
Income Taxes paid		(5,953.13)		(7,834.86)
Net cash generated by Operating Activities (Total-A)		12,201.69		23,605.35

CONSOLIDATED STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 st March, 2025		Year ended 31 st March, 2024	
B. Cash flow from Investing Activities				
Payments for Property, Plant and Equipments, Capital Work-in-progress & Capital Advances	(2,869.84)		(6,408.27)	
Payments for Intangible Assets	(58.51)		(70.91)	
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	124.79		254.50	
Proceeds / (Payments) from Debentures	-		100.37	
Proceeds / (Payments) from Fixed Deposit	(820.17)		512.53	
Payments for purchase of Mutual Funds	(11,200.00)		(19,810.00)	
Proceeds from sale of Mutual Funds	27,130.87		10,768.20	
Interest Received	355.72		369.48	
Net cash used in Investing Activities (Total-B)		12,662.86		(14,284.10)
C. Cash flow from Financing Activities				
Payment of Lease Liabilities	(1,244.81)		(1,022.44)	
Proceeds / (Repayment) of Long-Term Borrowings (Net)	(159.11)		(143.84)	
Proceeds / (Repayment) of Short Term Borrowings (Net)	(75.81)		(344.86)	
Dividend on Equity Shares paid	(7,803.52)		(6,502.94)	
Buyback of equity shares including tax and expenses thereon	(16,208.72)		-	
Distribution of Profit (Packcart Packaging LLP)	(24.68)		(16.61)	
Treasury Shares purchased during the year (ESOP)	(257.28)		-	
Finance Cost (Other than Non Cash)	(233.96)		(319.52)	
Net cash used in Financing Activities (Total-C)		(26,007.89)		(8,350.21)
Net increase in Cash & Cash Equivalents (A+B+C)		(1,143.34)		971.04
Cash & cash equivalent - Opening Balance		2,099.90		1,128.86
Cash & cash equivalent - Closing Balance (Note 13)		956.56		2,099.90
Notes to Cash Flow Statement				
Components of cash & cash equivalents				
Balances with banks		954.92		818.23
Cash on Hand		1.64		3.60
Bank FDs with original maturity of less than 3 months		-		600.15
Margin Money Deposits with Bank held as security with maturity of less than 3 months		-		677.92
Cash & Cash equivalents considered in Cash Flow Statement		956.56		2,099.90

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

CONSOLIDATED STATEMENTS OF CASH FLOWS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

2. Reconciliation of Liabilities arising from Financing activities

Particulars	Outstanding as at 1 st April, 2024	Cash Flows	Non-Cash Changes	Outstanding as at 31 st March, 2025
Long Term Borrowings :				
Term Loan from Bank (Current + Non Current)	416.80	(159.11)	-	257.69
Short Term Borrowings	1,629.33	(75.81)	-	1,553.52
Lease Liabilities	2,400.58	(1,244.81)	3,769.67	4,925.44
Total Liabilities from financing activities	4,446.71	(1,479.73)	3,769.67	6,736.65

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place: Ahmedabad

Date: 9th May, 2025

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

1. Corporate Information

Cera Sanitaryware Limited (the “Parent Company”) is a public limited company domiciled in India having its registered office situated at 9, GIDC Industrial Estate, Kadi – 382715, Dist. Mehsana, Gujarat, India. The Company was incorporated on 17th July, 1998, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Group is primarily engaged in the business of manufacturing, selling and trading of building material products and is having non-conventional wind farm & solar power for captive use in the State of Gujarat.

The Consolidated Financial Statements include the consolidated Balance Sheet, consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and consolidated Cash Flow Statement of the Parent Company and its undermentioned subsidiaries (hereinafter referred as the ‘Group’)*.

Company / Firm	Date of shareholding / membership	Country of incorporation	% of shareholding
Packcart Packaging LLP	24 th June, 2016	India	51%
Race Polymer Arts LLP	09 th May, 2018	India	51%

* The financial information of Milo Tiles LLP (An Associate) has not been consolidated for the current year due to not receipt of its financial statements in view of the ongoing legal dispute (Refer Note 7.1(A) to the consolidated financial statements)

2. Basis of Preparation

2.1 Statement of Compliance with Ind AS.

The Consolidated Financial Statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

These Consolidated Financial Statements of the Group as at and for the year ended 31st March, 2025 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 9th May, 2025.

2.2 Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values have been rounded off to the nearest lakh, unless otherwise indicated.

2.3 Basis of Measurement

These Consolidated Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Employee Share based payments	Fair Value
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value

2.4 Basis of consolidation

- The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- The Consolidated Financial Statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profit/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure consistency with the

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

policies adopted by the Parent Company. The Consolidated Financial Statements have been presented to extent possible, in a same manner as Parent Company's Standalone Financial Statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Consolidated financial statements.

- (iii) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

2.5 Investments in joint venture and associates

When the Group has with other parties joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint venture. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in dilution of stake in the joint ventures and associates is recognised in the Consolidated Statement of Profit and Loss.

When the Group's share of losses of an associate or a joint venture exceed the Group's interest in that associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates or joint venture.

3. Material Accounting Policies

3.1 Property, Plant and Equipment

[a] Tangible Assets

[i] Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[ii] Subsequent Expenditure

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

[iii] Derecognition

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

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

[iv] Depreciation/Amortization

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight-line method in respect of plant and machinery, electric plant & installation and dies & moulds and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external/internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Dies and Moulds	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Parent Company's Plant and Equipments are considered on the basis of continuous process plant.

Depreciation on additions (disposals) is provided on a pro rata basis that is from (up to) the date on which asset is ready for use (disposed of).

[b] Capital work-in-progress

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

[c] Intangible Assets

[i] Initial Recognition and Classification

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

[ii] Subsequent Expenditure

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

[iii] Amortization

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

[iv] Derecognition

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

[v] Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development"

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

[vi] Investment Property

Investment properties are land and buildings that are held for long term lease rental yields and / or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 3.1(a)[iv] above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

[d] Impairment of Non-Financial Assets

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

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

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

3.2 Borrowing Costs

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

3.3 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Group has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

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

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

- * Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- * Held primarily for the purpose of trading.
- * Expected to be realised/settled within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

3.5 Inventories

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

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

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

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

3.6 Cash and Cash Equivalents

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

3.7 Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent liability is disclosed in the case of:

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

Contingent assets are not recognised in the Consolidated financial statements however, contingent assets, if any, are disclosed in the Consolidated financial statements.

3.8 Earnings Per Share

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

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

3.9 Foreign Currency Transactions and Translations

Initial Recognition

The Group financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts/payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Group, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Group monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.10 Revenue from Contracts with Customers

The Group recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Further, the Group evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue arises from sale of goods and rendering of services.

Sale of Goods

Most of the Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The Group recognises revenue from the sale of goods upon transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, in accordance with Ind AS 115 "Revenue from contract with customers". Amounts disclosed as revenue are net of returns and allowances, trade discounts, volume rebates and value added taxes/Goods and service tax.

As per Ind AS 115, the Group determines whether there is a significant financing component in its contracts. However, the Group has decided to use practical expedient provided in Ind AS 115 and not to adjust the promised amount of consideration for the effects of a significant financing components in the contracts, where the Group expects, at contract inception that the period of completion of contract terms are one year or less. Therefore, for short-term advances, the group does not account for a financing component. No long - term advances from customers are generally received by the Group.

The Group provides for warranties for general repairs and replacement which will be assurance-type warranties under Ind AS 115, which will continue to be accounted for under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", consistent with its current practice.

Rendering of Services

The Parent Company is rendering after sales services for its sold products. The after sales services is rendered against independent contracts with customers or against assurance type warranty for goods sold. Revenue from sale of services is recognised at an amount entitled in exchange for transferring services at a point in time to a customer.

Interest and Dividends and Other Income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the unconditional right to receive payment is established. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.11 Exceptional Items

An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the Consolidated financial statements.

3.12 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 47, classification of leases and other disclosures relating to leases.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.13 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences and Share based Payments.

Defined Contribution Plans

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

Defined Benefit Plans

The Parent Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

Short-term Employee Benefits

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

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

Long-term Employee Benefits

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

Share Based Payments

The Parent company recognizes compensation expense relating to share-based payment in statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments".

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model which is dependent on the terms and conditions of the grant.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Parent company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Treasury shares

The Parent company has formed the Cera Sanitaryware Limited Employee Welfare Trust ("ESOP trust") for purchasing the Parent company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2024. The Parent company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

3.14 Taxes on Income

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

(a) Current Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the Consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised in full.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

3.15 Government Grants

Government Grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Group will comply with the condition associated with the grant;

- In case of capital grants, they are then recognised in Statement of Profit and Loss on a systematic basis over the useful life of assets.
- In case of grants that compensate the Group for expenses incurred are recognised in Statement of Profit and Loss on systematic basis in the periods in which the expenses are recognized.

3.16 Fair Value Measurement

The Group measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

3.17 Financial Instruments

I. *Financial Assets*

(a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement

(i) *Financial assets carried at amortised cost*

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

(ii) *Financial assets at fair value through Other Comprehensive Income (FVOCI)*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) *Financial assets at fair value through Profit or Loss (FVTPL)*

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) **Impairment of Financial Assets**

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) **Derecognition of Financial Assets**

A financial asset is derecognised when:

- * The Group has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group shall continue to recognise the financial asset.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial assets. Where the Group retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. *Financial Liabilities*

Initial Recognition and Subsequent Measurement

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. *Fair Value of Financial Instruments*

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. *Offsetting of Financial Instruments*

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

V. *Investment in Subsidiaries, Joint Ventures and Associates*

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

3.18 Significant Judgments, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

Judgments

In the process of applying the Group accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the Consolidated financial statements.

Contingencies

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

Estimates and Assumptions

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

(a) Impairment of Non-financial Assets

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

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

(b) Estimation of Defined Benefit Obligations

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

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS for the Financial Year ended 31st March, 2025

(c) Fair Value Measurement of Financial Instruments

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

(d) Estimation of Current Tax and Deferred Tax

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

(e) Impairment of Financial Assets

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

(f) Impairment of Investments in Subsidiaries, Joint Ventures and Associates

The Group reviews its carrying value of investments carried at cost (net of impairment, if any) annually. If the estimated recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(g) Useful lives of property, plant and equipment, and intangible assets

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(h) Share based Payments

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 36.2.

3.19 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on 31st March, 2025 there were no material amendments to the Companies (Indian Accounting Standards) Rules issued by the MCA which were not yet effective.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note – 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Gross Carrying Amount								
	As at 1 st April, 2023	1,449.33	17,546.80	29,201.62	3,049.54	1,372.35	734.56	1,059.57	54,413.77
	Addition / Transfers	2,317.46	1,881.94	1,322.36	562.33	247.16	91.88	159.86	6,582.99
	Disposal / Adjustments	-	(55.12)	(156.85)	(93.23)	(175.95)	(72.44)	(175.05)	(728.64)
	As at 31st March, 2024	3,766.79	19,373.62	30,367.13	3,518.64	1,443.56	754.00	1,044.38	60,268.12
2	Addition / Transfers	60.32	1,272.08	796.65	793.10	210.48	158.30	162.79	3,453.72
	Disposal / Adjustments	-	(216.86)	(251.31)	(845.85)	(104.95)	(47.75)	(79.14)	(1,545.86)
	As at 31st March, 2025	3,827.11	20,428.84	30,912.47	3,465.89	1,549.09	864.55	1,128.03	62,175.98
	Accumulated Depreciation / Amortization								
	As at 1 st April, 2023	-	7,342.89	11,012.30	2,289.69	1,156.75	634.26	594.75	23,030.64
3	Charge for the year	-	774.54	1,206.58	452.64	148.68	54.56	173.77	2,810.77
	Disposal / Adjustments	-	(39.01)	(82.91)	(75.68)	(156.96)	(68.51)	(140.58)	(563.65)
	As at 31st March, 2024	-	8,078.42	12,135.97	2,666.65	1,148.47	620.31	627.94	25,277.76
	Charge for the year	-	855.93	1,274.15	412.66	197.13	88.19	152.47	2,980.53
	Disposal / Adjustments	-	(103.08)	(186.02)	(788.94)	(84.54)	(45.37)	(69.72)	(1,277.67)
	As at 31st March, 2025	-	8,831.27	13,224.10	2,290.37	1,261.06	663.13	710.69	26,980.62
	Net Carrying Amount								
	As at 31 st March, 2024	3,766.79	11,295.20	18,231.16	851.99	295.09	133.69	416.44	34,990.36
	As at 31 st March, 2025	3,827.11	11,597.57	17,688.37	1,175.52	288.03	201.42	417.34	35,195.36

(b) Capital work-in-progress (CWIP)

As at 1 st April, 2023	1,693.48
Additions	1,028.17
Capitalized / Adjustments	(1,425.26)
As at 31st March, 2024	1,296.39
Additions	1,083.47
Capitalized / Adjustments	(1,296.39)
As at 31st March, 2025	1,083.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

(c) Capital work-in-progress (CWIP) ageing schedule

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2025	1,083.47	-	-	-	1,083.47
Sanitaryware	662.45	-	-	-	662.45
Faucetware	410.02	-	-	-	410.02
Others	11.00	-	-	-	11.00
As at 31st March, 2024	1,079.71	216.68	-	-	1,296.39
Sanitaryware	1,005.77	216.68	-	-	1,222.45
Faucetware	73.94	-	-	-	73.94
Others	-	-	-	-	-

All the projects are executed as per rolling annual plan.

Notes:

- Previous period's figures have been re-grouped / re-classified wherever required to current year's classification.
- Refer Notes No. 20 and 25 for information on Property, Plant and Equipment pledged as security by the Group.
- Cost of Buildings includes ownership offices in co-operative societies for Rs. 2,636.64 lakhs (PY Rs. 2,636.64 lakhs) including 60 shares of Rs. 50/- each in three Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is Rs.93.31 Lakhs as on 31st March, 2025 and Rs. 538.06 Lakhs as on 31st March, 2024. [Refer Note No 46(a)]

Note - 5. INVESTMENT PROPERTY

Sr. No.	Particulars	Building
1	Gross Carrying Amount	
	As at 1 st April, 2023	159.94
	Additions / Transfers	-
	As at 31 st March, 2024	159.94
	Addition / Transfers	-
	As at 31 st March, 2025	159.94
2	Accumulated Depreciation	-
	As at 1 st April, 2023	3.23
	Charge for the year	-
	As at 31 st March, 2024	3.23
	Charge for the year	7.63
	As at 31 st March, 2025	10.86
3	Net Carrying Amount	-
	As at 31 st March, 2024	156.71
	As at 31 st March, 2025	149.08

Notes:

- Fair value of the above investment property as at 31st March, 2025 is Rs. 163.26 lakhs (31st March, 2024 : Rs. 161.02) based on external valuation. The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent in village Bhiwadi area. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- The Group has not earned any rental income on the above properties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 6. OTHER INTANGIBLE ASSETS

(a) Other Intangible Assets

Sr. No.	Particulars	Computer Softwares
1	Gross Carrying Amount	
	As at 1 st April, 2023	548.80
	Addition / Transfers	74.13
	Disposal / Adjustments	(1.24)
	As at 31st March, 2024	621.69
	Addition / Transfers	58.51
	Disposal / Adjustments	(72.66)
	As at 31st March, 2025	607.54
2	Accumulated Amortization	
	As at 1 st April, 2023	497.04
	Charge for the year	30.65
	Disposal / Adjustments	(1.18)
	As at 31 st March, 2024	526.51
	Charge for the year	88.93
	Disposal / Adjustments	(69.02)
	As at 31st March, 2025	546.42
3	Net Carrying Amount	
	As at 31 st March, 2024	95.18
	As at 31st March, 2025	61.12

(b) Intangible Assets under development (IAUD)

As at 1 st April, 2023	3.22
Addition	-
Capitalized / Adjustments	(3.22)
As at 31 st March, 2024	-
Addition	-
Capitalized / Adjustments	-
As at 31st March, 2025	-

(c) Intangible Assets under development (IAUD) ageing schedule

Projects in progress	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 st March, 2024	-	-	-	-	-
As at 31 st March, 2025	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 7. INVESTMENTS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	Non-Current Investments		
	Non Trade Investments		
A	Investments in Debentures (at amortised cost) (Unquoted)		
	(a) State Bank of India Series I 7.74% - NCD Perpetual 50 Units of face value of Rs. 10,00,000 per unit (50 Units of face value of Rs. 10,00,000 per unit as at 31 st March, 2024)	500.24	500.50
	(b) State Bank of India Series I 7.73% - NCD Perpetual 50 Units of face value of Rs. 10,00,000 per unit (50 Units of face value of Rs. 10,00,000 per unit as at 31 st March, 2024)	501.82	503.62
	(c) State Bank of India SR III 7.55% - BD Perpetual FVRSICR 7 Units of face value of Rs. 1,00,00,000 per unit (7 Units of face value of Rs. 1,00,00,000 per unit as at 31 st March, 2024)	696.63	694.96
	Total (A)	1,698.69	1,699.08
B	Investments in Bonds (at amortised cost) (Unquoted)		
	(a) Rural Electrification Corporation Limited SR - 2 8.12 / 8.32 (Tax free) 28000 Bonds of face value of Rs. 1,000 per Bond (28000 Bonds of face value of Rs. 1,000 per Bond as at 31 st March, 2024)	295.37	300.91
	(b) Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of Rs.1,00,000 per Bond (385 Bonds of face value of Rs. 1,00,000 per Bond as at 31 st March, 2024)	399.54	406.52
	Total (B)	694.91	707.43
C	Investments in Limited Liability Partnership (Unquoted)		
	(a) Milo Tile LLP (Associate entity) (Refer Note 7.1A below) Add / (Less): Share of Profit / (Loss) from Associate Less: Investment written off	150.43 - (150.43)	150.43 - -
	Total (C)	-	150.43
D	Investments in Government Securities (at cost) (Unquoted)		
	(a) National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (D)	0.13	0.13
	Total Non-Trade Investments (A + B + C + D)	2,393.73	2,557.07
	Total Non- Current Investments (A + B + C + D)	2,393.73	2,557.07
	Aggregate amount of Unquoted Investments (A + B + C + D)	2,393.73	2,557.07
	Aggregate amount of write off / Impairment in value of Investments	-	-

7.1 Ownership interest in Associates*:

Sr. No	Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
			As at 31 st March, 2025	As at 31 st March, 2024	
1	Milo Tile LLP*	India	-	26%	Manufacturing of Tiles

(*) Refer Note 7.1(A) below

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

- 7.1 (A) The Parent Company acquired share capital worth Rs. 806 Lakhs for 26% stake in M/s Milo Tile LLP ("Milo") in FY 2018-19. During FY 2022-23 Milo had been unable to maintain product quality parameters which has forced the Company to discontinue procuring tiles from Milo, and raise claims based on inferior quality products supplied by Milo.

Subsequently, the matter was referred to arbitration in accordance with the terms of the agreement between the parties. However, during the mediation process, both parties agreed to an amicable settlement in March, 2025 whereby CERA retired from the LLP without any claim on its capital or share of profits in the LLP and also paid an amount of Rs. 160 Lakhs as full and final settlement against the Trade Payables due to Milo.

Pursuant to this settlement, the remaining investment amount of Rs. 150.43 lakhs in Milo Tile LLP was not recoverable, hence written off and disclosed as an exceptional item during the year.

Note - 8. OTHER FINANCIAL ASSETS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At amortized cost		
1	Security Deposits	281.39	213.63
	Less: Allowance for Expected Credit Loss	(39.20)	(39.20)
	Net Security Deposit	242.19	174.43
	Other Bank Balances		
2	Margin Money Deposits with a bank held as security with more than 12 months maturity	215.38	2.28
3	Bank FDs with more than 12 months maturity	39.51	-
	Total	497.08	176.71

Note - 9. OTHER NON-CURRENT ASSETS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Capital Advances	137.42	508.38
	Less: Allowance for Expected Credit Loss	-	-
	Net Capital Advances	137.42	508.38
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	14.82	31.44
	(b) Other Advances (Unsecured, considered good)		
	Advance Lease Rentals - Security Deposits	83.46	24.17
	(c) Advance Income Tax of earlier years	353.42	232.75
	Total	589.12	796.74

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 10. INVENTORIES

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At lower of Cost and Net Realisable Value		
1	Raw Materials	5,518.14	4,278.59
2	Work-in-progress	1,470.17	1,440.44
3	Finished Goods	17,637.29	16,489.64
4	Stock-in-trade	14,336.79	12,308.89
5	Stock-in-trade in Transit	40.12	53.62
6	Stores and Spares	2,025.79	1,782.05
7	Stores and Spares in Transit	17.40	2.19
	Total	41,045.70	36,355.42

Note:

10.1 Refer Note No. 25 for information on inventory pledged as security by the Group.

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	Current Investments		
	Investments in Mutual Funds (Unquoted)		
	Measured at fair value through Profit & Loss (FVTPL)		
1	Bandhan Corporate Bond Fund - Regular Growth 3416670.0920 Units NAV of Rs. 18.8091 each (4812489.6130 Units NAV of Rs. 17.3762 each as at 31 st March, 2024)	642.64	836.23
2	HDFC Corporate Bond Fund - Regular Plan - Growth 2016540.4970 Units NAV of Rs. 31.8650 each (5127446.6910 Units NAV of Rs. 29.3347 each as at 31 st March, 2024)	642.57	1,504.12
3	Axis Banking & PSU Debt Fund - Direct Plan - Growth 23266.5560 Units NAV of Rs. 2657.6768 each (23266.5560 Units NAV of Rs. 2453.8381 each as at 31 st March, 2024)	618.35	570.92
4	HSBC Banking and PSU Debt Fund - Direct Growth 4840052.4810 Units NAV of Rs. 24.9454 each (4840052.4810 Units NAV of Rs. 23.0989 each as at 31 st March, 2024)	1,207.37	1,117.99
5	Bharat Bond ETF - April 2030 40000.0000 Units NAV of Rs. 1476.8637 each (40000.0000 Units NAV of Rs. 1354.5721 each as at 31 st March, 2024)	590.74	541.83
6	HSBC Corporate Bond Fund - Direct Growth 426193.2750 Units NAV of Rs. 75.9890 each (426193.2750 Units NAV of Rs. 69.9990 each as at 31 st March, 2024)	323.86	298.33
7	HDFC Corporate Bond Fund - Direct Plan - Growth 15143548.5460 Units NAV of Rs. 32.5415 each (15143548.5460 Units NAV of Rs. 29.8835 each as at 31 st March, 2024)	4,927.94	4,525.42
8	Kotak Floating Rate Fund - Direct Plan - Growth 13375.9980 Units NAV of Rs. 1508.5360 each (13375.9980 Units NAV of Rs. 1385.3890 each as at 31 st March, 2024)	201.78	185.31
9	SBI Dynamic Bond Fund - Direct Plan - Growth 709853.9780 Units NAV of Rs. 38.3539 each (709853.9780 Units NAV of Rs. 35.1644 each as at 31 st March, 2024)	272.26	249.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
10	Bharat Bond FOF - April 2025 - Direct Pan - Growth 23810152.9690 Units NAV of Rs. 12.8435 each (23810152.9690 Units NAV of Rs. 11.9226 each as at 31 st March, 2024)	3,058.06	2,838.80
11	SBI Floating Rate Debt Fund - Direct Plan - Growth 41133366.4740 Units NAV of Rs. 13.1398 each (60529563.6120 Units NAV of Rs. 12.1390 each as at 31 st March, 2024)	5,404.84	7,347.68
12	HDFC Banking & PSU Debt Fund - Direct Plan -Growth 1976743.8600 Units NAV of Rs. 23.4198 each (1976743.8600 Units NAV of Rs. 21.5820 each as at 31 st March, 2024)	462.95	426.62
13	Bandhan Bond Fund - Short Term - Direct Plan - Growth 2078625.8820 Units NAV of Rs. 59.7620 each (2078625.8820 Units NAV of Rs. 54.9249 each as at 31 st March, 2024)	1,242.23	1,141.68
14	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 26404021.8750 Units NAV of Rs. 30.5515 each (16464710.6090 Units NAV of Rs. 28.1456 each as at 31 st March, 2024)	8,066.83	4,634.09
15	DSP Bond Fund - Direct Plan Growth 1461851.0920 Units NAV of Rs. 84.8645 each (1461851.0920 Units NAV of Rs. 77.9984 each as at 31 st March, 2024)	1,240.59	1,140.22
16	ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth 1887260.7350 Units NAV of Rs. 33.3743 each (1887260.7350 Units NAV of Rs. 30.7789 each as at 31 st March, 2024)	629.86	580.88
17	ICICI Prudential Short Term Fund - Direct Plan - Growth 5933470.6160 Units NAV of Rs. 64.0608 each (5933470.6160 Units NAV of Rs. 58.9322 each as at 31 st March, 2024)	3,801.03	3,496.72
18	Bandhan Crisil IBX Gilt April 2028 Index Fund- Direct Plan - Growth 17416655.9240 Units NAV of Rs. 12.7726 each (17416655.9240 Units NAV of Rs. 11.7754 each as at 31 st March, 2024)	2,224.56	2,050.88
19	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund - Direct Growth 20040969.4670 Units NAV of Rs. 12.1453 each (20040969.4670 Units NAV of Rs. 11.2477 each as at 31 st March, 2024)	2,434.04	2,254.15
20	Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan - Growth 16362429.2430 Units NAV of Rs. 12.7958 each (16362429.2430 Units NAV of Rs. 11.8725 each as at 31 st March, 2024)	2,093.70	1,942.64
21	Aditya Birla Sun Life Money Manager Fund - Direct Plan- Growth 1349806.8100 Units NAV of Rs. 367.6703 each (358222.8470 Units NAV of Rs. 340.7909 each as at 31 st March, 2024)	4,962.84	1,220.80
22	Aditya Birla Sun Life Corporate Bond Fund - Growth - Direct Plan 2315758.2510 Units NAV of Rs. 112.4521 each (523558.7033 Units NAV of Rs. 103.2453 each as at 31 st March, 2024)	2,604.12	540.55
23	Bandhan Crisil IBX Gilt June 2027 Index Fund Direct Plan - Growth 9170151.5210 Units NAV of Rs. 12.7021 each (9170151.5210 Units NAV of Rs. 11.7361 each as at 31 st March, 2024)	1,164.80	1,076.22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
24	Bharat Bond FOF - April 2030 - Direct Plan - Growth 6073406.8810 Units NAV of Rs. 14.6921 each (6073406.8810 Units NAV of Rs. 13.5296 each as at 31 st March, 2024)	892.31	821.71
25	DSP Corporate Bond Fund - Direct Plan - Growth 12844054.4060 Units NAV of Rs. 15.8618 each (12844054.4060 Units NAV of Rs. 14.6784 each as at 31 st March, 2024)	2,037.30	1,885.30
26	DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund - Direct - Growth 10414446.1130 Units NAV of Rs. 12.1899 each (10414446.1130 Units NAV of Rs. 11.2295 each as at 31 st March, 2024)	1,269.51	1,169.49
27	Kotak Bond Short Term Plan - Growth - Direct 3084411.0010 Units NAV of Rs. 56.0463 each (3084411.0010 Units NAV of Rs. 51.5232 each as at 31 st March, 2024)	1,728.70	1,589.19
28	Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 16941895.2191 Units NAV of Rs. 12.0412 each (16941895.2191 Units NAV of Rs. 11.1049 each as at 31 st March, 2024)	2,040.00	1,881.39
29	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct Plan - Growth 19351259.2560 Units NAV of Rs. 12.0498 each (19351259.2560 Units NAV of Rs. 11.1675 each as at 31 st March, 2024)	2,331.79	2,161.05
30	SBI Magnum Gilt Fund - Direct Plan - Growth 3502260.7340 Units NAV of Rs. 69.1029 each (3502260.7340 Units NAV of Rs. 63.1318 each as at 31 st March, 2024)	2,420.16	2,211.04
31	SBI Magnum Low Duration Fund - Direct Plan - Growth 133346.8470 Units NAV of Rs. 3557.7202 each (170462.6010 Units NAV of Rs. 3297.4205 each as at 31 st March, 2024)	4,744.11	5,620.87
32	Bandhan Crisil IBX Gilt April 2028 Index Fund Direct Plan - Growth 6986468.8800 Units NAV of Rs. 12.7726 each (6986468.8800 Units NAV of Rs. 11.7754 each as at 31 st March, 2024)	892.35	822.68
33	SBI Savings Fund - Direct Plan - Growth NIL Unit (17001121.1260 Units NAV of Rs. 40.4415 each as at 31 st March, 2024)	-	6,875.51
34	Axis Short Term Fund - Regular Plan - Growth NIL Unit (1816802.2210 Units NAV of Rs. 27.8930 each as at 31 st March, 2024)	-	506.76
35	Axis Banking & PSU Debt Fund - Regular Plan - Growth NIL Unit (10026.9320 Units NAV of Rs. 2388.0476 each as at 31 st March, 2024)	-	239.45
36	Bandhan Banking & PSU Debt Fund - Regular Plan - Growth NIL Unit (4105987.9300 Units NAV of Rs. 22.3400 each as at 31 st March, 2024)	-	917.28
37	HSBC Banking and PSU Debt Fund - Regular Growth NIL Unit (2566877.3220 Units NAV of Rs. 22.0337 each as at 31 st March, 2024)	-	565.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 11. INVESTMENTS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
38	ICICI Prudential Corporate Bond Fund - Growth NIL Unit (1477353.3180 Units NAV of Rs. 26.9465 each as at 31 st March, 2024)	-	398.09
39	HSBC Short Duration Fund - Regular Growth NIL Unit (1519949.1080 Units NAV of Rs. 23.9400 each as at 31 st March, 2024)	-	363.88
40	SBI Corporate Bond Fund - Regular Plan Growth NIL Unit (8848146.5610 Units NAV of Rs. 14.0027 each as at 31 st March, 2024)	-	1,238.98
41	Kotak Banking and PSU Debt Fund - Regular Plan - Growth NIL Unit (412484.0420 Units NAV of Rs. 59.1583 each as at 31 st March, 2024)	-	244.02
42	Kotak Floating Rate Fund - Regular Plan - Growth NIL Unit (138304.2380 Units NAV of Rs. 1360.1725 each as at 31 st March, 2024)	-	1,881.17
43	HSBC Corporate Bond Fund - Regular Growth NIL Unit (716573.7480 Units NAV of Rs. 65.9926 each as at 31 st March, 2024)	-	472.89
44	ICICI Prudential Banking and PSU Debt Fund - Growth NIL Unit (3439414.8080 Units NAV of Rs. 29.6561 each as at 31 st March, 2024)	-	1,019.99
45	Bandhan Bond Fund - Short Term - Regular Plan - Growth NIL Unit (2076176.3730 Units NAV of Rs. 51.6046 each as at 31 st March, 2024)	-	1,071.40
46	ICICI Prudential Short Term Fund - Growth Option NIL Unit (2371754.8990 Units NAV of Rs. 54.4366 each as at 31 st March, 2024)	-	1,291.10
47	Axis Corporate Debt Fund - Regular Plan Growth NIL Unit (8021457.6570 Units NAV of Rs. 15.3965 each as at 31 st March, 2024)	-	1,235.02
48	DSP Bond Fund - Growth NIL Unit (791425.2720 Units NAV of Rs. 73.7850 each as at 31 st March, 2024)	-	583.95
49	SBI Floating Rate Debt Fund -Direct Growth 674533.38 Units NAV of Rs. 12.6670 each (674533.38 Units NAV of Rs. 12.139 each as on 31 st March, 2024)	88.63	81.88
50	SBI Savings Fund - Direct Plan -Growth 51564.812 Units NAV of Rs. 41.9758 each (51564.812 Units NAV of Rs. 40.4415 each as on 31 st March, 2024)	22.48	20.85
	Total	67,285.30	77,692.21
	Aggregate Cost of Unquoted Investments	56,627.85	69,026.94
	Aggregate Fair Value of Unquoted Investments	67,285.30	77,692.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 12. TRADE RECEIVABLES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(a)	Trade Receivables considered good - Secured	2,953.98	2,872.16
(b)	Trade Receivables considered good - Unsecured	23,635.92	16,876.84
(c)	Trade Receivables which have significant increase in Credit Risk	316.74	152.60
(d)	Trade Receivables - Credit Impaired	1,563.77	1,734.89
		28,470.41	21,636.49
	Less: Allowance for Expected Credit Losses	(1,359.71)	(1,375.61)
	Total	27,110.70	20,260.88

Movement in Allowance for Expected Credit Losses

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance at the beginning of the year	1,375.61	2,298.03
Allowance for Expected Credit Losses provided during the year (Refer Note No. 39)	212.35	442.43
Amounts written back during the year	(167.20)	(266.75)
Amounts of Trade Receivables written off during the year	(61.05)	(1,098.10)
Balance at the end of the year	1,359.71	1,375.61

Notes :

12.1 Refer Note No. 25 for information on Trade Receivables pledged as security by the Group.

12.2 No Trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

12.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

12.4 Trade Receivables of the Group are non-interest bearing and are generally on credit terms up to 30 to 60 days.

12.5 Ageing for Trade Receivables (Gross) as at 31st March, 2025 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment					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	14,837.89	11,752.01	-	-	-	-	26,589.90
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	316.74	-	-	-	316.74
(iii)	Undisputed Trade Receivables - credit impaired	-	-	-	96.95	400.80	1,066.02	1,563.77
(iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	Total	14,837.89	11,752.01	316.74	96.95	400.80	1,066.02	28,470.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Ageing for Trade Receivables (Gross) as at 31st March, 2024 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment					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	12,465.94	7,283.06	-	-	-	-	19,749.00
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	152.60	-	-	-	152.60
(iii)	Undisputed Trade Receivables - credit impaired	-	-	-	466.38	79.98	1,188.53	1,734.89
(iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	Total	12,465.94	7,283.06	152.60	466.38	79.98	1,188.53	21,636.49

Note - 13. CASH & CASH EQUIVALENTS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Balances with banks in current accounts	954.92	818.23
2	Cash on hand	1.64	3.60
3	Bank FDs with original maturity of less than 3 months	-	600.15
4	Margin Money Deposits with Bank held as security with maturity of less than 3 months	-	677.92
	Total	956.56	2,099.90

Note - 14. OTHER BALANCES WITH BANKS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,837.05	1,173.53
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	237.79	333.75
3	Earmarked Balances with Banks (Unpaid Dividend)*	133.58	112.53
	Total	2,208.42	1,619.81

* Not due for deposit in the Investor Education and Protection Fund

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 15. OTHER FINANCIAL ASSETS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
	At amortised cost (Unsecured, considered good)		
1	Security Deposits*	122.68	109.49
2	Insurance claims receivable	72.01	63.04
3	Interest accrued and receivable	76.27	75.89
4	Advance to staff	21.79	28.32
5	Incentives / Grants Receivable from Government	25.45	84.27
	Total	318.20	361.01

* including Rs. NIL Lakhs (PY Rs. 20.29 Lakhs) given to a related party.

Note - 16. OTHER CURRENT ASSETS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Advances other than Capital Advances (Unsecured, considered good)		
	Other Advances		
(i)	Prepaid Expenses	697.24	916.09
(ii)	Balance with Statutory/Government Authorities	112.97	244.35
(iii)	Advance Lease Rentals - Security Deposits	21.29	11.98
(iv)	Advances to Suppliers	1,334.51	1,494.27
(v)	Other Advances*	778.25	697.43
	Total	2,944.26	3,364.12

* Amounts due from related parties amounting to Rs. NIL Lakhs (PY Rs. 87.36 Lakhs) . Refer Note No. 42 and 49

Note - 17. CURRENT TAX ASSETS (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Current Tax Assets (Net)	-	576.19
Total	-	576.19

Note - 18. SHARE CAPITAL

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Authorized Share Capital		
	2,00,00,000 Equity Shares of Rs. 5/- each (2,00,00,000 Equity Shares of Rs. 5/- each as at 31 st March, 2024)	1,000.00	1,000.00
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,28,97,541 Equity Shares of Rs. 5/- each fully paid up (1,30,05,874 Equity Shares of Rs. 5/- each fully paid up as at 31 st March, 2024)	644.88	650.29
	Total	644.88	650.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

18.1 The reconciliation of Equity Shares outstanding at the beginning and at the end of the year is set out below :

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Issued during the year	-	-	-	-
Shares extinguished on buyback	1,08,333	5.42		
Balance at the end of the year	1,28,97,541	644.88	1,30,05,874	650.29

18.2 Terms / Rights attached to Equity Share :

The Company has only one class of Equity Shares having a par value of Rs. 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note 50 for the particulars of Dividend Paid / proposed during the year.

18.3 The Board of Directors of the Company at its meeting held on 5th August, 2024 approved the proposal of buyback 1,08,333 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of Rs. 12000/- per Equity Share payable in cash for an amount aggregating to Rs. 12,999.96 Lakhs (excluding transaction cost and taxes). The Company bought back 1,08,333 fully paid-up Equity Shares and settled all valid bids and extinguished equity shares bought back during the year.

18.4 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of Shareholder	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	28,71,814	22.27%	29,00,275	22.30%
Mr. Vikram Somany	9,36,567	7.26%	9,45,847	7.27%
Ms. Smiti Somany	13,29,070	10.30%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,34,298	9.57%	12,98,143	9.98%

18.5 Details of the shareholding of promoters are set out below :

Promoter Name	As at 31 st March, 2025		As at 31 st March, 2024		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	28,71,814	22.27%	29,00,275	22.30%	-0.03%
Mr. Vikram Somany	9,36,567	7.26%	9,45,847	7.27%	-0.01%
Ms. Smiti Somany	13,29,070	10.30%	13,42,240	10.32%	-0.02%
Rekha Commercial Pvt. Ltd.	5,27,165	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,79,648	3.72%	4,84,400	3.72%	-
Ms. Deepshikha Khaitan	3,35,789	2.60%	3,39,116	2.61%	-0.01%
Suvinay Trading & Investment Co. Ltd.	3,19,642	2.48%	3,22,808	2.48%	-
Ms. Pooja Jain Somany	2,00,000	1.55%	2,00,000	1.54%	0.01%
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,17,760	54.41%	70,85,139	54.48%	

18.6 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares during the last 5 years. During the year the Company had bought back shares as disclosed in note 18.3 above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 19.1 OTHER EQUITY

Sr. No.	Particulars	As at		As at
		31 st March, 2025	31 st March, 2024	
1	Other Reserves			
	(i) Securities Premium			
	Balance at the beginning of the year	8,095.94	8,095.94	
	Buyback of equity shares (Refer Note 18.3)	(8,095.94)	-	
	Balance at the end of the year	-		8,095.94
	(ii) General Reserve			
	Balance at the beginning of the year	62,286.64	56,823.98	
	Transferred to Capital Redemption Reserve on buyback of equity shares	(5.42)	-	
	Buyback of equity shares including tax thereon (Refer Note 18.3)	(7,925.81)	-	
	Transferred from Statement of Profit and Loss	6,113.35	5,462.66	
	Balance at the end of the year	60,468.76		62,286.64
	(iii) Treasury Shares			
	Balance at the beginning of the year	-	-	
	Treasury Shares purchased during the year	(258.40)	-	-
	Balance at the end of the year			
	(iv) Share Options Outstanding Reserve			
	Balance at the beginning of the year	-	-	
	Created during the year	309.96	-	
	Balance at the end of the year	309.96		-
	(v) Capital Redemption Reserve			
	Balance at the beginning of the year	-	-	
	Created during the year on buyback of equity shares	5.42	-	
	Balance at the end of the year	5.42		-
2	Retained Earnings			
	Balance as per last Financial year	64,240.52	52,305.94	
	Profit for the year	24,647.99	23,900.18	
	Transferred to General Reserve	(6,113.35)	(5,462.66)	
	Dividend on Equity Shares	(7,803.52)	(6,502.94)	
	Balance at the end of the year	74,971.64		64,240.52
3	Other Comprehensive Income			
	Remeasurements of Defined Benefit Plans			
	Balance at the beginning of the year	(694.71)	(612.38)	
	Actuarial Loss on Remeasurement of defined benefit plans	(119.48)	(110.12)	
	Current Tax effect on Gratuity	29.97	27.37	
	Deferred Tax on Leave Encashment/Gratuity	0.14	0.42	
	Balance at the end of the year	(784.08)		(694.71)
	Total	1,34,713.30		1,33,928.39

Nature and purpose of Other Reserves

a) Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

b) General Reserve

General Reserve is created out of profit after tax earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

c) Treasury Shares

Treasury Shares represents cost of shares of the Parent Company purchased by "Cera Sanitaryware Limited Employees Welfare Trust" to be utilized for the purpose of granting ESOPs to the eligible employees of the Parent Company.

d) Retained Earnings

Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

e) Capital Redemption Reserve

In accordance with Section 69 of the Companies Act, 2013, the Company has created capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from the General Reserve.

f) Share Options Outstanding Reserve

Share Options Outstanding Reserve is created as required by Ind AS 102, Share Based Payments' on the employee stock option scheme operated by the Parent Company for its eligible employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Note - 19.2 NON CONTROLLING INTERESTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance at beginning of the year	1,275.23	1,061.20
Add: Adjustment for Changes in ownership Interests	-	-
Add: Profit attributable during the year	223.05	231.55
Add: Other Comprehensive Income attributable during the year	(0.28)	(0.90)
Less: Distribution of Profit (Packcart Packaging LLP & Race Polymer Arts LLP)	(24.68)	(16.62)
Balance at end of the year	1,473.32	1,275.23

The Table below provide the information in respect to subsidiary as at 31st March, 2025

Sr. No.	Name	Country of Incorporation and Operation	% of NCI	NCI
1	Packcart Packaging LLP	India	49%	146.05
2	Race Polymer Arts LLP	India	49%	1,327.27

Note - 20. BORROWINGS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Non-Current Borrowings		
	Term Loans (Secured)		
	From Banks		
	HDFC Bank Ltd.	257.69	416.80
	Less: Current Maturities of Long Term Debt disclosed under Current Borrowings (Refer Note No.25)	(175.29)	(158.49)
	Total	82.40	258.31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Notes:

20.1 Terms of repayment of Term Loans from HDFC Bank Ltd. (Race Polymer Arts LLP)

- Term loans are secured by equitable mortgage (EM) of lands at revenue survey no. 949 and 77 together with factory buildings constructed thereon at Mauje Gamanpura & Mitha, Village - Balol, Mehsana- Becharaji Road, Dist. Mehasana - 384410 Gujarat and also secured by hypothecation of Plant and Equipments, Inventories and Book Debts of the subsidiary.
- Also Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP), and Mr. Ashish Sharadkumar Nemani have given personal / corporate guarantee in favour of HDFC Bank Ltd.

Term loans are repayable in 68 equal monthly instalments of Rs. 15.97 Lakhs (Principal and Interest) beginning from February, 2021 to September, 2026.

Rate of Interest ranging from 9.12% to 9.61% p.a. (Floating Rate) during the year.

Note - 21. OTHER FINANCIAL LIABILITIES - NON - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Deposits by Dealers	2,992.23	2,920.91
2	Due to others	22.23	22.23
	Total	3,014.46	2,943.14

Note - 22. PROVISIONS - NON-CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Provision for Employee Benefits		
	(a) Provision for Leave Encashment	758.02	652.54
	(b) Provision for Gratuity	6.66	6.72
2	Provision for Tax		
	(a) Provision for Income Tax of earlier years	286.78	286.78
	Total	1,051.46	946.04

Refer Note No. 45 for Movement of Provisions

Note - 23. DEFERRED TAX LIABILITIES (NET)

Sr. No.	Particulars	Balance Sheet		Statement of Profit and Loss	
		As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024
i.	Difference between Written down value of Property, Plant and Equipment and Intangible assets as per books of accounts and income tax	2,965.21	3,107.73	(142.52)	(23.50)
ii.	Fair valuation of Investments	1,557.91	2,181.04	(623.13)	1,287.86
iii.	Impact of Right-of-use Assets and Lease Liabilities	(117.64)	(62.38)	(55.26)	5.24
iv.	Provision allowed under tax on payment basis	(333.71)	(218.28)	(115.15)	(21.35)
v.	Unabsorbed Long-term Capital Loss	-	(185.65)	185.65	(185.65)
	Deferred Tax (Income) / Expense			(750.41)	1062.60
	Net Deferred Tax (Assets) / Liabilities	4,071.77	4,822.46		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Reconciliation of Deferred Tax Liabilities(Net) :

Particulars	31 st March, 2025	31 st March, 2024
Opening Balance	4,822.46	3,760.72
Tax Expense/(Income) during the period recognised in Profit or Loss	(750.41)	1,062.60
Tax Expense/(Income) during the period recognised in Other Comprehensive Income	(0.28)	(0.86)
Tax Expense/(Income) during the period recognised directly in Other Equity	-	-
Closing balance	4,071.77	4,822.46

Note - 24. OTHER NON CURRENT LIABILITIES

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Deferred Govt. Grant (Capital Subsidy)	6.61	8.10
	Total	6.61	8.10

Note - 25. BORROWINGS - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Borrowings Repayable on Demand		
	(a) From State Bank of India (Cera Sanitaryware Limited-Secured) Cash Credit	1,553.52	1,629.33
	(b) From HDFC Bank Ltd. (Race Polymer Arts LLP) Cash Credit	-	-
2	Current Maturities of Long Term Debt	175.29	158.49
	Total	1,728.81	1,787.82

Notes :

25.1 Primary Security

Cash Credit facilities from State Bank of India (SBI) are secured by exclusive hypothecation over entire Current Assets of the Company comprising stock of raw materials, work in process, finished goods, stock in trade, stores & spares and receivables, both present and future.

Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.50% above 6 months MCLR (Present effective rate 9.40% p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2% for 90 days.

Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

25.2 Cash Credit Facilities From HDFC Bank Limited (Race Polymer Arts LLP)

All securities mentioned in Note No. 20.1 are also extended for Cash Credit facilities.

Terms of Cash Credit facility

Rate of interest on cash credit facility is chargeable at 9.27% p.a.(Floating Rate)

25.3 Monthly statements of current assets filed with banks are in agreement with books of account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 26. TRADE PAYABLES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Total outstanding dues of micro enterprises and small enterprises*	7,696.02	6,940.93
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	11,095.00	10,956.15
	Total	18,791.02	17,897.08

* Disclosure with respect to amount due to MSME is given in Note No. 46 and due to related parties amounting to Rs. NIL Lakhs (PY Rs.237.79 Lakhs) is given in Note No.42

26.1 Ageing for Trade Payables as at 31st March, 2025 is as follows:

	Particulars	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	7,696.02	-	-	-	-	7,696.02
(ii)	Others	10,487.96	606.16	-	-	0.88	11,095.00
(iii)	Disputed Dues - MSME	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-
	Total	18,183.98	606.16	-	-	0.88	18,791.02

Ageing for Trade Payables as at 31st March, 2024 is as follows :

	Particulars	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	6,940.44	0.49	-	-	-	6,940.93
(ii)	Others	9,337.32	1,361.89	18.27	-	0.88	10,718.36
(iii)	Disputed Dues - MSME	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	237.79	-	-	237.79
	Total	16,277.76	1,362.38	256.06	-	0.88	17,897.08

Note - 27. OTHER FINANCIAL LIABILITIES - CURRENT

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Unpaid dividends*	133.58	112.53
2	Retention money payable	101.20	214.55
3	Employee related payable	2,899.93	3,147.59
4	Other payable #	6,987.36	9,060.16
	Total	10,122.07	12,534.83

* Not due for deposit in the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at year end.

Other payable includes Sales Incentives and other Expenses payable

Note - 28. OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Payable towards Statutory dues	2,385.99	2,260.05
2	Advances received from Customers	1,070.75	1,227.13
3	Deferred Govt. Grant (Capital Subsidy/Others)	1.49	1.49
	Total	3,458.23	3,488.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 29. CURRENT PROVISIONS

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Provision for Leave Encashment	195.65	179.31
2	Provision for Gratuity	1.55	1.45
3	Provision for Loyalty Program	1,623.99	1,430.83
	Total	1,821.19	1,611.59

Refer Note No. 45 for Movement of Provisions

Note - 30. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for tax (Net)	391.72	-
Total	391.72	-

Note - 31. REVENUE FROM OPERATIONS

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
A	Revenue from Contracts with Customers		
	(a) Sale of products (Building Products)	1,88,583.70	1,86,581.43
	(b) Sale of services	64.89	67.35
		1,88,648.59	1,86,648.78
B	Other Operating Revenue		
	(a) Exports Incentives	46.53	51.38
	(b) Insurance Claims Received	123.13	11.71
	(c) Credit balances written back	3,414.97	871.19
	(d) Miscellaneous Operating Income	382.09	358.12
		3,966.72	1,292.40
	Total	1,92,615.31	1,87,941.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Notes:

31.1 Disaggregation of Revenue

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data:

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Product Type		
Goods	1,88,583.70	1,86,581.43
After Sales Services	64.89	67.35
Total	1,88,648.59	1,86,648.78
Contract Counterparties		
Dealers	1,88,569.13	1,86,581.43
Direct to Consumers	79.46	67.35
Total	1,88,648.59	1,86,648.78
Timing of Transfer of Goods and Services		
Point in time	1,88,648.59	1,86,648.78
Total	1,88,648.59	1,86,648.78

31.2 The expected credit loss recognised on receivables arising from the Group's contracts with customers is disclosed in Note No. 12.

31.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 12 and 28 respectively.

31.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

Note - 32. OTHER INCOME

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Interest Income from Financial Assets at Amortized Cost		
	(a) On Security Deposits	21.09	21.50
	(b) Others	342.93	357.13
2	Other Non-operating Income		
	(a) Profit on Sale of Investments (Net)	312.77	51.84
	(b) Net Gain on Fair Valuation of Investments	5,211.19	5,146.72
	(c) Profit on Sale of Property, Plant and Equipment (Net)	77.64	116.11
	(d) Net Gain on Foreign Currency Translation	10.29	18.37
	(e) Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	1.65	14.99
	(f) Miscellaneous Income	18.28	90.28
	(g) Interest Subsidy	15.35	61.90
	(h) Deferred Income on Capital Subsidy	1.49	1.49
	(i) Gain on Termination of Lease (Net)	38.84	70.16
	Total	6,051.52	5,950.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 33. COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Stock	4,278.59	5,189.12
Add: Purchases (Net)	29,411.88	24,248.47
Sub Total	33,690.47	29,437.59
Less: Closing Stock	5,518.14	4,278.59
Total	28,172.33	25,159.00

Note - 34. PURCHASES OF STOCK IN TRADE

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Sanitaryware and other allied products	66,210.28	62,367.24
Total	66,210.28	62,367.24

Note - 35. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Inventories at the end of the year :		
Finished Goods	17,637.29	16,489.64
Work-in-progress	1,470.17	1,440.44
Stock-in-Trade	14,376.91	12,362.51
	33,484.37	30,292.59
Inventories at the beginning of the year :		
Finished Goods	16,489.64	16,331.61
Work-in-progress	1,440.44	1,200.62
Stock-in-Trade	12,362.51	13,512.82
	30,292.59	31,045.05
Changes in Inventories	(3,191.78)	752.46

Note - 36. EMPLOYEE BENEFITS EXPENSE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Salaries, Wages and Bonus*	21,777.40	20,524.61
2	Contribution to Provident Fund and other Funds	1,179.22	1,109.92
3	Staff and Labour Welfare Expenses	1,573.92	1,459.43
	Total	24,530.54	23,093.96

* includes Compensation Expenses under ESOP Scheme Rs. 308.84 Lakhs (PY - Nil). Refer note 36.2

36.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

A. Defined Contribution Plan

The Company's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

B. Defined Benefit Plan

The Company operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognized as expense for the year.

(i) Actuarial Assumptions

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Discount Rate	7.00%	7.00%	7.25%	7.25%
Rate of escalation in Salary	6.00%	6.00%	6.00%	6.00%
Attrition Rate	6.10%	6.00%	6.10%	6.00%
Expected Average working Life of employees (years)	40.10	40.10	39.70	39.70

(ii) Changes in the Present value of Defined Benefit Obligation

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Present value of Obligation at beginning of the year	2,368.17	831.85	2,190.18	741.71
Current Service Cost	235.19	174.86	213.21	151.48
Interest Cost	171.69	60.31	164.26	55.63
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	43.20	12.92	39.70	11.92
Due to Experience adjustments (Loss)	73.09	193.80	64.72	148.70
Benefits paid	(292.36)	(320.80)	(303.90)	(277.59)
Present Value of Defined Benefit Obligation at year end	2,598.99	952.94	2,368.17	831.85

(iii) Present Value of Change in the Fair value of Plan assets

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Fair value of Plan Assets at beginning of the year	2,360.00	-	2,162.44	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	165.20	-	156.77	-
Actuarial Gain / (Loss)	(3.60)	-	(7.03)	-
Employer Contribution	363.01	-	346.07	-
Benefits paid	(290.14)	-	(298.25)	-
Fair Value of Plan Assets at year end	2,594.47	-	2,360.00	-
Return on Plan Assets recognised in Other Comprehensive Income (Gain) / Loss	119.06	-	108.77	-
Actual return on Plan Assets	161.59	-	149.74	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(iv) Expense recognized in the Statement of Profit & Loss

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Current Service Cost	235.19	174.86	213.21	151.48
Interest Cost	171.69	60.31	164.26	55.63
Expenses deducted from the fund	-	-	-	-
Expected return on Plan Assets	(165.20)	-	(156.80)	0.73
Net Cost	241.68	235.17	220.67	207.84

(v) Expense recognized in the Statement of Other Comprehensive Income

Particulars	2024-25	2023-24
	Post Retirement Benefits	
Actuarial changes arising from changes in financial assumption	43.20	39.70
Changes in Demographic assumption	-	-
Experience Adjustment (gain)/losses - Planed Liabilities	73.09	64.72
Experience Adjustment (gain)/losses - Planed Assets	3.61	7.03
OCI for the year	119.90	111.45

(vi) Assets & Liabilities Recognized in Balance Sheet

Particulars	2024-25		2023-24	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Fair value of Plan Assets	2,594.47	-	2,360.00	-
Less : Present value of Obligation	2,598.99	952.94	2,368.17	831.85
(Liability) / Assets amount of Plans recognised in Balance Sheet	(4.52)	(952.94)	(8.17)	(831.85)

(vii) Expected Contribution to fund in the next year

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Gratuity	278.44	251.48

(viii) Sensitivity Analysis

Particulars	Changes in assumption	Impact On Defined Benefit Obligation (Gratuity)					
		Increase in assumption			Decrease in assumption		
		Increase / Decrease by	31 st March, 2025	31 st March, 2024	Increase / Decrease by	31 st March, 2025	31 st March, 2024
Discount Rate	1%	Increase by	7.00%	7.00%	Decrease by	8.00%	8.00%
Salary Growth Rate	1%	Increase by	8.00%	8.00%	Decrease by	7.00%	7.00%
Withdrawal Rate	1%	Increase by	0.00%	0.00%	Decrease by	0.00%	1.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Changes in assumption	Impact On Defined Benefit Obligation (Leave Encashment)					
		Increase in assumption			Decrease in assumption		
		Increase / Decrease by	31 st March, 2025	31 st March, 2024	Increase / Decrease by	31 st March, 2025	31 st March, 2024
Discount Rate	1%	Increase by	7%	7%	Decrease by	8%	8%
Salary Growth Rate	1%	Increase by	8%	8%	Decrease by	7%	7%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

(ix) Maturity Profile of defined benefit obligation

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1 st April 2023 to 31 st March 2024	-	-
1 st April 2024 to 31 st March 2025	-	262.12
1 st April 2025 to 31 st March 2026	267.14	138.40
1 st April 2026 to 31 st March 2027	186.78	180.04
1 st April 2027 to 31 st March 2028	173.70	147.37
1 st April 2028 to 31 st March 2029	168.03	133.80
1 st April 2029 to 31 st March 2030	125.24	-
1 st April 2029 onwards	-	1,498.75
1 st April 2030 onwards	1,669.90	-

36.2 SHARE BASED PAYMENTS

a) Scheme Details :

The Nomination and Remuneration Committee and the Board of Directors of the Parent Company in their respective meetings held on 6th April, 2024 and 8th April, 2024 approved an issue of stock options aggregating 14,950 equity shares of the face value of Rs. 5 each. The shareholders of the Parent Company vide their special Resolution passed through postal ballot on 16 May, 2024 approved the issue of equity shares of the Parent Company under Cera Sanitaryware Employee Stock Scheme 2024 (ESOP 2024).

Details of options granted by the Company under the said scheme are as follows

Particulars	ESOP 2024
	Grant-1
No. of Options Granted	14,950
Grant Date	05-Jun-24
Vesting Schedule	The vesting period for conversion of Options for ESOP 2024 Grant 1 subject to achieving performance targets, are as follows: <ul style="list-style-type: none"> On completion of 12 months from the date of grant of the Options: 10% vests On completion of 24 months from the date of grant of the Options: 15% vests On completion of 36 months from the date of grant of the Options: 15% vests On completion of 48 months from the date of grant of the Options: 30% vests On completion of 60 months from the date of grant of the Options: 30% vests
Maximum term of Exercise period	5 years from the date of vesting
Method of settlement	Equity
General terms and conditions of Plan	Each Option entitles the holder thereof to apply for and be allotted 1 Ordinary Share of the Company of Rs. 5.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from the date of vesting in respect of Options granted under the plan. There are no cash settlement alternatives for employees.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

b) Compensation expenses arising on account of share based payment :

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Expenses arising from equity settled share-based payment transactions	331.69	-

c) Fair Value on the grant date :

The fair value of option at the Grant date has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model, which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant are given below :

Details for which are as under:

Particulars	ESOP 2024
	Grant-1
Grant Date	05-Jun-24
Exercise price (in Rs.)	5.00
Weighted Average Fair value (in Rs.)	6911.00
Risk-free interest rate	7.10%
Expected life	6.05 Years
Expected volatility	31.9%
Expected dividends	0.8%
The price of the underlying shares in market at the time of Option grant (in Rs.)	6915.30

Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.
Expected life	The expected option life is assumed to be average between the option vesting and expiry (total time period available with an employee to exercise an option). Since there are multiple vesting and expiry period of each tranche, consequently the expected life will be different for each vesting schedule.

d) Movement in share options during the year (in Numbers) :

Particulars	2024-25	2023-24
	ESOP 2024	-
	Grant-1	-
Balance at the beginning of the year	-	-
Granted during the year	14,950	-
Exercised during the year	-	-
forfeited/lapsed during the year	-	-
Expired during the year	-	-
Balance at the end of the year	14,950	-
Exercisable as at 31 st March, 2025	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 37. FINANCE COSTS

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Interest Costs		
	Interest on financial liabilities	733.24	567.56
2	Other Borrowing Costs	15.89	14.52
	Total	749.13	582.08

Note - 38. DEPRECIATION & AMORTIZATION EXPENSE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,980.53	2,810.77
2	Depreciation of Investment Property (Refer Note No. 5)	7.63	3.23
3	Amortization of Other Intangible assets (Refer Note No. 6)	88.93	30.65
4	Depreciation on Right-of-use Assets (Refer Note No. 47 (a))	988.60	810.18
	Total	4,065.69	3,654.83

Note - 39. OTHER EXPENSES

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Stores, Spares, Chemicals and Packing Materials Consumed	6,027.65	5,360.57
2	Power and Fuel	4,042.12	3,556.37
3	Repairs and Maintenance		
	- To Buildings	189.98	359.00
	- To Plant and Equipment	420.28	512.58
	- To Others	444.13	428.94
4	Auditors' Remuneration		
	- As Audit Fees	18.40	17.45
	- For Limited Review	12.00	7.50
	- For Taxation matters	4.93	4.15
	- For Other services	1.72	1.40
	- For Reimbursement of expenses	1.04	0.98
5	Research & Development Expenses	182.05	149.95
6	Freight and Forwarding Expenses (Net)	11,069.24	10,684.71
7	Sales Promotion Expenses	11,437.00	11,633.38
8	Publicity & Advertisement Expenses	5,432.58	6,319.90
9	Bad Debts Written off	67.34	1,141.23
10	Capital Advance written off	-	468.91
11	Allowance for / (Reversal of) Expected Credit Loss - Trade Receivables	(15.90)	(922.43)
12	Allowance for / (Reversal of) Expected Credit Loss - Capital Advances	-	(468.91)
13	Rent Expenses	699.57	690.83
14	Insurance	799.40	1,462.98
15	Rates and Taxes	30.76	30.52
16	Loss on Sale of Property, Plant and Equipment (Net)	224.68	26.61
17	Directors' Commission	20.00	30.00
18	Directors' Sitting Fees	6.40	3.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 39. OTHER EXPENSES

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
19	Foreign Exchange Fluctuations (Net)	16.95	21.41
20	Donation	-	0.75
21	CSR Expenses	469.29	387.14
22	Share Buyback Expenses	181.55	-
23	Amortization of Prepaid Rentals	21.11	20.21
24	Miscellaneous Expenses	5,105.81	4,311.72
	Total	46,910.08	46,241.55

Note - 40. CURRENT TAX

40.1 : Current Tax

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Current Tax	6,949.50	6,690.65
Total	6,949.50	6,690.65

40.2 : Deferred Tax

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Deferred Tax	(750.41)	1,062.60
Total	(750.41)	1,062.60

40.3 : Amounts recognised in Other Comprehensive Income

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Remeasurement of Defined Benefit Plans		
Before Tax	(119.90)	(111.45)
Tax (Expense) Benefit	30.25	28.21
Net of Tax	(89.65)	(83.24)

40. 4 : Reconciliation of Income Tax Expense (Current tax + Deferred tax) amount considering the enacted Income Tax Rate and effective Income Tax Rate of the Company as follows.

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Accounting Profit before Income Tax	31,070.13	31,884.98
India's Statutory Income Tax	7,942.66	8,156.98
Due to Income exempt from Taxation	(10.07)	(10.10)
Non-Deductible Expenses for Tax purpose	1,280.48	1,331.00
Deductible Expenses for Tax purpose	(3,566.86)	(1,623.60)
Income not chargeable for Tax purpose	35.05	37.22
Effects of Unabsorbed Fiscal Losses	185.65	(185.65)
Effects of Excess/(Less) Tax for Tax purpose on Capital Gain/Loss	320.94	20.72
Others	11.24	26.68
Income Tax expense reported in the Statement of Profit and Loss	6,199.09	7,753.25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note - 41. EARNING PER SHARE

Sr. No.	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Net Profit attributable to the Equity Shareholders (Rs. in lakhs) (A)	24,647.99	23,900.18
2	Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,29,45,623	1,30,05,874
3	Nominal value of Equity Shares (Rs.)	5.00	5.00
4	Basic/Diluted Earnings per Share (Rs.) (A/B)	190.40	183.76

The Group does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Group remains the same.

Note - 42. RELATED PARTY DISCLOSURES

A. RELATED PARTY DISCLOSURES OF THE GROUP

42.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.

(A) Associate Entity:

Sr. No.	Name	Nature	Ownership Interest held by the Company directly or indirectly	
			As at 31 st March, 2025	As at 31 st March, 2024
1	Milo Tile LLP*	Associate	-	26%

* Refer Note 7.1(A)

(B) Key Management Personnel :

Sr. No.	Name	Designation
1	Mr. Vikram Somany	Chairman and Managing Director
2	Ms. Deepshikha Khaitan	Vice Chairman & Joint Managing Director
3	Mr. Anupam Gupta	Executive Director (Technical)
4	Mr. Ayush Bagla	Executive Director (ceased w.e.f. 31.03.2024)
5	Mr. Vikas Kothari	Chief Financial Officer
6	Mr. Hemal Sadiwala	Company Secretary
7	Mr. Sajan Kumar Pasari	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
8	Mr. Lalit Kumar Bohania	Non Executive Independent Director (ceased w.e.f. 31.03.2024)
9	Mr. Surendra Singh Baid	Non Executive Independent Director
10	Ms. Akriti Jain	Non Executive Independent Director
11	Mr. Ravi Bhamidipaty	Non Executive Independent Director
12	Mr. Anandh Sundar	Non Executive Independent Director (w.e.f. 12.02.2024)

(C) Other Related Parties:

Sr. No.	Particulars
(a)	Enterprises significantly influenced by Key Management Personnel and / or their relatives
1	Madhusudan Industries Limited
2	Cera Foundation
3	Indian Council of Sanitaryware Manufacturers
(b)	Post Employment Benefit Plans
1	Madhusudan Gratuity Fund

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

42.2 Disclosures of Transactions during the year between the Group and Related Parties :

Sr. No.	Nature of Transaction	Associate Entity		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2025	Year ended 31 st March, 2024	Year ended 31 st March, 2025	Year ended 31 st March, 2024	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Donation	-	-	-	-	-	0.75
2	Remuneration	-	-	1,903.94	2108.99	-	-
3	Management Fees to Designated Partner	-	-	18.00	18.00	-	-
4	Directors Commission & Sitting Fees	-	-	26.40	33.70	-	-
5	Share based payments	-	-	104.31	-	-	-
6	Rent, Rates & Taxes	-	-	-	-	108.79	103.35
7	Other Service	-	-	-	-	20.10	19.12
8	Contribution to Gratuity Fund	-	-	-	-	359.34	310.16
9	Provision for Impairment Loss of Investment	-	155.57	-	-	-	-

42.3 The details of amounts due to or due from related parties as at 31st March, 2025 and 31st March, 2024:

Sr. No.	Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1	Trade Payables		
	Associate		
	Milo Tile LLP	-	237.79
	Total Trade Payables to Associates	-	237.79
2	Other Financial Assets & Advances		
	Other Related Parties		
	Madhusudan Industries Limited	20.29	20.29
	Balances of advances given to Related Parties	20.29	20.29
3	Other Current Assets		
	Associate		
	Milo Tile LLP (Refer Note No. 16)	-	87.36
	Balances of other current assets - Related Parties	-	87.36

* Refer Note 7.I(A)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

42.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year :

Sr. No.	Nature of Transaction	Related Parties	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Donation	Cera Foundation	-	0.75
2	Remuneration to Key Management Personnel	Key Management Personnel	1,903.94	2,108.99
3	Directors Commission & Sitting Fees	Key Management Personnel	26.40	33.70
4	Share based payments	Key Management Personnel	104.31	-
5	Rent, Rates & Taxes	Madhusudan Industries Limited	108.79	103.35
6	Other Services	Madhusudan Industries Limited	20.10	19.00
7	Contribution to Gratuity fund	Madhusudan Gratuity Fund	359.34	310.16
8	Provision for Impairment Loss of Investment	Milo Tile LLP	-	155.57

42.5 Breakup of compensation to Key Management Personnel

Sr. No.	Particulars	Key management personnel	Year ended 31 st March, 2025	Year ended 31 st March, 2024
1	Short-Term Employee Benefits	Mr. Vikram Somany	848.43	816.57
		Ms. Deepshikha Khaitan	400.62	352.76
		Mr. Anupam Gupta	428.98	373.29
		Mr. Ayush Bagla	-	373.32
		Mr. Vikas Kothari	138.34	105.79
		Mr. Hemal Sadiwala	34.33	28.59
2	Commission	Mr. Sajan Kumar Pasari	-	5.00
		Mr. Lalit Kumar Bohania	-	5.00
		Mr. Ravi Bhamidipaty	5.00	5.00
		Mr. Surendra Singh Baid	5.00	5.00
		Ms. Akriti Jain	5.00	5.00
		Mr. Anandh Sundar	5.00	5.00
3	Sitting Fees	Mr. Sajan Kumar Pasari	-	0.40
		Mr. Lalit Kumar Bohania	-	0.80
		Mr. Ravi Bhamidipaty	1.60	0.80
		Mr. Surendra Singh Baid	1.60	0.80
		Ms. Akriti Jain	1.60	0.80
		Mr. Anandh Sundar	1.60	0.10
4	Post-Employment Benefits		-	-
5	Other-Long term benefits	Mr. Vikram Somany	28.34	25.77
		Ms. Deepshikha Khaitan	7.79	6.96
		Mr. Anupam Gupta	13.32	11.42
		Mr. Vikas Kothari	3.41	2.62
		Mr. Hemal Sadiwala	0.38	0.32
6	Termination benefits	Mr. Ayush Bagla	-	11.58
7	Share Based Payments		104.31	-
	Total		2034.65	2142.69

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note – 43: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Group's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Group has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Group's principal financial liabilities comprise of trade and other payables. The Group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimize the potential adverse effects of financial market on the Group's performance are outlined hereunder:

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management is carried out by the management in consultation with the Board of Directors and the Risk Management Committee. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Group establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables, advances and investments.

(i) Trade Receivables:

The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdictions and industries and operate in large independent markets. The Group also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 5 per cent of total net revenue from operations.

The Group generally does not hold any collateral or other credit enhancements over any of its trade receivables excepting a small amount in the nature of security deposits from dealers, nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Expected Credit Loss (ECL):

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for internal and external information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the Group provision matrix.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Ageing of past dues receivables:

Period	As at 31 st March, 2025	As at 31 st March, 2024
0-3 months	25,922.90	19,342.73
3-6 months	667.00	406.27
6-12 months	316.74	152.60
Beyond 12 months	1,563.77	1,734.89

Ageing of impaired trade receivables:

Period	As at 31 st March, 2025	As at 31 st March, 2024
0-3 months	-	-
3-6 months	3.28	-
6-12 months	42.96	3.30
Beyond 12 months	1,313.47	1,372.31

(ii) Cash and cash equivalents and short-term investments:

The Group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

(B) Liquidity Risk:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The details of the contractual maturities of significant liabilities are shown below

Particulars	Notes	As at 31 st March, 2025			
		Within 1 year	1 to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings	20, 25	1,728.81	82.40	-	1,811.21
Trade payables	26	18,790.14	0.88	-	18,791.02
Other Financial Liabilities	21, 27	10,122.07	3,014.46	-	13,136.53
Lease Liabilities	47(iii)	804.21	2,645.73	1,475.50	4,925.44
Total		31,445.23	5,743.47	1,475.50	38,664.20

Particulars	Notes	As at 31 st March, 2024			
		Within 1 year	1 to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings	20, 25	1,787.82	258.31	-	2,046.13
Trade payables	26	17,640.14	256.94	-	17,897.08
Other Financial Liabilities	21, 27	12,534.83	2,943.14	-	15,477.97
Lease Liabilities	47(iii)	717.22	1,305.22	378.14	2,400.58
Total		32,680.01	4,763.61	378.14	37,821.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(C) Market Risk:

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

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Group does not enter into financial instrument transactions for trading or speculative purpose.

The Group transacts business primarily in Indian Rupees, USD, Euro and GBP. The Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in Lakhs)

Particulars	Currency	As at	As at
		31 st March, 2025	31 st March, 2024
Trade receivables	USD	0.95	3.08
	EUR	1.02	0.74
Trade payables	USD	0.03	0.57
	EUR	-	0.05
	NPR	-	6.36
Advance to suppliers	USD	2.35	0.84
	EUR	0.03	0.04
	GBP	0.04	-
Advance from customers	USD	0.47	0.99
	EUR	0.29	0.19
Balance in EEFC account	USD	0.01	0.37

(In Rs.)

Currency Rate	31 st March, 2025	31 st March, 2024
USD	85.4317	83.3466
EUR	92.4455	90.0702
AED	23.2698	22.6948
GBP	110.6671	105.2266
NPR	0.6250	0.6250

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Of the above foreign currency exposures, following exposures are not hedged:

(in Lakhs)

Particulars	Currency	As at 31 st March, 2025	As at 31 st March, 2024
Trade receivables	USD	0.95	3.08
	EUR	1.02	0.74
Trade payables	USD	0.03	0.57
	EUR	-	0.05
	NPR	-	6.36
Advance to suppliers	USD	2.35	0.84
	EUR	0.03	0.04
	GBP	0.04	-
Advance from customers	USD	0.47	0.99
	EUR	0.29	0.19
Balance in EEFC account	USD	0.01	0.37

Sensitivity Analysis:

The following table demonstrates the sensitivity of profit and equity in USD, Euro and GBP to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below :

Particulars	Change in currency exchange rate	Effect on PBT 31 st March, 25	Effect on PBT 31 st March, 24
USD	5%	12.03	11.39
	-5%	-12.03	-11.39
EUR	5%	3.48	2.42
	-5%	-3.48	-2.42
NPR	5%	-	-0.20
	-5%	-	0.20
GBP	5%	0.24	-
	-5%	-0.24	-

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Group at the end of each reporting period.

(ii) Interest Rate Risk:

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

The Company's non-current borrowings from banks are Nil as at 31st March, 2025 and 31st March, 2024 respectively. Other non-current financial liabilities have fixed rate of interest where the risk of changes in the interest rates is almost nil. As a result, the sensitivity affecting the profit before tax due to the Company's exposure to the risk of changes in market interest rates is almost nil.

Particulars	Change in interest rate	Effect on Profit before tax 31 st March, 2025	Effect on Profit before tax 31 st March, 2024
Non-current & Current Borrowings	0.50%	(9.06)	(10.23)
	(-0.50%)	9.06	10.23

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(iii) Commodity Risk:

The Group is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Group enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

Capital Management:

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. The capital structure consists of debt which includes the borrowings as disclosed in Note No. 20, 25 cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the Group. The Group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total shareholders' equity as reported in balance sheet (A)	1,35,358.18	1,34,578.68
Net Debt		
Lease Liability (including current lease liability)	4,925.44	2,400.58
Current Financial Liabilities (Borrowings)	1,728.81	1,787.82
Gross Debt	6,654.25	4,188.40
Less: Cash & Cash Equivalents	956.56	2,099.90
Net Debt (B)	5,697.69	2,088.50
Total Capital deployed (A-B)	1,29,660.49	1,32,490.18
Net debt to equity ratio (B/A)	0.04	0.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note-44. FINANCIAL INSTRUMENTS*

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's Financial Instruments.

Particulars	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024	
Financial Assets					
Financial assets measured at fair value					
Current					
Investments (a)	67,285.30	77,692.21	67,285.30	77,692.21	Level 1
Financial assets measured at amortised cost					
Non-Current					
Other Investments	2,393.73	2,557.07	2,393.73	2,557.07	Level 3
Other Financial Assets	497.08	176.71	497.08	176.71	Level 3
Total Non-Current Financial Assets (b)	2,890.81	2,733.78	2,890.81	2,733.78	
Current					
Trade receivables	27,110.70	20,260.88	26,906.64	19,901.60	Level 3
Cash and cash equivalents	956.56	2,099.90	956.56	2,099.90	Level 3
Other Balances with Banks	2,208.42	1,619.81	2,208.42	1,619.81	Level 3
Other Financial Assets	318.20	361.01	318.20	361.01	Level 3
Total Current Financial Assets (c)	30,593.88	24,341.60	30,389.82	23,982.32	
Total Financial Assets [a+b+c]	1,00,769.99	1,04,767.59	1,00,565.93	1,04,408.31	

Particulars	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2025	As at 31 st March, 2024	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-Current					
Borrowings	82.40	258.31	82.40	258.31	Level 3
Lease liabilities	4,121.23	1,683.36	4,121.23	1,683.36	Level 3
Other Financial Liabilities	3,014.46	2,943.14	3,014.46	2,943.14	Level 3
Total Non-Current Financial Liabilities (a)	7,218.09	4,884.81	7,218.09	4,884.81	
Current					
Borrowings	1,728.81	1,787.82	1,728.81	1,787.82	Level 3
Trade payables	18,791.02	17,897.08	18,791.02	17,897.08	Level 3
Lease liabilities	804.21	717.22	804.21	717.22	Level 3
Other Financial Liabilities	10,122.07	12,534.83	10,122.07	12,534.83	Level 3
Total Current Financial Liabilities (b)	31,446.11	32,936.95	31,446.11	32,936.95	
Total Financial Liabilities [a+b]	38,664.20	37,821.76	38,664.20	37,821.76	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Notes:

44.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

44.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

44.3 The Group determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

44.4 The fair value of investments in mutual funds is determined using net assets value of the funds. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

44.5 The following methods and assumptions were used to estimate the fair values:

- The fair value of the Group's interest bearing borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

Note-45. MOVEMENT IN PROVISIONS

(Refer Note 22 & 29)

Disclosure of Movement in Provisions during the year as per Ind AS- 37, Provisions, Contingent Liabilities and Contingent Assets :

Particulars	Balance as on 1 st April, 2024	Provided / Transferred during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2025
Non-current Provisions				
For Accumulated leaves	652.54	246.97	141.49	758.02
For Gratuity	6.72	1.92	1.98	6.66
Income Tax of earlier years	286.78	-	-	286.78
Total	946.04	248.89	143.47	1,051.46
Current Provisions				
For Accumulated leaves	179.31	195.65	179.31	195.65
For Gratuity	1.45	359.67	359.57	1.55
For Loyalty Program*	1,430.83	1763.64	1570.48	1,623.99
Total	1,611.59	2,318.96	2,109.36	1,821.19
Grand total	2,557.63	2,567.85	2,252.83	2,872.65

** Provision for Loyalty Program represents the liability w.r.t. the defined schemes offered to sub dealers of the Company with an option to avail it within a predefined timeframe.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note-46. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Group.

Particulars	31 st March, 2025	31 st March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year	7,696.02	6,940.93
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note-47. LEASES

(a) Leases

The Group has adopted Ind AS 116, effective from annual reporting period beginning 1st April, 2021 and applied the Standard to its leases, using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1st April, 2019).

(i) Changes in the carrying value of Right-of-use assets

Particulars	Category of Right-of-use asset		
	Land	Buildings	Total
Balance as at 1st April, 2023	7.47	2,500.31	2,507.78
Additions during the year	-	801.56	801.56
Termination during the year	-	(345.33)	(345.33)
Depreciation	(0.59)	(809.59)	(810.18)
Balance as at 31st March, 2024	6.88	2,146.95	2,153.83
Additions during the year	-	3,513.10	3,513.10
Terminations during the year	-	(219.75)	(219.75)
Depreciation	(0.59)	(988.01)	(988.60)
Balance as at 31st March, 2025	6.29	4,452.29	4,458.58

The aggregate depreciation expense on Right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss. (Refer Note No. 38)

(ii) Movement in Lease Liabilities

Particulars	2024-25	2023-24
Opening Balance	2,400.58	2774.40
Finance cost accrued during the year	515.17	262.55
Additions during the year	3,513.10	801.56
Terminations during the year	(258.60)	(415.49)
Payment of lease liabilities	(1,244.81)	(1,022.44)
Closing Balance	4,925.44	2,400.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

(iii) Break-up of current and non-current lease liabilities.

Particulars	2024-25	2023-24
Non-current lease liabilities	4,121.23	1,683.36
Current lease liabilities	804.21	717.22
Total	4,925.44	2,400.58

(iv) Contractual maturities of lease liabilities on undiscounted basis.

Particulars	31 st March, 2025	31 st March, 2024
Not later than one year	1,264.63	914.72
Later than one year but not later than five years	3,810.47	1,652.02
Later than five years	1,748.83	441.83
Total	6,823.93	3,008.57

Note-48. COMMITMENTS AND CONTINGENCIES

(a) Commitments

Particulars	31 st March, 2025	31 st March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	93.31	538.06

(b) Contingent Liabilities

Particulars	31 st March, 2025	31 st March, 2024
Claims against the Group not acknowledged as debts (Net of Payments).	248.43	205.45
Letters of Credit (Foreign & Inland) opened and guarantees given (Net)	631.78	588.92

Note-49. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013:

For Subsidiaries

Particulars	Milo Tile LLP@	
	As at 31 st March, 2025	As at 31 st March, 2024
Investments		
At the beginning of the year	-	306.00
Impairment of Investment (Refer Note No. 7.1(A))		(155.57)
Written off during the year	-	-
At the end of the year	-	150.43
Loans & advances*		
At the beginning of the year	-	87.36
Addition during the year	-	-
Recovered during the year	-	-
Adjusted / Written off during the year	-	-
At the end of the year	-	87.36

* Represents current account balance of the Parent Company in Associate.

Refer Note 7.1(A) regarding reclassification of Investments during the year

@ The Parent company ceased to be a partner in Milo Tile LLP upon its retirement from the LLP effective from 17th March, 2025. Accordingly, the Investments and Other Current Assets in Milo Tile LLP have been written off / settled during the FY 2024-25.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025 (All amounts are in rupees lakhs, unless otherwise stated)

Note-50. DIVIDENDS PAID AND PROPOSED

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Dividend on Equity Shares		
A. Declared and paid during the year:		
Final dividend for FY 2023-24 : Rs. 60 per share (FY 2022-23: Rs. 50 per share)	7,803.52	6,502.94
B. Proposed for approval at the ensuing annual general meeting (not recognised as a liability):		
Final dividend for FY 2024-25 : Rs. 65 per share (FY 2023-24: Rs. 60 per share)	8,383.40	7,803.52

Note-51. RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development expenditure incurred is set out below

Particulars	2024-25	2023-24
1 Capital expenditure	96.28	6.29
2 Revenue expenditure	182.05	149.95

Note-52 OPERATING SEGMENTS

The Parent Company operates mainly in manufacturing of Building Products and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under IND AS 108 "Operating Segment". The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is Nil.

Note-53 :

In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

Note - 54. ADDITIONAL REGULATORY INFORMATION

The following additional disclosures are made pursuant to notification of Ministry of Corporate Affairs dated 24th March 2021.

1. Title deeds of Immovable Properties

The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities of the Group itself.

2. Revaluation of Property, Plant & Equipment

The Group has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

3. Loans / Advances in the nature of loans to Promoters, Directors, KMP's and Related Parties

The Group has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

4. Details of Benami Property held

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

5. Wilful Defaulter

None of the banks, financial institutions or other lenders from whom the Group's has borrowed funds has declared the Group as a wilful defaulter at any time during the current year or in previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

6. Relationship with Struck off Companies

The Parent company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year or in previous year.

7. Registration of charges or satisfaction with Registrar of Companies (ROC)

All the charges or satisfaction of which is required to be registered with Registrar of Companies (ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act, 2013 and rules made thereunder.

8. Compliance with number of layers of companies

The Parent company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of Parent companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

9. Compliance with Approved Scheme of Arrangements

No scheme of compromise or arrangement has been proposed between the Parent company & its members or the Parent company & its creditors under section 230 of the companies Act, 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the act is not applicable.

10. Borrowing from Banks and Financial Institutions for Specific Purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

11. Utilisation of Borrowed funds and Share Premium

- a) The Parent company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The Parent company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12. Borrowings on the basis of security of Current Assets

The Group has working capital facilities from banks on the basis of security of current assets & are submitting periodically Financial Information as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between quarterly Financial Information and books of accounts.

13. There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025
(All amounts are in rupees lakhs, unless otherwise stated)

Note - 55. Additional information as required by Schedule III to Companies Act, 2013 as at 31st March, 2025

Particulars	Net Assets i.e. Total assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated total Comprehensive Income	Amount
Parent								
Cera Sanitaryware Limited	98.11%	1,35,034.32	98.19%	24,648.43	99.38%	(89.09)	98.18%	24,559.34
Subsidiaries								
Packcart Packaging LLP	0.21%	286.23	0.25%	62.47	0.30%	(0.27)	0.25%	62.20
Race Polymer Arts LLP	1.68%	2,316.29	1.57%	392.72	0.32%	(0.29)	1.57%	392.43
Sub Total	100.00%	1,37,636.84	100.00%	25,103.62	100.00%	(89.65)	100.00%	25,013.97
Less: Effect of intercompany adjustment/ eliminations	-	(2,278.66)	-	(455.63)	-	0.28	-	(455.35)
Grand Total -Attributable to Owners		1,35,358.18		24,647.99		(89.37)		24,558.62
Non-Controlling Interests in Subsidiaries		1,473.32		223.05		(0.28)		222.77

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2025

(All amounts are in rupees lakhs, unless otherwise stated)

Note-56:

Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

(Firm Registration. No : 302049E)

Sudesh Choraria

Partner

Membership No. 204936

Place: Ahmedabad

Date: 9th May, 2025

Vikas Kothari

Chief Financial Officer

Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary

Mem. No. ACS 20741

Vikram Somany

Chairman & Managing Director

DIN: 00048827

Deepshikha Khaitan

Vice Chairman & Joint Managing Director

DIN: 03365068

Anupam Gupta

Executive Director (Technical)

DIN: 09290890

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate Companies / joint ventures

Part "A" : Subsidiaries

(Rs. In Lakhs)

Sr. No.	Particulars	Details	Details
1.	Name of the Subsidiary	PACKCART PACKING LLP	RACE POLYMER ARTS LLP
2.	Date since when Subsidiary was acquired	24.06.2016	09.05.2018
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Period ending on 31 st March, 2025	Period ending on 31 st March, 2025
4.	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share Capital	Rs. 229.89	Rs. 2,091.52
6.	Reserves & surplus	Rs. 68.18	Rs. 617.20
7.	Total Assets	Rs. 596.76	Rs. 3,363.10
8.	Total Liabilities (incl. Sr. no.5 & 6)	Rs. 596.76	Rs. 3,363.10
9.	Investments	Rs. 111.12	Nil
10.	Total Income	Rs. 1,302.08	Rs. 4,385.87
11.	Profit before Taxation	Rs. 90.61	Rs. 602.86
12.	Less : Provision for Taxation	Rs. 28.13	Rs. 210.13
13.	Profit / Loss after Taxation	Rs. 62.48	Rs. 392.73
14.	Proposed Dividend	Nil	Nil
15.	Extent of Shareholding (in Percentage)	Share 51 %	Share 51 %

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate or Joint Venture	
1.	Latest Audited Balance Sheet Date
2.	Date on which the Associate or Joint Venture was associated or acquired.
3.	Shares of Associate or Joint Ventures held by the Company on the year end
	No
	Amount of Investment in Associates or Joint Venture
	Extent of Holding (In percentage)
4.	Description of how there is significant influence
5.	Reason why the Associate/Joint Venture is not consolidated
6.	Net worth attributable to shareholding as per latest audited Balance Sheet
7.	Profit / Loss for the year
	i. Considered in Consolidation
	i. Not Considered in Consolidation

Note:

- No Associates or joint venture has been liquidated or sold during the year.

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS-20741

Place: Ahmedabad
Date: 9th May, 2025

Vikram Somany DIN-00048827
Chairman and Managing Director

Deepshikha Khaitan DIN-03365068
Vice Chairman & Joint Managing Director

Anupam Gupta DIN - 09290890
Executive Director (Technical)

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NOTES

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