

CERA

FUELING REVENUE
GROWTH THROUGH
MARKET SHARE
GAINS!



ANNUAL REPORT
2022-23.

NEW ARRIVAL - SANITARYWARE



M A G N A A R T E

Rimless Wall Hung EWC

480 x 360 x 340 mm

Cat. No. A1044110

Duroplast soft close seat cover

M A G N A A R T E

Thin Rim Table Top Wash Basin

600 x 400 x 150 mm

Cat. No. A2020121



V E N E V E

Luxury Smart Toilet

695 x 380 x 445 mm

Cat. No. A1073101SN

Duroplast soft close seat cover

S Trap 300 mm (floor mount installation)

Board of Directors

Shri Vikram Somany	- Chairman and Managing Director
Smt. Deepshikha Khaitan	- Joint Managing Director
Shri Sajan Kumar Pasari	- Independent Director
Shri Lalit Kumar Bohania	- Independent Director
Shri Surendra Singh Baid	- Independent Director
Ms. Akriti Jain	- Independent Director
Shri Ayush Bagla	- Executive Director
Shri Anupam Gupta	- Executive Director (Technical)
Shri Ravi Bhamidipaty	- Independent Director (w.e.f. 4 th August, 2022)

Chief Financial Officer

Shri Vikas Kothari

Company Secretary

Shri Hemal Sadiwala

Bankers

State Bank of India

Auditors

Singhi & Co.,
Chartered Accountants,
Mumbai.

Registered Office

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

Corporate Office

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

Works

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

Registrar & Share Transfer Agent

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

Contents	Page No.
Notice	2
Directors' Report	10
Corporate Governance Report	26
Business Responsibility and Sustainability Report	39
Secretarial Audit Report	58
Independent Auditor's Report	60
Balance Sheet	68
Statement of Profit & Loss	69
Cash Flow Statement	71
Notes to Standalone Financial Statements	73
Independent Auditor's Report (Consolidated)	117
Consolidated Financial Statements	123

**25th Annual General Meeting at 11.30 a.m. on Thursday,
the 6th day of July, 2023 through Video Conferencing / Other Audio Visual Means.**

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of CERA SANITARYWARE LIMITED will be held at 11.30 a.m. on Thursday, the 6th day of July, 2023 through Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Standalone and Consolidated Audited financial statements of the Company for the year ended 31st March, 2023 including statement of Profit and Loss and Cashflow Statement for the year ended 31st March, 2023, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
- To declare dividend on Equity Shares for the financial year 2022-23.
- To appoint a director in place of Shri Ayush Bagla (DIN 01211591), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of ₹ 1,00,000/- plus out of pocket expenses and applicable taxes, if any for the financial year ending 31st March, 2024, as recommended by the Audit Committee and approved by the Board of Directors of the Company to be paid to K.G. Goyal & Co., Cost Accountants for conducting the Audit of the Cost records of the company be and is hereby ratified and confirmed."

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

- To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution**:
"RESOLVED THAT pursuant to Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under including any amendment(s), modification(s), replacement(s) or re-enactment thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Regulations 16(1)(b), 25(2A) and other applicable Regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, Ms. Akriti Jain (DIN 08259413), Independent Director of the Company, whose term of office as Independent Director will expire on 31st March, 2024, and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of Independent Director be and is hereby re-appointed as an Independent Director of the Company (Not liable to retire by rotation) to hold office, for a second term of 5 (five) consecutive years upto 31st March, 2029.

Regd. Office :

9, GIDC Industrial Estate,
Kadi – 382 715

Dist. Mehsana, Gujarat.

CIN : L26910GJ1998PLC034400

10th May, 2023

Ahmedabad

By Order of the Board of Directors
For Cera Sanitaryware Limited

Hemal Sadiwala
Company Secretary
(ACS:20741)

NOTES

- The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively, and other circulars issued in this respect ("MCA Circulars") has allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th September, 2023, 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/PoD-2/P/CIR/2023/4 dated 5th January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) 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.
- 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.
- Institutional /Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@parikh-dave.com with a copy marked to helpdesk.evoting@cdslindia.com.
- 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.
- The Register of Members and Share transfer book of the Company will remain closed from 21st June, 2023 to 28th June, 2023 (both days inclusive).
- The Board of Directors has recommended Dividend of ₹ 50/- (1000%) per fully paid-up equity share of ₹ 5/- each for the Financial Year 2022-23.
- Statement pursuant to provisions of Section 102 of the Companies Act, 2013 is annexed hereto.
- The Company has transferred the unpaid/unclaimed dividends up to the financial year 2014-15 to the Investor Education and

Protection Fund (the IEPF) 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 for the financial year 2015-16 onwards are advised to write to the Company immediately for claiming dividends declared by the Company.

Financial Year	Date of declaration of dividend	Dividend payment %	Expected date of transfer of unpaid dividend to IEPF Account
2015-16	29-07-2016	180	29-08-2023
2016-17	27-07-2017	240	27-08-2024
2017-18	30-08-2018	240	30-09-2025
2018-19	31-07-2019	260	30-08-2026
2019-20*	14-02-2020	260	14-03-2027
2020-21	04-08-2021	260	03-09-2028
2021-22**	30-06-2022	700	29-07-2029

* Interim Dividend

** Final and Special Dividend

9. 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, the Company has issued Newspaper advertisement on 18th May, 2022 and Company has sent individual notices to the shareholders on 13th May, 2022 for transfer of shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, such shareholders' shares have been transferred to the Investor Education and Protection Fund during year 2022-23. 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 claim their shares and unclaimed / unpaid dividend immediately.
10. Pursuant to SEBI Circular dated 3rd November, 2021 read with SEBI Circulars dated 14th December, 2021, 25th January, 2022 and 16th March, 2023 on Common and Simplified Norms for processing Investor's Service, 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. The salient features and requirements of the circular are as follows:
- A) If case of Non - updation of KYC - Folios wherein any one of the cited details/documents i.e PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination are not available on or after 1st October, 2023, shall be frozen as per SEBI circular. The securities in the frozen folios shall be eligible to lodge any grievance or avail service request from the RTA only after furnishing the complete documents / details as aforesaid. And eligible for any payment including dividend, interest or redemption payment only through electronic mode upon complying with the above stated requirements w.e.f. 1st April, 2024.

- B) The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circular are available on Company website as well as the website of MCS Share Transfer Agent Ltd. 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.
- C) Mandatory Linkage of PAN with Aadhaar - As per the Central Board of Direct Taxes (CBDT), it is mandatory to link PAN with Aadhaar number by 30th June, 2023. A communication in this regard was sent to physical shareholders in February, 2022 and second reminder in February, 2023. Security holders who are yet to link the PAN with Aadhaar number are requested to get the same done before 30th June, 2023. Post 30th June, 2023 or any other date as may be specified by the CBDT, RTAs shall accept only valid PANs and the ones which are linked to the Aadhaar number. The folios in which PAN is / are not valid as on the notified date of 30th June, 2023 or any other date as may be specified by the CBDT, shall also be frozen. In view of the above, we request you to submit the KYC Form, duly completed along with Investor Service Request Form ISR-1 and the required supporting documents as stated in Form ISR-1 at the earliest to MCS Share Transfer Agent Ltd.
11. SEBI vide its circular dated 30th May, 2022, has provided SOP effective from 1st June, 2022, for resolving disputes between the Company and its all shareholders through the stock exchange arbitration mechanism. In furtherance to this, SEBI directed listed companies to inform its physical shareholders availability of said dispute resolution mechanism through emails or SMS on their mobile. Company has accordingly informed to its physical shareholders whose email ID or mobile no. registered with the company regarding availability of said dispute resolution mechanism. Investor may note that the said SOP is available on the website of the stock exchange and the Company.
12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 5, 2023, Notice of the AGM alongwith the Annual Report 2022-23 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 2022-23 will 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 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.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 21st June, 2023 through email on

ceragreen@cera-india.com. The same will be replied by the Company suitably. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members at the Registered Office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.

15. A person, 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. 29th June, 2023 only shall be entitled to avail the facility of remote e-voting or voting at the Meeting.
16. During the AGM, the scanned copy of register of Directors, Key Managerial Personnel and their shareholding and the register of Contract maintained under The Companies Act, 2013 will be available for inspection by the members on the website of the Company.
17. Shareholders holding shares in Electronic Form may note that their bank account details as furnished by their depositories to the Company will be used by the Company for payment of Dividend. Members who are holding shares in electronic mode are requested to make sure, that they have updated details of Bank Account Number, Name of Bank, Branch address, MICR Code, IFSC Code with their respective depository participant.

The Company will not entertain any direct request from such shareholders for deletion of / 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 any 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 by post.

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

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

Name of Director	Shri Ayush Bagla	Ms. Akriti Jain
DIN	01211591	08259413
Date of Birth	10.09.1973	27.06.1986
Date of Appointment	18.04.2018 (Reappointed Shri Ayush Bagla as Executive Director w.e.f. 14.05.2022)	01.11.2018
Qualification	B.A. (Management) from Franklin & Marshal College (USA)	B.A.(LLB) (Hons.), LLM (Queen Mary University of London)
Brief Resume and Nature of expertise in specific functional areas	Managing Investor Relations & Strategic Planning initiatives at Cera	Practicing Advocate, handling Legal Matters relating to Commercial and Corporate Laws
List of other Directorships	- Seaside Real Estate Pvt. Ltd. - Paradigm Finance Ltd.	NIL
Chairman / Member of the Committees of the Board of other Companies	NIL	NIL
Terms and conditions of re-appointment	N.A.	As per Explanatory Statement
Disclosure of relationship between Director Inter-se	Not Related to any Director.	Not Related to any Director.
Shareholding in the Company	NIL	NIL
No. of Board Meetings attended during FY 2022-23	4	4

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

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated May 05, 2022 and December 28, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- d) Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.
- e) **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**
 - (i) The voting period will begin on 3rd July, 2023 and will end on 5th July, 2023. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th June, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
 - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 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 above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below :

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	<p>4) Alternatively, the user can directly access e-Voting page by providing 16 Digit Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. 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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you</p>

	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
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43 or call at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in Physical Form and shareholders other than individual shareholders holding shares in Demat form / physical form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>- 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.</p>
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> <p>- If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- 7) After entering these details appropriately, click on "SUBMIT" tab.
 - 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - 10) Click on the EVSN for the relevant <Cera Sanitaryware Limited> on which you choose to vote.
 - 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (vi) INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**
- 1) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - 2) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 3) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - 4) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 5) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded mandatory in PDF format in the system for the scrutinizer to verify the same.
 - 6) Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; company email id i.e. ceragreen@cera-india.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (vii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

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

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

- 1) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 2) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 3) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 4) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at (company email ID i.e. ceragreen@cera-india.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id i.e.ceragreen@cera-india.com). These queries will be replied to by the company suitably by email.
- 5) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 6) 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 022- 23058738 and 022-23058542/43.
- 7) All grievances connected with the facility for voting by electronic means may be addressed

to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

- 1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - 2) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
 - 3) Only those shareholders, who are present in the AGM through VC / OAVM facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - 4) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 - 5) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
21. Shri Umesh Parikh, failing him Shri 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.
 22. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the company and make, not later than two working days from conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, be submitted to the Chairman or a person authorized by him in writing who shall countersign the same.
 23. The Results will be declared on receipt of Scrutinizer's Report at the Registered office of the Company at 9, GIDC Industrial Estate, Kadi - 382715. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cera-india.com and on the website of CDSL immediately and communicated to the NSE and BSE.

Statement pursuant to provisions of Section 102 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, 2024 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, 2024.

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

The Members of the Company, at the 21st Annual General Meeting held on 31st July, 2019, had approved the appointment of Ms. Akriti Jain as Woman Independent Director of the Company, whose terms will expire on 31st March, 2024. She is Master of Laws with Merit in Commercial & Corporate Law from Queen Mary University of London. She is Practicing Advocate and attached with C. K. Jain & Company, Solicitors and Advocates, Kolkata. She is having experience of more than 11 years in the fields of legal matters relating to Commercial & Corporate Laws, National Company Law Tribunal and Debt Recovery matters, Corporate Deeds and documents etc. She is not holding any shares in the Company.

As per Section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment as an Independent Director on passing a special resolution by the Company for a second term of upto five consecutive years on the Board of a Company.

In view of the aforesaid provisions of the Act and considering her experience, valuable guidance to the management and better performance as an Independent Director on the board of company, it is proposed to re-appoint her for the second term as an Independent Director on the Board of Company for a period of five consecutive years upto 31st March, 2029. Under the relevant provisions of the Companies Act, 2013, notice has been received from one of the member, proposing the name of Ms. Akriti Jain for the appointment as an Independent Director of the Company. Her re-appointment as Independent Director is also approved and recommended by the Nomination and Remuneration Committee of the Company, based on her performance evaluation.

In the opinion of the Board, Ms. Akriti Jain fulfils the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director of the Company. The company has also received declaration that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI LODR Regulations. She is also independent of the management of the Company.

The Board considers that her continued association would benefit to the Company and hence it is desirable to continue to avail her services as an Independent Director.

Accordingly, the Board recommends the resolution at Item No. 5 of the accompanying notice for re-appointment of Ms. Akriti Jain as an Independent Director by passing the Special Resolution by the members of the Company.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Ms. Akriti Jain, being appointee, none of your Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 5 of the notice.

Regd. Office :
9, GIDC Industrial Estate,
Kadi – 382 715
Dist. Mehsana, Gujarat.
CIN : L26910GJ1998PLC034400
10th May, 2023
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 25th Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2023.

Performance

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

Standalone	Year ended	
	31 st March, 2023	31 st March, 2022
	(₹ in Lakhs)	
Revenue from Operations	1,79,619.15	1,44,175.57
Profit (EBIDTA) before Interest, Depreciation, Taxes & Exceptional Item	32,256.88	24,402.76
Interest	540.07	458.71
Depreciation	3,044.24	3,043.00
Profit before taxes and Exceptional Item	28,672.57	20,901.05
Exceptional Item	(500.00)	(573.80)
Profit before tax	28,172.57	20,327.25
Tax Expense:		
- Current Year	7,017.39	5,197.72
- Deferred Tax	189.60	193.55
Profit for the year	20,965.58	14,935.98

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

Consolidated	Year ended	
	31 st March, 2023	31 st March, 2022
	(₹ in Lakhs)	
Revenue from Operations	1,80,350.24	1,44,583.00
Profit (EBIDTA) before Interest, Depreciation, Taxes & Exceptional Item	32,854.09	25,238.00
Interest	604.83	528.15
Depreciation	3,260.74	3,240.74
Profit before taxes and Exceptional Item	28,988.52	21,469.11
Exceptional Item	(500.00)	(573.80)
Profit before tax	28,488.52	20,895.31
Tax Expense :		
- Current Year	7,164.75	5,391.30
- Deferred Tax	218.68	209.53
Profit for the year	21,105.09	15,294.48
Add: Share of Profit / (Loss) from Associate	-	0.76
Profit for the Year	21,105.09	15,295.24

Transfer to Reserves

The Company has transferred a sum of ₹ 4383.93 Lakhs to General Reserve in the current year (previous year ₹ 3439.58 Lakhs).

Highlights / Performance of the Company

Turnover (Net of GST) of the Company for the year increased by 24.68% (₹ 1,79,324.33 Lakhs in FY 2022-23 as compared to ₹ 1,43,826.26 Lakhs in FY 2021-22).

EBITDA for the year increased by 32.19% (₹ 32,256.88 Lakhs in FY 2022-23 as compared to ₹ 24,402.76 Lakhs in FY 2021-22).

Profit after Tax for the year increased by 40.37% (₹ 20,965.58 Lakhs in FY 2022-23 as compared to ₹ 14,935.98 Lakhs in FY 2021-22).

Exceptional Item :

During the financial year 2018-19, the Company acquired share capital worth ₹ 806 Lakhs in M/s Milo Tile LLP ("Milo") which was a vendor of tiles for the company. During financial year 2022-23 Milo has 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. The Company has served Legal notices on Milo and the other LLP partners for violation of certain terms of the Investment Agreement.

Considering the above as well as other available information, as a matter of abundant caution, the management has decided to provide for an Impairment Loss of ₹ 500 Lakhs in the books of accounts which has been disclosed as an "Exceptional Item" in the financial statements. However, the Company is taking all necessary steps for recovery of the same.

Dividend

Your Directors recommended a dividend of ₹ 50/- per share (1000%) [Previous year Dividend of ₹ 20/- per share (400%) and Special dividend of ₹ 15/- per share (300%)] on 1,30,05,874 equity shares of ₹ 5/- each fully paid for the year ended 31.03.2023, 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 2014-15 were transferred to the Investor Education and Protection Fund.

Sanitaryware Unit

Your Company has increased its production volume based on the product demand generated from the market, utilizing all its available resources.

Active collaboration of workmen and staff in new initiatives on safety, quality, delivery, and cost have resulted into improved product yield and on time product delivery.

Your Company is following best manufacturing practices for building the culture of Continuous Improvement. The major activities that include waste elimination, KAIZEN, dedicated projects on cost saving and sustainability, has improved the utilization of deployed resources.

Your Company is committed towards developing new and innovative product design including one-piece EWC, high end and rimless Wall Hung EWC, Lustre series products etc, through its dedicated product NPD team.

Institutionalization of various knowledge sharing forums, review mechanisms, process controls and standard operating procedures has helped in achieving repeatability and reproductibility of new SKUs.

Workmen are actively participating in activities like sports day, counselling, reward and recognition and various continuous improvement activities, generating positive vibes and trust building at shop floor.

Your Company will continue to deliver the high-quality products to its valued customer as per demand, making optimum utilization of the resources.

Faucet ware Unit

Your Company has witnessed growth in terms of production and sales volume, which lead the company to reach to the optimum level of achievements. Company shall continue achieving the same through various debottlenecking projects, SOP compliances and automation of the processes.

Your Company expects even higher growth in the coming times in its Faucets business. With this in view, company has launched new colour faucet designs in line with the changing customer preferences and market need. A total of 330 new products were launched during the year.

Company will also emphasis the development and sale of WATER saving products which are very crucial for the sustenance of environment and preservation of ecosystem. There are close to 48% of products offering in the portfolio which can also be offered as water saving products.

Bathware Unit

Your Company continued launches of new products and designs. New technology-based products like Smart electronic toilet, Tankless Wall Hung closets and One Pc EWC's with Vibe sense touchless flushing technology and modern design table top basins along with wall hung closets for retail spaces were developed and launched.

Senator by CERA

Senator was re-introduced with latest collection of premium bathroom suites, bringing together sophisticated designs and quality sanitaryware products to create truly artistic spaces.

Lustre by CERA

Lustre by Cera was yet another brilliant design innovation that your company is proud to have. A range of colour faucets, sanitaryware, showers and bath accessories designed to splash character and charisma into the modern Indian bathroom space.

Highest Share of voice in Media

Your company CERA used high impact media strategy to increase the brand reach and consumer exposure. A combination of GEC (General Entertainment Channels) – Impact properties and news program used to expose the new TV Campaign **'This is your space, Play it your way'** on television to consumers. Campaign started in Oct 2022 end where we advertised our new Television Commercial Advertisement featuring brand ambassadors, style icons - Kiara Advani and Vijay Deverakonda. Our media mix had high frequency

Hindi / English news channels. For HSM (Hindi Speaking Market) market, your company took "Kaun Banega Crorepati" the biggest show of Indian Television as associate sponsor, in addition CERA also sponsored popular show like "India Idol". For Non HSM market, Big Boss Season-6 Telugu version was sponsored for Telangana and Andhra Pradesh market, Big Boss Season – 9 Kannada as special partner sponsorship for Karnataka market, and in last quarter your company advertised heavily in News channels – Hindi, English and Regional languages.

Brand CERA in Digital Media

India's youth spend lot of time on social media, so to reach out to our young consumers your company also took lot of engagement initiatives such as social media topical / product post and consumer participation fun contest. Other initiatives were also taken to increase brand recall and search i.e. Google display ads, remarketing and sustenance campaigns, Search engine optimization, Search engine maximization and others.

Trade expansion and development with brand stores

A complete retail expansion program was launched with a view to increase exclusive / non-exclusive brand stores and deliver ultimate consumer experience.

CERA focused to support channel partners by helping them to build brand stores – Cera Style Galleries, Cera Style Hub, Cera Style Centre, Cera Tile Galleries and Cera Tile Centres. This created a strong brand visibility in the market and give our consumers an experience to remember and facilitate better decision making. CERA also revamped the Mumbai & Kadi company owned Style studio, and have plans for Chandigarh, Bengaluru and Morbi going ahead.

Core Business

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

Loyalty Program

CERA Superstar, a loyalty program launched for retailer / sub dealer to reward the purchases made by Retailers from our CERA's authorised dealers. The program became super successful and we build the community of 15000+ retailers.

Skill development and Training

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

Awards

CERA won the most affiliated awards such as "Super brand 2023" and was also recognized for Realty + INEX Awards 2023 Marketing Campaign of the Year and Brand of the Year.

Tiles Unit

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

Joint Ventures

M/s Anjani Tiles Limited ceased to be a subsidiary of the Company effective from 23rd March, 2023 upon receiving the entire consideration as per the terms of MOU and SPA (Share Purchase Agreement) executed in FY 2021-22.

M/s Milo Tile LLP, an associate LLP of the Company, is in to manufacturing of high-end vitrified Tiles. During the current financial year, Milo has 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. The Company has served Legal notices on Milo and the other LLP partners for violation of certain terms of the Investment Agreement.

Packaging Unit

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

Polymer Unit

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

Green Energy Unit

As a part of national policy and Green initiative, which was initiated in 1995, Company has energy security and stabilized power cost by generation of electricity through non-conventional sources for captive use through wind and solar.

The current installed capacity of Non-Conventional Energy unit of the Company stands to 10.325 M.W.

The non-conventional Wind and Solar Power has produced 124.82 lakhs KWH 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 plant. The pricing of both sources differ, as GAIL sources gas from isolated wells in and around Cera's manufacturing facility, and is able to contract gas at a lower price over prevailing market pricing. Medium term contracts with these suppliers are renewed on a periodic basis. 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.

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.

Technology absorption and foreign exchange earnings and outgo

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

Environmental Social Governance (ESG)

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

Environment at Cera

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

- Installation of a rooftop solar power system (one of the largest in the Kadi region), which has gone a long way in substantially reducing the carbon footprint.
- Cera has managed to stabilize power cost by generating electricity through non-conventional sources (wind and solar) for captive use; as of FY23, its total installed non-conventional energy capacity stood at 10.325 MW, which produced 124.82 lakh units. Maximum of its energy needs are met through renewable energy.
- In its initiative to conserve biodiversity, the Company has undertaken plantation of over 10,000 plus trees.
- By successfully developing a fully functional rainwater-harvesting system, Cera has managed to reduce dependence on ground water usage. Further, by recycling water used for the manufacturing process the Company has reduced the water intensity of its operations.
- Cera Faucet ware has upgraded the Zero Liquid discharge plant to meet the requirement of higher norms of the government.
- Under the initiative of 'Waste Minimization and Waste Utilization', the Company has been undertaking numerous measures. Some of these measures include recycling of solid and liquid and ZLD (zero liquid discharge), high energy efficient rated machines, compliance to pollution norms and awareness generation among employees etc. Majority of the waste generated in the company's operations is recycled and the balance is disposed-off safely. The Company has also installed an Effluent Treatment Plant at both of its facilities.

Social dimension at Cera

For the past several years, Cera has been actively involved in various social welfare activities. Over a span of 5 years, Cera has spent more than ₹ 15 crore for development within Kadi district (a tier 3 developing industrial area) and surrounding areas. Additionally, the Company at regular intervals provides necessary safety and skill up-gradation training to its permanent as well as its contractual employees. The Company has systems in place to ensure no child labour, forced or involuntary labour at its facilities. During the financial year 2022-2023, the Company has spent ₹ 300.03 Lakhs towards CSR activities mainly in the areas of education, healthcare, rural development, woman empowerment and eradicating hunger. Cera has received appreciation from Ex Dy CM of Gujarat for driving various CSR initiatives like promoting environment, propagating accident-free zones, educational facilities for the society, setting up health care facilities at various hospitals. Government authorities have appreciated CERA on World TB Day to serve the TB Patients; for setting up robust technological set up at ESIC hospitals & Bhagyoday Private hospital. Cera has been involved with Collector and Commissioners for excavating ponds at nearby villages.

Governance at Cera

Adhering to the best Corporate Governance practices has been a strong endeavor of the Company since its inception. The organization strongly believes that there is a direct association between good corporate governance practices and stakeholder value enhancement. To ensure protection of interests of all stakeholders of the Company, Cera has adopted various strict governance related policies to the best governance practices. Its policy relating to ethics, bribery and corruption serves as the guiding philosophy for its employees. The Company also has a whistle blower policy in place, which provides a platform to all employees, vendors and customers to report any suspected fraud or error or confirmed incident of fraud / misconduct. Through prudent strategies the Company has optimized asset utilization and preserved the collective funds at its disposal by avoiding unrelated diversification or over-ambitious expansion. By ensuring fair and ethical dealings with all stakeholders, the Company has a robust track record of Corporate Governance practices.

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

Subsidiary Company

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

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

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

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

Pursuant to the Resolution passed at the Board Meeting held on 5th August, 2021 the Company had decided to divest the Company's entire stake in Anjani Tiles Limited, a subsidiary company and accordingly a Memorandum of Understanding (MOU) was executed on 17th August, 2021 by and amongst Cera Sanitaryware Limited (Cera), Anjani Vishnu Holdings Ltd (AVHL) (Joint Venture Partner and Acquirer Company) and Anjani Tiles Limited (ATL) (Subsidiary Company) for a total consideration of ₹ 2,869.20 Lakhs.

The Company, AVHL and ATL also entered in to Share Purchase Agreement (SPA) dated 26th August, 2021 pursuant to which the Company agreed to sell all the Equity and Preference Shares held by it in ATL to AVHL.

As on 31st March, 2022, the Company's shareholdings in Equity and Preference shares in ATL were presented as Non-current Assets classified as Held for Sale as per Indian Accounting Standard - 105 - "Non-current Assets Held for Sale and Discontinued Operations".

The consequential impairment loss of ₹ 573.80 Lakhs due to above arrangements was recognised in the Statement of Profit and Loss as Exceptional Item in the financial year ended 31st March, 2022.

As on 31st March, 2023, the total consideration of ₹ 2,869.20 Lakhs has been fully realised (₹ 643 Lakhs in financial year 2021-22 and the balance consideration of ₹ 2,226.20 Lakhs in financial year 2022-23).

Accordingly, Anjani Tiles Limited has ceased to be a subsidiary of the Company. Apart from this, no other company has become or ceased to be subsidiaries, joint ventures or associate companies during the financial year 2022-23.

Particulars of contracts or arrangements with related parties

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

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

Corporate Social Responsibility

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

CERA believes that real progress occurs when privileges are balanced with the responsibilities towards society. CERA has always laid emphasis on progress with a social commitment. CERA believe strongly in core values of empowerment and betterment of not only their employees but also of society/ communities. Following this principle, Late Shri Vidush Somany, our Company's Executive Director had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of surrounding communities. CERA CSR Policy focuses on six thrust areas in which CSR activities are planned – a) eradicating hunger and malnutrition b) promoting healthcare including preventive health care c) promoting education, including special education d) employment enhancing vocational skills among women e) empowering rural women f) Rural Development. Following this principle the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities.

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

A brief Report on Corporate Social Responsibility (CSR) Activities alongwith Annexure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as a separate **Annexure-IV** and separate activity wise CSR Report has been annexed as **Annexure -II** to this report..

Directors and KMP

During the year under review and upon the recommendation of Nomination and Remuneration Committee Shri Ravi Bhamidipaty has been appointed as an Independent Directors of the Company w.e.f. 4th August, 2022 for the term of 3 years and subsequently his appointment was approved by the members of the Company through Postal ballot process on 21st October, 2022. Accordingly, the Board is comprising of five Independent Directors namely, Shri Sajjan Kumar Pasari, Shri Lalit Kumar Bohania, Shri Surendra Singh Baid, Ms. Akriti Jain and Shri Ravi Bhamidipaty.

They will not retire by rotation. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities. Term of Ms. Akriti Jain an Independent Director will expire on 31st March, 2024, necessary resolution proposing her reappointment as Independent Director for further term of five years is proposed for the approval by the members at the ensuing Annual General meeting of the Company. The Board recommends her appointment for approval of the members of the Company.

The Board of Directors have appointed Shri Anupam Gupta as an Executive Director (Technical) of the Company for period of 3 years w.e.f. 15th October, 2021 and Shri Ayush Bagla as an Executive Director for a period of three years w.e.f. 14th May, 2022 and Shri Vikram Somany as Chairman and Managing Director for a period of five years w.e.f. 1st July, 2022 and simultaneously the members at their 24th Annual General Meeting held on 30th June, 2022 approved their appointments/re-appointments.

Shri Ayush Bagla, is liable to retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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

Brief resume of the director who are 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.

Shri Rajesh B. Shah, Chief Financial Officer of the Company who had attained the age of superannuation, has retired from the services w.e.f. close of working hours of 31st March, 2023. The Board of Directors have appointed Shri Vikas Kothari (who was working as Deputy Chief Financial Officer), as Chief Financial Officer of the Company w.e.f. 1st April, 2023.

Number of Meetings of the Board

The Board of Directors, during the financial year 2022-23 duly met 4 times on 10th May, 2022, 4th August, 2022, 7th November, 2022, and 2nd February, 2023 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, 2023 and of the Profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;
- that internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Evaluation

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

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

Policy on Directors appointment and remuneration

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

Independent Directors

- Qualifications of Independent Director.

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

- Positive attributes of Independent Directors.

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

- Independence of Independent Directors.

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

Other Directors and Senior Management

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

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

Familiarisation Programme for Independent Directors

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

Remuneration / Commission from Holding or Subsidiary Company

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

Remuneration Policy

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

This Policy is to establish and govern the procedure applicable:

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

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

Managerial Remuneration and Employees

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

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

Company has not offered its shares to its employees under ESOS during the year under review.

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, 2023 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 Committee shall also review cyber security matters of the company at various levels and also take necessary actions from time to time to mitigate the cyber risk to the Company in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

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

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

Internal Control System and its adequacy

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

Share Capital

The paid-up Equity Share Capital as on 31st March, 2023 was ₹ 650.29 Lakhs. During the year under review the Company has not issued any shares. No shares with differential voting rights, stock or sweat equity shares were issued by the Company during the year under review.

During the year the Company has transferred 5031 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.

Exchequer

The Company has contributed ₹ 20,658.61 Lakhs to the exchequer by way of GST, customs duty, Income tax, VAT and other fiscal levies.

Deposits

The Company has not accepted and not renewed 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

The Company is required to maintain cost records under Companies (Cost Records and Audit) Rules, 2014. Accordingly, cost records have been maintained by the Company. The Company has appointed K.G. Goyal & Co., as Cost Auditors for conducting cost audit for the year 2023-24.

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

Secretarial Audit

Pursuant to provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company had appointed Parikh Dave & Associates, Practicing Company Secretaries a peer reviewed firm to undertake the Secretarial Audit of the Company for the year 2022-23. The Secretarial Audit Report for the year 2022-23 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 for the financial year ended on 31st March, 2023.

Reporting of Frauds

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

Secretarial Standards

The Company is complying with the applicable Secretarial Standards.

Insurance

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

Industrial Relations

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

2021 which became effective from 1st September, 2021. The new wage agreement was executed in harmonious environment.

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

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

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

Material changes affecting financial position of the Company

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate, i.e. 31st March, 2023 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 2022-23.

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

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

Ahmedabad.
10th May, 2023

Annexure - I to the Directors' Report

Management Discussion and Analysis

During the year your Company has made a steady progress and achieved positive results, by adapting new market practice, commitment to innovation and strategic planning. Your Company have been able to navigate the uncertainty of the past year and delivered strong financial performance.

1. Right product mix:

Your Company has successfully introduced new range of product to the portfolio, with the goal of expanding our customer base and increase revenue. Significant amount of time and resources were involved in developing and launching these products and the results have been promising. Your company believes that the success of our product mix has been due to our commitment to understand the customer's need and providing them with innovative and high-quality products. We also leveraged our marketing strategies to maximize the visibility and accessibility of our products.

Some of the product led initiatives are listed below:

- a) Senator by Cera reintroduced with new premium bathroom Suites and electronic smart toilet.
- b) Lustre by Cera introduced with vibrant colours in Sanitaryware, Faucets and Allied categories.
- c) Introduced Sensor based Tankless Wall hung closets.
- d) India's largest portfolio of One Piece EWC's launched with Vibe sense touchless flush technology.
- e) Introduced new portfolio of modern, stylish and aspirational drop in, free standing, back to wall and air-water massage bathtubs
- f) More than 500+ new designs launched in Tiles.
- g) Also, introduced new portfolio of Kitchen Sinks and Customized Shower Partitions.

2. New Brand Ambassadors:

Your Company appointed Kiara Advani and Vijay Deverakonda as brand ambassadors to endorse our sanitaryware, faucets, wellness & tiles category. As we know, brand ambassadors play a crucial role in increasing the brand awareness, strengthening brand reputation, and driving sales growth.

Both the celebrities are recognized as superstars who have captivated the imagination of the next generation, the duo, with their impeccable charm and authentic sense of style, step into the world of CERA with an energy that captures the pulse of the youth. They bring their chic vibes into the bold, suave and young avatar of Cera.

Your Company believes that this association will help the brand reach new audiences and build stronger relationship with our existing customers and drive long-term growth for the company.

3. New Marketing Campaign:

Company launched a 360-degree marketing campaign. This is your space, Play it your way', featuring our two new brand ambassadors, style icons - Kiara Advani and Vijay Devarkonda. The new campaign showcased the brand and products in a young and glamorous avatar.

The campaign featured CERA's wide range of sanitaryware, faucets, and tiles with the latest styles and technology. It showcased the versatility of CERA's collection, that it has

something for everyone. Something that goes with everyone's style, whatever it may be - minimalist or maximalist, modern or classical.

The communication helped CERA to position as a dynamic, buzzy brand that cares about the unique personal style of the aspirational and discerning Indian millennials.

The campaign approach ensured that our statement "This Is Your Space. Play It Your Way" is heard to our relevant target audience everywhere in this media-rich world. From TV and magazine ads to innovative billboards, PR articles and social media content, we announced our arrival. Your brand took Indian television biggest impact properties along with brand big integrations such as Kaun Banega crorepati, Indian Idol, Kapil Sharma, Big boss and IPL T20 world cup play offs on Disney Hotstar.

We also reached out to India's youth through digital media with lot of engaging social media content and fun activities such as "Play it your way" dance challenge which recently got concluded.

Our new look book with its latest design was highly appreciated by all our stakeholders.

4. Awards and recognitions

Your Company was awarded Super Brand 2023 and was also recognized for Realty + INEX Awards 2023 Marketing Campaign of the Year and Brand of the Year.

5. Retail Showrooms

To redefine customer experiences in your Company brand stores, we revamped the Kadi and Mumbai Cera Style Studio, and have plans for Chandigarh, Bengaluru and Morbi going ahead.

Also, your Company has successfully invested and expanded in the number of retail showrooms. Strategic decision to expand retail presence has resulted in significant growth and increased visibility of the brand. Your company opened 400+ Brand stores last year and crossed the overall milestone of 1000+ brand stores across India.

Making the product and brand visible through retail outlets and connect with customers and provide them hands-on experience has always been your Company's motto and this has also helped in establishing stronger relationship with consumers and build trust in your brand. Your Company does periodic audit of its retail outlets to ensure that the branding and product display are intact.

6. Exhibitions and Events

Your Company also participated in several large-scale exhibitions like Acetech - Mumbai, Ace Reflect, Vanitha Veedu, Credai, IID & IIA in more than 50 cities. These exhibitions provided your company to showcase latest products to a wider audience and your company was able to generate a significant amount of Business Leads. Participation in these exhibitions help your brand to strengthen reputation and increase the visibility in market.

7. Loyalty Program

Cera Superstar loyalty Program for retailers also achieved lots of success, building an over 15000 strong retailer community who enjoyed the benefits of their hard work with your company, through our loyalty rewards program, the largest in the industry. This program helped your company to build a stronger relationship with retailer partners and also increase secondary sales of our products.

8. Industry Structure and Developments

Your Company is present in all segments—from affordable to luxury.

9. Risks and Concerns

Any drastic change in Government policy may affect your Company

10. After-Sales Service:

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

11. Outlook

Your Company has been a preferred partner of CREDAI (Confederation of Real Estate Developers Associations of India), the apex body of developers, for the last seven years. Your Company also works closely with influencers and their associations like IIA (Indian Institute of Architects), IIID (Institute of Indian Interior Designers) and IPA (Indian Plumbing Association).

12. Internal Control Systems and their adequacy

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

The system of internal control of the Company is adequate keeping in mind the size and complexity of your Company’s business. Systems are regularly reviewed to ensure effectiveness. The internal auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report on the internal audit function, necessary corrective actions in the respective

areas are taken and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the audit committee of the board.

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

S.N. Ratio	2022-23	2021-22
1. Inventory Turnover	5.41	6.30
2. Interest Coverage Ratio	54.09	46.56
3. Debtors Turnover (Refer Note No. I)	12.01	9.14
4. Current Ratio	3.23	3.05
5. Debt Equity Ratio	0.04	0.04
6. Operating Profit Margin %	16.26%	14.82%
7. Net Profit Margin %	11.67%	10.36%
8. Return on Net Worth %	19.28%	15.89%

Note :

Effective credit control steps including timely recoveries were taken during the current period resulting into reduction in Trade Receivables.

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

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

The thrust of your Company has been on talent improvement through training programmes.

Your Company continues to invest in training and development of its employees and has been organizing various training programmes from time to time. CERA’s manpower strength as on 31st March, 2023 stands at 2523.

The Company is ISO9001, 14001 and BS 18001 certified. Your Company is also a member of Indian Green Building Council (IGBC), promoted by Confederation of Indian Industry (CII).

Ahmedabad
10th May, 2023

Vikram Somany
Chairman and Managing Director
(DIN : 00048827)

Annexure - II to the Directors' Report

Activity wise Corporate Social Responsibility (CSR) initiatives

Empowering Society; Empowering Ourselves

Real progress occurs when privileges are balanced with the responsibilities towards society. Your Company has always laid emphasis on progress with a social commitment. Your Company believe strongly in core values of empowerment and betterment of not only the employees but also communities. These were the principles of Late Shri Vidush Somany. Your Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of surrounding communities.

CERA has undertaken following projects:

- Continued the support to Bhagyoday Multi-Speciality Hospital Kadi in memory of Late Shri Vidush Somany for the welfare of poor and needy patients of Kadi & from nearby area. This year the contributions were spent for establishing new facilities such as Nuro Frame and Stryker System Set.
- Undertaken plantation and its maintenance on road divider for about 11 K.M. from Chhatral to Kadi since last 6 years.
- Contribution for setting up various medical equipments like USG machine with colour doppler, Quantel compact touch AB scanner and Oertli catarhex 3 phaco emulsification system at RamaKrishna Sarada Mission for the welfare of poor and needy pateints.
- Contribution to ESI Hospital, kalol for X-Ray Machine's accessories, water cooler, Semi ICU Unit with all related medical equipment, Air Cooler, and other general facilities. Contribution to ESI Hospital-Gotri, Baroda for Sonography Machine for the patients.

- Contribution made to Budasan Gram Panchyat & Govt. Primary School Budasan for setting up of Solar Panel system.
- Contribution made to Govt Primary School, Budasan for setting up of Safety grill, and Shed for the Mid day meal.
- Contribution to Kundal Primary School for setting up new stage with Shed for Mid-day meal programme and other activities of school, Separate washroom for Teachers & Students. Specially designed environment friendly Compost pit with plantation in the school.
- Contribution for renovation work of Kundal Mukti Dham.
- Contribution to Irana Gram Panchayat for setting up LED Street lights in the village.
- Contribution of Food Kit to the TB Patients in PHC of Kundal Village & Karannagar Village.
- Contribution of Laptop, Projector to Taluka health office for streamlining and enhancing their activities like training, documentation, and for other official purposes.
- Provided daily lunch to Bahuchraji Annakshetra, Kadi for poor and needy people.

Ahmedabad.
10th May, 2023

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Annexure - III to the Directors' Report

Disclosure of particulars with respect to Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Report of the Board of Directors for the year ended 31st March, 2023.

A. Energy Conservation

Discussed in main report

B. Technology Absorption

High pressure casting technology in Sanitaryware.

Research and Development (R & D)

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

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

Some innovative R&D activities carried out and commenced commercial production during the year under report are:

- ❖ New state-of-the-art R&D centre developed at Kadi factory premises. The centre boasts of advanced test equipment for material science and ceramic technology. This Centre of Excellence is designed to keep the R&D activity as a strategic initiative. This will help us keep at the fore front of innovations in the Sanitaryware Industry worldwide. This centre is DSIR, Govt. of India, approved.
- ❖ Development of indigenous and Imported plaster of Paris from different sources to increase mould's life.
- ❖ Replacement of imported Plaster with Indigenous plaster of Paris.
- ❖ Fired solid waste 100% use
- ❖ New Glaze development for better glaze surface appearance and cost effective.
- ❖ Various Glaze color development for different Market requirement.
- ❖ Process laboratory set up for faster response to deviations and excelling in the environmental performance through monitoring of RM ratio.
- ❖ Installation of Casting Bay wise sliding Gates for battery drying of casted ware and waste heat recovery.
- ❖ Development of Refire glaze for recovery and Productivity.
- ❖ Development of Gold decorative process by electroplating process.
- ❖ Development of suitable pressure casting body.
- ❖ Development of Suitable pressure casting body slip with Domestic China clay
- ❖ Ramp up Robotic Glazing System in production. This gives us more controlled and uniform glaze coating on the sanitary ware as compared to manual glazing. This type of uniform glaze coating provides better aesthetic look of final products. Robotic glazing reduces dependence on manual labour. These are the highly advanced robotic systems with sophisticated control mechanism.
- ❖ Development of chemicals (Deflocculants for slip) for casting quality improvement
- ❖ Development of Single Ball clay in place of multi ball clays for casting slip and this has helped ESG.
- ❖ Strengthening of ZLD through reuse of process water.
- ❖ Development of biscuit fired shrinkage plate tiles. These tiles reduce squat, undulation, foot crack of critical items by loading on it. Especially quality of wall hung products has improved significantly by using this.
- ❖ Siphonic new design one piece product development (first time in cera)
- ❖ Developed stick up casting method for new product development like cliption.
- ❖ Designed and developed invisible waste out-clean reverse flow was basin
- ❖ Also, in final product quality, Company has introduced automatic leakage detection test and overflow test. These tests help to improve functional quality of final products.
- ❖ Introduced different colours of silk glazes which enhance uniqueness as well as verity and versatility.
- ❖ Under the initiative of 'Waste Minimization and Waste Utilization', numerous measures have been taken. This includes recycling of solid and liquid, ZLD (zero liquid discharge) plant, high energy efficient rated machines, compliance to pollution norms, awareness-generation among employees etc.

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

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

2. Benefit derived as a result :

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

3. Future plan of action :

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

4. Expenditure on R & D :

a) Capital	:	₹ 43.43 Lakhs
b) Recurring	:	₹ 145.59 Lakhs
Total	:	₹ 189.02 Lakhs
c) Total R & D Expenditure as a percentage of total turnover	:	0.11%

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	:	₹ 6,077.28 Lakhs
Total foreign exchange earned	:	₹ 1,649.71 Lakhs

Ahmedabad.
10th May, 2023

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

**Annexure - IV to the Directors' Report
Annual Report on Corporate Social Responsibility (CSR) Activities
for the financial year ended on 31st March, 2023**

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	Shri Vikram Somany (Chairman)	Chairman & Managing Director	1	1
ii	Smt. Deepshikha Khaitan (Member)	Joint Managing Director	1	1
iii	Shri Anupam Gupta (Member)	Executive Director (Technical)	1	1
iv	Shri Surendra Singh Baid (Member)	Independent Director	1	1

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

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

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

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

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

	(₹ in lakhs)
5. (a) Average net profit of the company as per sub-section (5) of section 135.	14,925.48
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	298.51
(c) Surplus arising out of the CSR Projects or rogrammes or activities of the previous financial years.	-
(d) Amount required to be set-off for the financial year, if any.	-
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	298.51
6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects).	300.03
(b) Amount spent in Administrative Overheads	NIL
(c) Amount spent on Impat Assessment, if Applicable	NIL
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	300.03
(e) CSR amount spent or unspent for the financial year:	

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

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

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

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

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

8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No
If Yes, enter the number of Capital assets created / acquired : **Not Applicable**

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

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

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

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

Not ApplicableAhmedabad
10th May, 2023Anupam Gupta
Executive Director (Technical)
(DIN:09290890)Vikram Somany
Chairman and Managing Director
Chairman of CSR Committee
(DIN:00048827)

Annexure - V to the Directors' Report

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

Sr.No.	Particulars																								
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	<table border="0" style="width:100%; text-align:center;"> <tr> <td colspan="6">Wholetime Directors</td> </tr> <tr> <td>CMD</td> <td>JMD</td> <td colspan="2">ED (Technical)</td> <td colspan="2">ED</td> </tr> <tr> <td>34 X</td> <td>14 X</td> <td colspan="2">14 X</td> <td colspan="2">13 X</td> </tr> </table>						Wholetime Directors						CMD	JMD	ED (Technical)		ED		34 X	14 X	14 X		13 X	
Wholetime Directors																									
CMD	JMD	ED (Technical)		ED																					
34 X	14 X	14 X		13 X																					
ii.	The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year.	<table border="0" style="width:100%; text-align:center;"> <tr> <td colspan="4">Wholetime Directors</td> <td colspan="2">KMPs</td> </tr> <tr> <td>CMD</td> <td>JMD</td> <td>ED (Technical)</td> <td>ED</td> <td>CFO</td> <td>CS</td> </tr> <tr> <td>3%</td> <td>9%</td> <td>7%</td> <td>31%</td> <td>17%</td> <td>23%</td> </tr> </table>				Wholetime Directors				KMPs		CMD	JMD	ED (Technical)	ED	CFO	CS	3%	9%	7%	31%	17%	23%		
Wholetime Directors				KMPs																					
CMD	JMD	ED (Technical)	ED	CFO	CS																				
3%	9%	7%	31%	17%	23%																				
iii.	The % increase in the median remuneration of employees in the financial year.	10.76%																							
iv.	The number of permanent employees on the rolls of Company.	2523																							
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average 10.84% 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.

* Shri Rajesh B. Shah, CFO who has attained the age of superannuation and retired from the services w.e.f. close of working hours of 31st March, 2023 and Shri Vikas Kothari appointed as CFO of the Company w.e.f. 1st April, 2023.

Ahmedabad.
10th May, 2023

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

The spirit of Corporate Governance has been prevailing in the Company. The Company believes in the values of transparency, professionalism, and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders and with every individual, who comes in contact with the Company. For the company the adherence to the corporate governance is not only from the letter of law but to do the business in a right and legal way. Corporate Governance has indeed been an integral part of the way CERA have done business.

The Company is in compliance, in letter and spirit, with the requirements stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as applicable, with regards to corporate governance.

2) Board of Directors

The composition of the Board with reference to the number of Executive, Non-Executive Directors, Independent Directors and Woman Directors, meets the requirement of Regulation 17(1) of Listing Regulations and it consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The Board comprises of a Chairman & Managing Director, Joint Managing Director, 2 (Two) Executive Directors and 5 (Five) Independent Directors.

During the year under review, 4 (Four) Board Meetings were held on 10th May, 2022, 4th August, 2022, 7th November, 2022 and 2nd February, 2023.

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.	Shri Vikram Somany	Chairman and Managing Director Promoter Director	4	Yes	2	—	—	—
2.	Smt. Deepshikha Khaitan	Joint Managing Director Promoter Director	4	Yes	2	—	—	—
3.	Shri Sajan Kumar Pasari	Non-Executive Independent Director	4	Yes	8	—	—	—
4.	Shri Lalit Kumar Bohania	Non-Executive Independent Director	4	Yes	8	—	—	—
5.	Shri Anupam Gupta	Executive Director (Technical)	4	Yes	0	—	—	—
6.	Shri Ayush Bagla	Executive Director	4	Yes	2	—	—	—
7.	Shri Surendra Singh Baid	Non-Executive Independent Director	4	Yes	0	—	—	—
8.	Ms. Akriti Jain	Non-Executive Woman Independent Director	4	Yes	0	—	—	—
9.	Shri Ravi Bhamidipaty *	Non-Executive Independent Director	3	N.A	2	—	—	—

Note:

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

@ These numbers exclude the Committee membership held in our Company, Committee memberships of private companies, high value debt listed entities, Section 8 companies and foreign companies.

* Shri Ravi Bhamidipaty has been appointed as a Non-Executive- Independent Director w.e.f. 4th August, 2022 for the term of 3 Years.

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.

Shri Vikram Somany, Chairman & Managing Director is a father of Smt. 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 field. They actively participate in the Board and Committees which gives significant value addition in the decision-making process. The Independent Directors are familiarised by the management with respect to their roles and responsibilities, industry behavior, 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 i.e. <https://www.cera-india.com/policy-and-statutory-documents/familiarization-programme>

During the year, none of the Independent Directors of the Company had 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 contribution to the Board and its committees. The following list summarizes the key skills, competence and area of expertise that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess knowledge relating to:

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

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

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

Area of expertise/ skills	Vikram Somany	Deepshikha Khaitan	Anupam Gupta	Sajan Kumar Pasari	Lalit Kumar Bohania	Ayush S.S. Bagla	S.S. Baid	Akriti Jain	Ravi Bhamidipaty
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 20th March, 2023 inter alia, to discuss:

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

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

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

Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the Directors, Promoters, Designated Persons and other connected persons of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company and cautions them of consequences of violations. The Company has updated and revised the Internal Code of Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in line with the amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015 from time to time. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Code of Conduct

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

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

3) Audit Committee

The Audit Committee consists of 4 (Four) directors as its members, namely Shri Lalit Kumar Bohania (Independent) – Chairman, Shri Surendra Singh Baid (Independent) – Member, Ms. Akriti Jain (Independent) – Member and Shri Ravi Bhamidipaty (Independent) – Member.

Shri Vikram Somany and Shri Sajan Kumar Pasari ceased to be the members of Audit Committee and Shri Ravi Bhamidipaty appointed as the member of the Committee w.e.f. 4th August, 2022.

During the year, 4 (Four) Audit Committee Meetings were held on 10th May, 2022, 4th August, 2022, 7th November, 2022 and 2nd February, 2023. Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Shri Lalit Kumar Bohania	4	4
Shri Surendra Singh Baid	4	4
Ms. Akriti Jain	4	4
Shri Ravi Bhamidipaty	2	2
Shri Vikram Somany	2	2
Shri Sajan Kumar Pasari	2	2

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. Shri Lalit Kumar Bohania, Chairman of the Audit Committee was present at the last 24th Annual General Meeting held on 30th June, 2022 to answer the shareholders queries.

Terms of reference

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;

- Changes, if any, in accounting policies and practices & reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - modified opinion (s) in the draft audit report;
 - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings & follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower Mechanism;
 - Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
 - consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Additionally, the Audit Committee shall mandatorily review the following information:
- Management discussion and analysis of financial condition and results of operations;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor
 - Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee, comprises of 3 (Three) directors as its members namely, Shri Surendra Singh Baid (Independent) – Chairman, Shri Lalit Kumar Bohania (Independent) - Member and Shri Ravi Bhamidipaty (Independent) - Member.

Shri Vikram Somany and Shri Sajan Kumar Pasari ceased to be the members of Nomination and Remuneration Committee and Shri Ravi Bhamidipaty appointed as the member of the Committee w.e.f. 4th August, 2022.

During the year under review, 3 (Three) Nomination and Remuneration Committee Meetings were held on 09.05.2022, 28.07.2022 and 01.02.2023.

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

Name of Director	No. of Meetings	
	Held	Attended
Shri Surendra Singh Baid	3	3
Shri Lalit Kumar Bohania	3	2
Shri Ravi Bhamidipaty	1	1
Shri Sajan Kumar Pasari	2	2
Shri Vikram Somany	2	1

Terms of reference

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

notice period, severance fees etc. of the remuneration package of working directors, as may be necessary.

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

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

Independent Directors are appointed, and their performance are evaluated based on the criteria such as knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company, number of meetings attended, familiarization programs attended, time devoted etc.

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

The committee recommends 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, Shri Vikram Somany-Chairman, Shri Anupam Gupta - Member, Smt. Deepshikha Khaitan - Member and Shri Surendra Singh Baid (Independent)-Member.

During the year under review, 1 (One) Corporate Social Responsibility Committee meeting was held on 27th September, 2022.

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

Name of Director	No. of Meetings	
	Held	Attended
Shri Vikram Somany	1	1
Smt. Deepshikha Khaitan	1	1
Shri Surendra Singh Baid	1	1
Shri Anupam Gupta	1	1

Terms of reference

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

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

6) Risk Management Committee:

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

Risk Management Committee comprises of Shri Vikram Somany (Chairman), Smt. Deepshikha Khaitan (Member), Shri Ayush Bagla (Member), Shri Anupam Gupta (Member), Shri Surendra Singh Baid, Independent (Member) and Shri Vikas Kothari, CFO (Member).

During the year 2 (Two) meetings of Risk Management Committee were held on 20th July, 2022 and 10th January, 2023. The Risk management Committee's noting and observation was placed before the Board for information and necessary action of the Board/management.

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

Name of Director	No. of Meetings	
	Held	Attended
Shri Vikram Somany	2	1
Smt. Deepshikha Khaitan	2	1
Shri Ayush Bagla	2	2
Shri Surendra Singh Baid	2	2
Shri Anupam Gupta	2	2
Shri Rajesh B. Shah*	2	2

* Shri Rajesh B. Shah ceased to be the member of Risk Management Committee due to his retirement as CFO w.e.f. 31st March, 2023 and Shri Vikas Kothari appointed as member of the Committee w.e.f. 10th May, 2023.

Terms of reference

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

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

7) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

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

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

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

8) Details of remuneration for the year ended 31.03.2023.**(i) Managing Director / Whole-time Director(s)**

(₹ in Lakhs)

Name and Designation	Remuneration	Perquisites and other benefits	Commission
Shri Vikram Somany Chairman and Managing Director	672.25	82.88	—
Smt. Deepshikha Khaitan Joint Managing Director	286.02	20.81	—
Shri Anupam Gupta Executive Director (Technical)	281.17	43.60	—
Shri Ayush Bagla Executive Director	266.88	19.88	—

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.

Presently, there is no operational Employees Stock Option Scheme (ESOS) in the Company. ESOS does not form a part of contract with the Directors of the Company.

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

(ii) Non-Executive Directors & their Shareholding

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

Criteria for Remuneration to Non-Executive Directors:

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

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

Name of the Director	Sitting Fees (₹ in Lakhs)	Commission (₹ in Lakhs)	No. of Shares held	% of total shareholding
Shri Sajjan Kumar Pasari	0.60	5.00	236696	1.82%
Shri Lalit Kumar Bohania	0.80	5.00	Nil	Nil
Shri Surendra Singh Baid	0.80	5.00	Nil	Nil
Ms. Akriti Jain	0.80	5.00	Nil	Nil
Shri Ravi Bhamidipaty	0.50	5.00	Nil	Nil
TOTAL	3.50	25.00	236696	1.82%

9) Share Transfer Committee

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in order to expedite the process of share transfers / Duplicate/transmissions / transposition/splits /consolidation / name deletion and all the matters in connection with the securities issued by the Company, frequently as and when the need arises, the Board had delegated the powers for dealing in all the matters relating to securities of the Company to the Share Transfer Committee.

The said Committee comprises of 3 (Three) directors as its members, namely, Shri Anupam Gupta - Chairman, Shri Surendra Singh Baid (Independent) - Member and Shri Lalit Kumar Bohania (Independent) – Member.

All requests for dematerialization and re-materialization of shares were confirmed / rejected into the NSDL / CDSL system within 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 Shri Lalit Kumar Bohania (Independent) – Chairman, Shri Ravi Bhamidipaty – Member and Shri Surendra Singh Baid (Independent) – Member.

Shri Anupam Gupta ceased to be the member of committee and Shri Ravi Bhamidipaty was appointed as member of the Committee. During the year, 1 (One) meeting of Stakeholders Relationship Committee was held.

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

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

Status of Complaints during the financial year ended on 31.03.2023:

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

All the complaints received from the Shareholders were resolved to the satisfaction of shareholders. There is no complaint pending as on 31.03.2023, which is not attended / replied by the Company. However, Company has not received any serious complaints during the year.

11) General Body Meetings and Postal Ballot

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

Financial Year ended	Date	Time	Venue
31.03.2022	30.06.2022	11.30 a.m.	Held Through Video Conferencing / Other Audio Visual Means
31.03.2021	04.08.2021	11.30 a.m.	Held Through Video Conferencing / Other Audio Visual Means
31.03.2020	10.09.2020	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:

- 1) Re- appointment of Shri Vikram Somany as Chairman and Managing Director (Annual General meeting dated 30th June, 2022)
- 2) Re- appointment of Shri Ayush Bagla as Executive Director (Annual General meeting dated 30th June, 2022)
- 3) Appointment of Shri Anupam Gupta as Executive Director (Technical) (Annual General meeting dated 30th June, 2022)
- 4) Re-appointment of Shri Surendra Singh Baid as an Independent Director (Annual General meeting dated 30th June, 2022)
- 5) Payment of Commission to Non- Executive Directors (Annual General meeting dated 30th June, 2022)
- 6) Appointment of Smt. Deepshikha Khaitan as Joint Managing Director (Annual General meeting dated 10th September, 2020)
- 7) Re-appointment of Shri Atul Sanghvi as Executive Director & CEO (Annual General meeting dated 10th September, 2020)

Passing of Resolution through Postal Ballot:

- 1) Appointment of Shri Ravi Bhamidipaty as an Independent Director of the Company. (Postal Ballot Notice dated 13th September, 2020)

The details of voting pattern are given below:

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

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

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

12) Means of Communication

- Quarterly results are published in leading daily newspapers viz. The Economic Times / Business Standard and a local language newspaper viz. The Economic Times / Times of India / Navgujarat Samay. 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.
- The official news releases/investor communication, if any, are given directly to the press and simultaneously submitted to the Stock Exchanges.
- 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.
- Earnings Calls and Presentations at the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website of the Company thereafter also submitted to the stock exchanges.

13) General Shareholders' Information

1. Annual General Meeting

Date and Time : Thursday, 6th day of July, 2023 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 2023-24 (tentative)

Annual General Meeting:	By 30 th September, 2024
<u>Results for quarter ending</u>	<u>By 14th day of</u>
June 30, 2023	August, 2023
September 30, 2023	November, 2023
December 31, 2023	February, 2024
March 31, 2024 (Audited)	By 29 th May, 2024

3. Dividend Payment

Dividend for the year ended 31st March, 2023 will be paid to the members whose names will appear in the register of members of the Company, on 28th June, 2023 and in respect of shares held in Demat form, the members whose names appear on the statement of beneficial ownership furnished by NSDL and CDSL at the end of business hours on 20th June, 2023.

Dividend will be paid within 30 days from the date of approval by the members at the Annual General Meeting either by posting of dividend warrants / demand draft or by direct credit into the members' bank accounts.

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

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, Company has issued Newspaper advertisement on 18th May, 2022 and Company has sent individual notices to the shareholders on 13th May, 2022 for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more. Those shareholders who have not claimed their shares, such shareholders' shares have been transferred to the Investor Education and Protection Fund during the year 2022-23. 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 Ministry of Corporate Affairs at www.iepf.gov.in.

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 - 400 001 and National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

The company has paid listing fees for the year 2022-23 and 2023-24 to both the Stock Exchanges.

BSE Limited

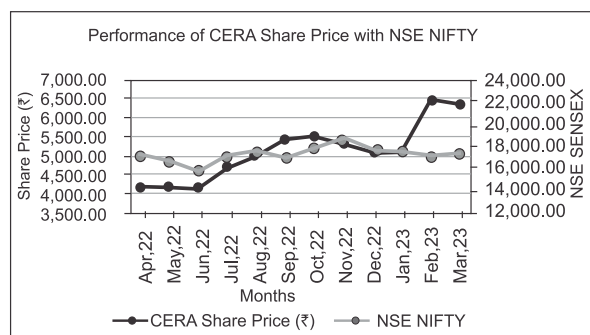
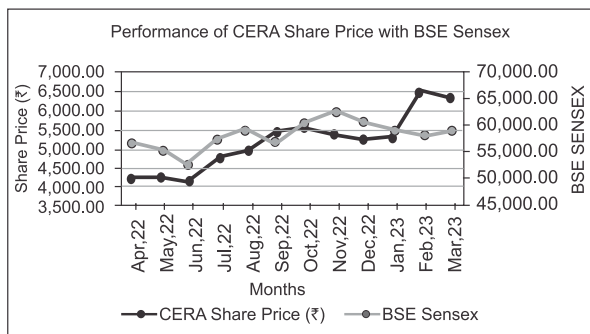
Scrip Code : 532443 Scrip ID : CERA

National Stock Exchange of India Limited

Trading Symbol : CERA.

6. Share price at BSE and NSE

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2022	5188.45	4084.60	4992.30	4070.70
May-2022	4323.50	3518.60	4335.00	3515.00
Jun-2022	4343.00	3950.05	4319.35	3950.00
Jul-2022	4760.00	3990.00	4768.45	3989.95
Aug-2022	5084.40	4632.70	5047.70	4622.10
Sep-2022	5968.00	4865.95	5955.00	4853.20
Oct-2022	5657.30	5245.45	5670.60	5240.00
Nov-2022	6067.95	5147.60	6076.60	5150.05
Dec-2022	5494.10	4950.00	5499.90	4963.40
Jan-2023	5523.00	5180.10	5523.95	5175.75
Feb-2023	6789.05	5252.45	6788.00	5260.00
Mar-2023	6622.25	5885.10	6630.00	5882.65



7. Registrar and Share Transfer Agent

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

8. Share Transfer System

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

The Company obtains annually certificate from a Company Secretary in Practice confirming the issue of share certificates, sub-division, consolidation, transmission etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI (LODR) Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI (LODR) Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on yearly basis.

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

9. Information for Physical Shareholders

With reference to SEBI Circular dated 3rd November, 2021 read with SEBI Circulars dated 14th December, 2021 and 25th January, 2022 and 16th March, 2023 on Common and Simplified Norms for processing Investor's Service, shareholders holding shares in physical form, to furnish the following documents mandatorily to Company/ our Registrar & Share Transfer Agent (RTA) on urgent basis, failing which all such physical folios shall stand frozen with effect from 1st October, 2023 by the RTA of the Company. Shareholders with frozen folio shall not be eligible to lodge grievance or avail service request from the RTA and further shall not be eligible for receipt of dividend in physical mode w.e.f. 1st April, 2024.

- 1) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details (Form ISR-1)
- 2) Bank Account details (Bank Name, Branch, Bank Account No, IFSC Code and MICR code) (Form ISR-1)
- 3) Address with Pin code, Email id and Mobile Number (Form ISR-1)
- 4) Specimen Signature (Form ISR-2)
- 5) 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.

Necessary communication through letters were been sent to all the physical shareholders in this regard in the month of February, 2022 and second reminder was sent in the month of March, 2023.

Further all the shareholders who have not dematerialized their shares, are also advised to get their shares converted into Demat/electronic form to get inherent benefits of dematerialization. CERA SANITARYWARE LIMITED's ISIN is INE739E01017. For queries, you can approach 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.

10. Distribution of Shareholding as on 31.03.2023

Shares	No. of Shareholders	Total No. of Shares
1	500	39,352
501	1000	240
1001	2000	102
2001	3000	33
3001	4000	16
4001	5000	11
5001	10,000	33
10,001	50,000	36
50,001	1,00,000	11
1,00,001 And above		15
Total	39,849	1,30,05,874

11. Shareholding Pattern as on 31st March, 2023.

Sr. No.	Category	No. of Shares	(%)
1.	Promoters	70,85,139	54.48
2.	Mutual Funds/UTI	12,49,855	9.61
3.	FPIs	23,44,928	18.03
4.	Financial Institutions / Banks / Trusts / IEPF/Insurance Co.	1,19,634	0.92
5.	NRIs	80,507	0.62
6.	Bodies Corporate	3,53,950	2.72
7.	Indian Public	17,71,861	13.62
Total		1,30,05,874	100.00

12. Dematerialisation of Shares as on 31.03.2023

As on 31.03.2023, 98.89% of the Company's total shares representing 1,28,61,655 Shares were held in dematerialized form and the balance 1.11% representing 1,44,219 shares were in physical form.

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

- 13.** Secretarial Audit for Reconciliation of Capital pursuant to SEBI (Depositories and Participants) Regulations, 2018 : A practicing company secretary has carried out the aforesaid Secretarial Audit for all the quarters of Financial Year 2022-23. The Audit Reports confirms that there is no discrepancy in the issued, listed and admitted capital of the Company.
- 14.** There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or convertible instruments in the Company.
- 15.** Neither the Company nor its subsidiaries has granted any loans to firms/Companies in which Directors are interested during the year under review.

16. Credit Rating:

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

Facilities	Ratings	Remarks
Long -Term Bank Facilities	CARE AA; Stable [Double A; Outlook: Stable]	Reaffirmed
	CRISIL AA-/ Positive (Outlook revised from '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 (₹ 30 Crores)	CRISIL A1+	Reaffirmed

17. Plant Locations

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

- Sanitaryware and Faucetware Plants :
9, GIDC Industrial Estate, Kadi-382 715,
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.

18. Address for Correspondence

The Company's Registered Office is situated at 9, GIDC Industrial Estate, Kadi-382715, District Mehsana, Gujarat. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above or Corporate Office at 7th & 8th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Crossroads, Ahmedabad - 380059 or to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009. Contact No. 079- 26580461/62, Email:mcsstaahmd@gmail.com

- 19.** The Company has received Certificate from Parikh Dave & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs or any such statutory Authority. Certificate forms part of the report.
- 20.** During the F.Y. 2022-23 the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- 21.** During the year, total fees of ₹ 26.50 Lakhs have been paid to Statutory Auditors Singhi & Co. and total fees of ₹ 2.50 Lakhs paid to Statutory Auditors of Subsidiaries i.e. N.M.Nagri & Co.
- 22.** 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

14) Other Disclosures

- 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, 2023 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 figures have been regrouped/reclassified or restated, so as to make the figures comparable with the figures of current year.
3. There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authority of any matter related to the capital market, during the last three years.
4. Vigil Mechanism (Whistle Blower Policy):
The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website at <https://www.cera-india.com/policy-and-statutory-documents/vigil-mechanism-whistle-blower-policy> and no person is denied access to the Audit Committee. The Company is doing business with honesty and integrity over the years. The system is in place to report unethical conduct in order to promote professionalism, fairness, dignity, and ethical behaviour in its staff and stakeholders.
The said system also safeguards the employees who use the vigil mechanism from being victimized.
5. The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has partly adopted nonmandatory requirements. The Company is having unmodified audit opinion and the Internal Auditor reports directly to the audit committee. The Company is complying with applicable Secretarial Standards.
6. The Company has no material subsidiary. The Policy on Material Subsidiary framed by the Board of Directors of the Company is available on Company's website at the link:<https://www.cera-india.com/policy-and-statutory-documents/policy-for-determining-material-subsiary>
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. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company. Considering the recent amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Related Party transactions, the board have revised the Related party Transaction policy of the Company 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 2022-23.
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.
10th May, 2023

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors,
Cera Sanitaryware Ltd.

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2023 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
10th May, 2023

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

Vikas Kothari
Chief Financial Officer

CERTIFICATE

To,
The Members,
Cera Sanitaryware Limited
CIN: L26910GJ1998PLC034400

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

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number - DIN on the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on 31st March, 2023 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
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
Umesh Parikh
Practicing Company Secretary
Partner
FCS No. 4152
C P No.: 2413
UDIN: F004152E000283959

Ahmedabad
10th May, 2023

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Cera Sanitaryware Limited
CIN: L26910GJ1998PLC034400

We have examined all relevant records of **CERA SANITARYWARE LIMITED** for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under para C and D of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2023.

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

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

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

FOR PARIKH DAVE & ASSOCIATES
Company Secretaries
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
Umesh Parikh
Practicing Company Secretary
Partner
FCS No. 4152
C P No.: 2413
UDIN: F004152E000283926

Ahmedabad
10th May, 2023

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

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

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2023.

Ahmedabad
10th May, 2023

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

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, 2023.

SECTION A : GENERAL DISCLOSURE:

I. DETAILS OF LISTED ENTITY

1	Corporate Identity Number (CIN) of the Company	L26910GJ1998PLC034400
2	Name of the Company	Cera Sanitaryware Limited
3	Year of Incorporation	1998
4	Registered Office address	9, GIDC Industrial Estate, Kadi-382715, Dist. Mehsana, Gujarat, India.
5	Corporate Address	7 th & 8 th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Cross Roads, Ahmedabad 380059
6	Email ID	kadi@cera-india.com
7	Telephone	2764-243000, 242329, 079-49112222
8	Website	www.cera-india.com
9	Financial year of which Reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid Up Capital	₹ 650.29 Lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Hemal Sadiwala 2764-243000, 242329 hemal.sadiwala@cera-india.com
13	Reporting boundary:	Standalone

II. PRODUCTS / SERVICES

14. Details of business activities (accounting for 90% of the turnover):

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

15. 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	239	48
2	Manufacturing and Trading of Faucetsware	281	34
3	Manufacturing and Trading of Bathroom accessories & Allied products	281	7
4	Trading of Tiles	239	11

* NIC -2008

III. OPERATIONS

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

Location.	Number of Plants	Number of Offices*	Total
National	2	38	40
International	0	0	0

* Including Depots

17. Markets served by the entity:

a. Number of locations

Location.	Number
National (No. of states)	25 states of India
International (No. of countries)	35 countries in World

b. What is the contribution of exports as a percentage of the total turnover of the entity? **0.92%**

c. A brief on types of customers:

CERA caters to the consumers through dealers and sub dealer network. We also cater to institutional customers in building construction.

IV. EMPLOYEES

18. 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)	1205	1133	94.02%	72	5.98%
2.	Other than Permanent (E)	110	106	96.36%	4	3.67%
3.	Total employees (D+E)	1315	1239	94.22%	76	5.78%
	WORKERS					
4.	Permanent (F)	1318	1316	99.84%	2	0.16%
5.	Other than Permanent (G)	1866	1716	91.96%	150	8.04%
6.	Total workers (F+G)	3184	3032	95.23%	152	4.77%

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)	3	3	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D+E)	3	3	100%	0	0%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	10	10	100%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F+G)	10	10	100%	0	0%

19. Participation / Inclusion / Representation of women

	Total(A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.22
Key Management Personnel*	2	0	0

* Excluding Board of Directors

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in the year prior to the previous FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in current FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14%	16%	14%	18%	21%	18%	9%	9%	9%
Permanent Workers	3%	0%	3%	6%	0%	6%	7%	33%	7%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21.(a) Names of holding / subsidiary / associate companies / joint ventures

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

- Anjani Tiles Limited ceased to be the Subsidiary Company w.e.f. 23rd March, 2023.

* The Company encourages subsidiaries to adopt Business Responsibility initiatives, policies and practices.

VI. CSR DETAILS

22.(i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : **Yes**

(ii) Turnover (in ₹) **1,79,324.33 Lakhs**

(iii) Net worth (in ₹) **1,16,921.54 Lakhs**

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. 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 2022-23			FY 2021-22		
		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	Policies which are required by the law is available on the website of the Company i.e. https://www.cera-india.com/policy-and-statutory-documents-and-the-policies-procedures/SOPs which are internal to the Company are available on the intranet of the Company	0	0	N.A	0	0	N.A
Investors (other than shareholders)		0	0	N.A	0	0	N.A
Shareholders		3	0	N.A	2	0	N.A
Employees and workers		0	0	N.A	0	0	N.A
Customers		0	0	N.A	0	0	N.A
Value Chain Partners		0	0	N.A	0	0	N.A
Other (please specify)		0	0	N.A	0	0	N.A

24. Overview of the entity’s material responsible business conduct issues (ESG)

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy and GHG Management	Opportunity	Globally, greenhouse gas emissions (GHG) are contributing to global warming. Managing energy consumption efficiently and fuel consumption responsibly provides an opportunity to create both operational efficiencies in the business as well as contribute to lowering the overall GHG footprint for our company. Focusing on Green Manufacturing through: - Very less emissions from Kilns, reducing effluents - Renewable Energy – minimize use of non-renewable power sources - 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. - To compensate the energy consumption by way of electricity, Company has an installed capacity of Wind Turbines and Solar Plants of which generates Company’s maximum electricity requirement		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water management	Risk & Opportunity	<p>The rising water scarcity due to climate change poses significant risks and requires companies to have an effective mitigation plan to conserve and judiciously use the water to meet the requirements. These challenges also provide us an opportunity to develop innovative water-saving products to meet the customer's demand.</p> <ul style="list-style-type: none"> - CERA ensure Water Savings for all consumers through innovative design. - Company will also emphasis the development and sale of WATER saving products which are very crucial for the sustenance of environment and preservation of eco system. 48% of products in the portfolio are water saving products. 	We have made more than 10 wells for rain water harvesting inside the manufacturing plant and staff colony.	Positive and Negative
3	Waste Management	Opportunity	<p>Better waste segregation and collection processes to improve the efficiency of the process, CERA has a robust collection and recycling process already in place with an intent to reduce plastic, paper and other consumption. The Company has also appointed Waste Management Agency. At the factory level, CERA will itself segregate the waste and dispose it off by selling it to a Govt approved recycler</p>		Positive
4	CSR	Opportunity	<p>Need Assessment done prior to project execution of CSR projects, which enable us to better serve the community and their requirement.</p> <p>CERA is involved in various social welfare activities and has always considered social contribution a primary objective . Regularly undertakes Education Programmes, Health Programmes, Rural Development, Skill Development classes and distribution of scholarships under its CSR programme</p> <p>Cera has made a considerable positive impact to the surrounding areas of its manufacturing facility</p>		Positive
5	Human Rights	Risk	<p>Changing regulations around human rights pose as a challenge parameters on human rights such as fair working environment, equal opportunities, remuneration, freedom of association without ethnic discrimination will impact the performance of the company on the social front from the employee's perspective.</p>	<ul style="list-style-type: none"> - CERA putting its substantial efforts to ensure that no human right violations are ensured in the entire line of our business - The Company has adopted various policies namely code of conduct, Anti-Corruption Policy, Business Ethics & Labour Policy, Policy on 	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				Child Labour & Forced Labour, Policy on Sexual Harassment, Whistle-blower Policy to protect the Human Rights Issues of the Employees. The Policies are available on the website of the Company.	
6	Employee engagement, safety and well-being	Opportunity	<p>Employees are our biggest assets. Robust employee engagement, safety, and well-being drives enhanced productivity for the Company.</p> <p>This material aspect is therefore an opportunity to integrate employees' views in the core functioning of the Company, while ensuring employee satisfaction and safety in each process.</p> <p>- Many efforts and initiatives have been put in place to ensure employee health and safety.</p> <p>The company is ISO 45001 : 2018 certified and has an Occupational, Health & Safety Policy.</p>		Positive
7	Product quality and safety	Opportunity	<p>To distinguish ourselves as market leaders and to be the most the preferred consumer brand in sanitaryware and bathroom allied products.</p> <p>CERA has established strong market connects and build legacy brands that ensure consumer satisfaction.</p>		Positive
8	Supply Chain Management	Opportunity	<p>Our supply chain has also ensured us to have competitive pricing and pass on its benefit to our consumers without any business disruptions.</p> <p>Our business continuity plan and risk management plan has covered all foreseeable risks in our supply chain with measures already underway to address risk if any.</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.

- P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive towards all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect, protect and make efforts to restore the environment
- P7 Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	All policies which are required to be disclosed under various governing regulations have been placed on the website https://www.cera-india.com/policy-and-statutory-documents								
2 Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	No, the Company encourage its value chain partners to adopt best practices to achieve responsible business operations								
4 Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g.SA8000, OHSAS,ISO,BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for quality Management System, ISO 45001:2018 Safety management system, ISO 14001:2018 Environment management system Product confirmation to BIS (ISI), IAPMO,CE,								
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	Company's policies outlines its commitments towards sustainability and responsible business								
6 Performance of the entity against the specific commitments, goals and targets along-with reasons incase the same are not met.	Performance of the Company is described in the Directors' Report and its Annexures forming part of this Annual Report.								
Governance, leadership and oversight									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)	The Company is committed to integrating ESG principles into its businesses which is central to improving the quality of life of the communities it serves. Cera Sanitaryware follows a holistic approach towards Environmental, Social and Governance matters. Cera Sanitaryware values the trust reposed by its stakeholders including customers,the communities in which it operates and society at large and has strived hard to protect and preserve their interests.								
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 : Shri Anupam Gupta • Designation : Executive Director (Technical) • Telephone : (02764) 243000, 242329 								
9 Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, the Company have appointed Shri Anupam Gupta, Executive Director (Technical) and Shri Ayush Bagla, Executive Directors to oversee implementation of the ESG principles, policies and report to the Board on its implementation strategy and progress.								

10 Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	We have internal control measures that check compliance on a regular basis.								
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.										P1	P2	P3	P4	P5	P6	P7	P8	P9
										No, Company's internal control procedures ensure periodic assessment of our operations to verify compliance to our policies and applicable regulations.								
12. If, answer to question 1 about is no i.e. not all principles are covered by a policy, reasons to be stated; : Not Applicable																		

SECTION C [PRINCIPLE-WISE PERFORMANCE DISCLOSURE] :

PRINCIPLE 1 : [BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE]

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
- Board of Directors	(As part of Board meeting / Committees meetings) 4 Board meetings and 11 Committee meetings	- Corporate Governance - Companies Act, and rules made there under - SEBI Regulations - ESG related issues & updates - CSR initiatives - Risk Management - Familiarization programmes	100%
- Key Managerial Personnel			
- Employees other than BoD and KMPs	Multiple	- Our employees receive multiple trainings throughout the year on topics such as Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, code of conduct, regulatory updates, awareness, etc.	100%
- Workers	Multiple	- Our Worker receive multiple trainings throughout the year on topics such as - Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, Human Risks, Workplace Regulatory Compliances, Skill Improvement, Waste Reduction, Energy efficiency, etc.	Have started full day training sessions for workmen on One Culture

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 Requirements) Regulations, 2015 and as disclosed on the Company's website) ;

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

During the financial year, no penalty / fine, settlement, compounding fee, imprisonment, or any kind of punishment has been imposed on Directors and KMPs.

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

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Company has anti-corruption or anti-bribery policy. The Policy is placed on the website of the Company. The weblink is <https://www.cera-india.com/policy-and-statutory-documents>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:
No disciplinary action was taken against any Directors / KMPs / Employees / Workers by any Law enforcement agency for charges of bribery / corruption.
6. Details of complaints with regard to conflict of interest:
No complaints received in relation to issues of conflicts of interest of Directors / KMPs.
7. Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. : **Not Applicable**

LEADERSHIP INDICATORS

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company has been encouraging its vendors to follow the path of sustainability. The Company has a strong emphasis on ESG factors in addition to general competences, finances, and capacity. Further, during the year attention was given to operations and procedures in order to reduce waste and make processes more energy efficient.		

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, the Company has a dedicated code of conduct to manage conflict of interests involving members of the Board. The code of conduct is available on the website of the Company: <https://www.cera-india.com/policy-and-statutory-documents/code-of-conduct>

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

1. 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 2022-23	FY 2021-22	Details of Improvements in environmental and social impacts
R&D - Recurring	₹ 145.59 Lakhs	₹ 188.94 Lakhs	Expenditure incurred for energy efficiency, safety, waste management, water consumption reduction etc., more details are mention in Annexure III of Directors Report
R&D - Capex	₹ 43.43 Lakhs	₹ 1.44 Lakhs	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
b. If yes, what percentage of inputs were sourced sustainably?
Yes, Vendors from whom major raw materials are sourced are complied with the requirement of environmental standards. Selection of vendor is done based on the long-term perspective after validating about social, ethical and environmental performance effect.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
- **We do collection and recycle of plastics through certified recyclers (CPCB)**
 - **E-waste dispose through approved and authorised vendors for disposing environmentally friendly**
 - **Other waste, we recycle and reuse in the production process.**
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is not applicable to the Company.

LEADERSHIP INDICATORS

1. 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?

We have not conducted any LCA Studies

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

CERA products are made from earthy materials and which are non- reactive, non-inflammable and non-hazardous in nature and products are made at high temperature and which makes solid composite inert products. These makes products non-impact on social and in significant impact on environment. We practice environment-friendly manufacturing processes while ensuring compliance with applicable regulations and laws. However, we recognize the importance of understanding the impact of our products on environmental and social aspects.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). (Costing/Accounts)

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Green waste*	15%	22%
Fired waste	12%	13%

*Due to technology improvement, there was reduction in Green waste, hence percentage has been reduced in reporting period as compare to previous year.

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 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Very small quantity of plastic is used in our packaging. There is no process of reclaiming it.					
E-waste	Not applicable, the Company does not sell electronic products					
Hazardous waste	Not applicable, the Company does not sell products with hazardous substances					
Other waste	Not applicable					

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
CERA is not undertaking reclamation of our products sold as, sanitaryware, Faucetware, Tiles and bathware products, as they have a long lifespan. The cardboard used in our packaging material is recyclable.	

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

ESSENTIAL INDICATORS

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

% of Employees covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1133	701	62%	1133	100%	0	0%	0	0%	0	0%
Female	72	38	53%	72	100%	72	100%	0%	0%	0	0%
Total	1205	739	61%	1205	100%		-		-		-
Other than Permanent employees											
Male	106	76	72%	0	0%	0	0%	0	0%	0	0%
Female	4	0	0%	0	0%	4	100%	0%	0%	0	0%
Total	110	76	69%	-	0%		-		-		-

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

% of Workers covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1316	0	0%	1316	100%	0	0%	0	0%	0	0%
Female	2	0	0%	2	100%	2	100%	0	0%	0	0%
Total	1318	0	0%	1318	100%	0	0%	0	0%	0	0%
Other than Permanent Workers											
Male	1716	0	0%	0	0%	0	0%	0	0%	0	0%
Female	150	0	0%	0	0%	0	0%	0	0%	0	0%
Total	1866	0	0%	0	0%	0	0%	0	0%	0	0%

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

	FY 2022-23			FY 2021-22		
	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	9.04%	93.77%	Y	12.39%	95.66%	Y
Others—please specify	0	0	N.A.	0	0	N.A.

3. **Accessibility of workplaces**

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

We ensure differently abled persons do not face any issue in all CERA locations/facilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 ? If so, provide a web-link to the policy.
Yes, our Business Responsibility policy clearly states our commitment as an equal opportunity employer. The Company advocates a constructive business environment which ensures equal employment opportunities for all without any discrimination
5. Return to work and Retention rates of permanent employees and workers that took parental leave. **Not Applicable**
6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, 1. Vishwas Setu established for daily shop floor grievances and support management tool as redressal mechanism; 2. Meeting with union representative & VP HR irrespective of categories. 3. Shop floor Visits – VP HR, DGM IR, Security Head daily basis grievances addressed
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers i respective category (A)	No. of employees/ workers in Respective category, who are part of association(s) or Union (B)	% (B/ A)	Total employees/ workers i respective category (C)	No. of employees/ workers in Respective category, who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	1205	0	0	1065	0	0
- Male	1133	0	0	998	0	0
- Female	72	0	0	67	0	0
Total Permanent Workers	1318	1313	99%	1337	1332	99%
- Male	1316	1311	99%	1335	1330	99%
- Female	2	2	100%	2	2	100%

8. Details of training given to employees and workers:

Category	Total(A)	FY 2022-23				Total(D)	FY 2021-22			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill Upgradation	
		No. (B)	%(B/ A)	No. (C)	%(C/ A)		No. (E)	%(E/ D)	No.(F)	%(F/ D)
Employees										
Male	1133	41	3%	44	4%	998	425	43%	54	5%
Female	72	12	17%	13	18%	67	13	19%	13	19%
Total	1205	53	4%	57	5%	1065	438	41%	54	5%
Workers										
Male	1308	500	38%	808	62%	1649	1649	100%	303	18%
Female	264	160	61%	104	39%	95	95	100%	09	9%
Total	1572	660	42%	912	58%	1744	1744	100%	312	18%

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

Category	Total (A)	FY 2022-23		Total(C)	FY 2021-22	
		No. (B)	%(B/ A)		No. (D)	%(D/C)
Employees						
Male	Every Year Performance appraisal process is taken care during which their career growth opportunities are given and appraise further for every upcoming new financial year targets.					
Female						
Total						
Workers						
Male	Worker career development is done in several stages from Unskilled to Semiskilled to Skilled category. Continuous on the job monitoring and assessment done at shop floor.					
Female						
Total						

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 health and safety management system in all our locations. The Company has Occupational, Health & Safety Policy.

At Cera, occupational health, safety of employee is our prime concern and important objective. We are conscious of our responsibility for creating, maintaining and ensuring safe and smooth work environment, reduce health and safety hazards through application of technology and safe work practices for sustainable development.

We committed to provide atmosphere to every employee including worker representative to assume self-responsibility, take active part and extended fullest co-operation in maintaining and improving health & safety standards

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

The health & safety team in all our location regularly undertakes audits & inspections including workers and supervisor's feedback. Recommendations are discussed and suitably implemented. We encourage our employees and workers to report any unsafe conditions or unsafe acts or near miss incidents promptly to the health & safety team to ensure corrective action in timely manner

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.(Y/N)
Yes, all workers are permitted to work only after they are given safety briefing on the activities to be performed. Workers are encouraged to report any work related hazard through internal communication. All work hazard reported are actioned upon by health & safety team.
- d. Do the employees/worker of the entity have access to non-occupational medical and health care services?(Yes/ No)
Yes, the Company has medical facilities at its manufacturing locations. Employees and their immediate families have medical insurance or are covered under ESI benefits that covers hospitalisation costs in the event of an accident or other unforeseen medical emergencies.

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

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	11.48	15.64
Total record ablework-related injuries	Employees	0	0
	Workers	36	49
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Safety of our employees and workers are our utmost priority. We practice and believe in elimination of unsafe condition and unsafe act. We encourage workers and staff for reporting of near miss and potential hazards for work place safety. The trainings and inspections to ensure all workers follow safety guidelines. We track health & safety performance of our plants on a regular basis. All incidents found are thoroughly investigated with a root cause analysis followed by corrective actions.

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

Category	FY 2022-23			FY 2021-22		
	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	Nil	Nil		Nil	Nil	
Health & Safety	Nil	Nil		Nil	Nil	

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	Nil
Working Conditions	Nil

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. **Not applicable**

LEADERSHIP INDICATORS

- 1. Does the entity extend any life insurance or any compensatory package in the even tof death of (A) Employees (Y/N) (B) Workers (Y/N).**Yes,**
The Company has Policy for benefits of Deceased Employee to compensates in case of unfortunate Death. As per the Policy, the Company provides fixed amounts of benefits in case of Natural Death or Accidental death of Employee from the Kamdar Kalyan Yogna Fund of the Company. The Company also extends monetary benefits towards funeral expenses to legal heirs of Deceased Employee.
- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. **Not applicable**
- 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:**Nil**

	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 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

- 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? **No.**
- 5. Details on assessment of value chain partners : **Not Applicable**
- 6. Provide details of any corrective actions take nor underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners. **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.
Identifying any individual or institution who has been in regulation interaction with the CERA. This includes Investors, Government and Regulatory Bodies, Industry Bodies and Associations, Employees, Consumers or end users, Communities, Suppliers and Dealers

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

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

LEADERSHIP INDICATORS

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

The processes for the consultation between stakeholders and the Board on economic, environmental, and social topics including mode of communication and purpose of communication is mentioned in above row no. 2. Once CERA receive the inputs/feedbacks from stakeholders, the same is discussed with the Board on the basis of matters of priority and importance from time to time.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (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, we have engaged with our internal stakeholders to discuss risk and opportunities on Environment, Social & Governance topics. We discuss regularly with our stakeholders and ensure that their concerns are addressed in our business decisions wherever feasible. We track the key topics discussed by our stakeholders namely customers, dealers, supplier, investors, employees, community, industry associations and regulatory bodies.

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

We have implemented many CSR Programmes with focus areas of Promoting Healthcare, Education, to improve lives of the peoples across communities and for the welfare of the under privileged segment of our Societies. More details are mention under Annexure - II of the Directors Report.

PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

Category	Total (A)	FY 2022-23		Total(C)	FY 2021-22	
		No. of employees workers covered (B)	% (B / A)		No. of employees workers covered	%(D/C)
Employees						
Permanent Other than permanent Total Employees	The Company has adopted various policies namely code of conduct, Anti- Corruption Policy, Business Ethics & Labour Policy, Policy on Child Labour & Forced Labour, Policy on Sexual Harassment, Whistle-blower Policy to protect the Human Rights Issues of the Employees. The Policies are available on the website of the Company. Trainings on various policies of the Company and on human rights are provided at the time of induction and on periodic basis. All Employees are expected to adhere to it during the course of their association with the Company.					
Workers						
Permanent Other than permanent Total Workers	Our code of conduct covers principles of human rights. During our induction session the code of conduct, human rights principles are explained in detail. All workers are expected to adhere to it during the course of their association with the Company.					

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

Category	Total(A)	FY 2022-23				Total(D)	FY 2021-22			
		Equal to minimum wages		More than Minimum Wages			Equal to minimum wages		More than Minimum Wages	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent										
Male	1133	0	0%	1133	100%	998	0	0%	998	100%
Female	72	0	0%	72	100%	67	0	0%	67	100%
Total	1205	0	0%	1205	100%	1065	0	0%	1065	100%
Other than Permanent										
Male	106	0	0%	106	100%	171	0	0%	171	100%
Female	4	0	0%	4	100%	7	0	0%	7	100%
Total	110	0	0%	110	100%	178	0	0%	178	100%
Workers										
Permanent										
Male	1316	0	0%	1316	100%	1335	0	0%	1335	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
Total	1318	0	0%	1318	100%	1337	0	0%	1337	100%
Other than Permanent										
Male	1716	1127	66%	589	34%	1758	1072	61%	686	39%
Female	150	123	82%	27	18%	94	75	80%	19	20%
Total	1866	1250	67%	616	33%	1852	1147	62%	705	38%

3. Details of remuneration/salary/wages, in the following format:

Gender	Number	Male		Female	
		Median remuneration/ salary/wages of respective category (Amount ₹ in Lakhs / Per Annum)	Number	Median remuneration/ salary/wages of respective category (Amount ₹ in Lakhs / Per Annum)	Number
CMD, JMD, Executive Directors	3	Refer Director's report	1	Refer Director's report	
Key Managerial Personnel	2	Refer Director's report	0	Refer Director's report	
Employees other than BoD and KMP	1128	7.94	71	6.17	
Workers	1316	2.65	2	2.59	

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**
Our Human Resources function is responsible for handling human rights related impacts and issues arising from our operations.

In the endeavour to create consistent value propositions for all the stakeholders and to ensure highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted 'Whistle-Blower Policy'. Through this Policy the Company encourages stakeholders to bring to the Company's attention any instance of unethical behaviour and actual or suspected misconducts of fraud or violation of Company's Code of Conduct that could adversely impact Company's operation, business performance and / or reputation.

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

Our employees and workers can write or consult the Human Resource Officer or HR heads of respective plants. Also, Company has in place, Whistle Blower policy which also provides necessary safeguards to all Whistle Blowers for human rights issues.

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

	FY 2022-23			FY 2021-22		
	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	Nil	Nil		Nil	Nil	
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other humanrights related issues	Nil	Nil		Nil	Nil	

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

In accordance with the terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules promulgated thereunder, the Company has implemented a Policy on protection of women against sexual harassment at workplace to ensure a safe work place for its women employees. This encourages the women employees to pursue their career without any fear of prejudice, gender bias, sexual harassment and / or any such orientation in implicit or explicit form. The inquires under this policy are conducted in an absolutely confidential manner. Any person entrusted with the duty to handle or deal with complaint contravenes the provision relating to confidentiality shall be liable for penalty. Also, Company has in place, Whistle Blower policy which provides necessary safeguards to all Whistle Blowers for making disclosures in Good Faith and any stakeholder assisting the investigation.

8. Do human rights requirements form part of your business agreements and contracts?

It is included in certain business agreement and contracts. We encourage our business partners to adhere to responsible business practices and follow all applicable laws and regulations

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% The Company undertook internal assessment through its Health, Safety, HR and Internal Audit Function
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others—please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not applicable, there were no significant risks / concerns arising from human rights assessments.

LEADERSHIP INDICATORS

- Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.
Through different training mechanisms and vigil system in place the Company assures more sensitized workforce towards Human Rights. No complaints were received during the year.
- Details of the scope and coverage of any Human rights due-diligence conducted.
No such due diligence conducted.
- 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?
Yes. We have ensured accessibility of all the premises / offices for differently abled employees.
- Details on assessment of value chain partners:
Not Applicable
- 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 2022-23	FY2021-22
Total electricity consumption (A)	80,514	82,537
Total fuel consumption (B)	4,16,174	4,35,245
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	4,96,688	5,17,782
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	2.77 Giga Joules / Lakhs	3.60 Giga Joules / Lakhs

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

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

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

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	134690	137605
(iii) Third party water	63439	93199
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii+ iii+ iv + v)	198129	230804
Total volume of water consumption (in kilolitres)	198129	230804
Water intensity per rupee of turnover (Water consumed/turnover)	1.10 kilolitres/ Lakhs	1.60 kilolitres/ Lakhs

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

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
We have a Zero Liquid discharge in our manufacturing facility. Our Effluent treatment system comprises of Effluent Treatment Plant (ETP), Reverse Osmosis (RO), Multiple Effect Evaporator (MEE). These state of art technologies ensure to make treated waste water fit for recycle/ reuse. At present there is no outside discharge of treated wastewater from our manufacturing facilities, The treated effluent from Formulation ETP treated wastewater is used for gardening. The manufacturing facilities have been equipped with state-of-art effluent treatment facilities, which ensure Zero Liquid Discharge

5. Please provide details of airemissions (other than GHGissions) by the entity, in the following format:

Air emission are monitored regularly to ensure that we are in compliance with the permissible limits of regulatory norms.

Parameter*	Please specify unit	FY 2022-23	FY 2021-22
NOx	Ug/m3	13	11
Sox	Ug/m3	16	14
Particulate matter(PM)	Ug/m3	72	74
Persistent organic pollutants (POP)	N/A	N/A	N/A
Volatile organic compounds (VOC)	N/A	N/A	N/A
Hazardous air pollutants (HAP)	N/A	N/A	N/A
Others – please specify	N/A	N/A	N/A

* **The Company has used Envirotech Stack Kit to measure the data of aforesaid air emission.**

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

6. Provide details of greenhouse gas missions (Scope 1 and Scope2emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope1 emissions (Break-up of the GHGinto CO2,CH4,N2O, HFCs,PFCS,SF6,NF3, if available)	Metric tonnes of CO2 equivalent	20912	21870
Total Scope2 emissions (Break-up of the GHGintoCO2,CH4,N2O, HFCs,PFCS,SF6,NF3, if available)	Metric tonnes of CO2 equivalent	8524	8581
Total Scope1 and Scope2 emissions per rupee of turnover		0.16 Metric tonnes / Lakhs	0.21Metric tonnes / Lakhs

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

7. Does the entity have any project related to reducing Green House Gase mission ? If Yes, then provide details. **Yes. kiln Firing cycle is reduced by 10% by improving input raw material quality and control of particle size distribution.**

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

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	204.09	319.46
E-waste (B)	0.68	0.78
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	N/A	N/A
Battery waste (E)	N/A	N/A
Radioactive waste (F)	N/A	N/A
Other Hazardous waste. Please specify, if any. (G)	N/A	N/A
Other Non-hazardous waste generated (H). Please specify, if any. (Discarded containers)	5.82	10.18
Total (A+B+C+D+E+F+G+H)	210.59	330.43
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1 MT	0.2 MT
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	1 MT	0.2 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	N/A	N/A
(ii) Land filling	44.5 MT	45.5 MT
(iii) Other disposal operations	N/A	N/A
Total	44.5 MT	45.5 MT

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. **Yes, the Company has appointed Nepra Environmental Solutions Private Limited and ECS Environment Private Limited as an Independent Agencies to carry out assessment of Waste Management of the Company.**

9. 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 products are made from earthy materials and which are non-reactive, non-inflammable and non-hazardous in nature and products are made at high temperature and which makes solid composite inert products. The generated wastes used in production on regular basis. Necessary infrastructure has also been created to continue the activities in future. At the factory level, CERA will itself segregate the waste and dispose it off by selling it to a Govt approved recycler

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, bio diversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not Applicable

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

During the reporting period no environmental impact assessments of projects undertaken by the Company.

12. 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:

The Company is in compliance with all environment related applicable legislations.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Giga Joules) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	9,041.65	9,297.67
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	9,041.65	9,297.67
From non-renewable sources		
Total electricity consumption (D)	71,472.35	73,239.72
Total fuel consumption (E)	416174	435245
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	487646.35	508484.72

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

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
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- Sewage Treatment Plant		
(iii) To Sea water - Notreatment - With treatment—please specify level of treatment		
(iv) Sent to third-parties - No treatment - With treatment—please specify level of treatment		
(v) Others - No treatment - With treatment—please specify level of treatment		
Total water discharged (inkilolitres)		
	Balance quantity of wastewater is recycled and used back in our plants.	

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

3. 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:

Company's Plants are not located in any Water Stress areas, hence such details are not applicable.

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. : **Not Applicable**

4. Please provide details of total Scope 3 emissions & its intensity, in the following format : **Not Applicable**
 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.
Yes. The Company has appointed ECO care Consultant as an Independent Agency to carry out assessment.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
Not Applicable

6. 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	Utilization of process waste in production process to conserve natural resources and reduce wastages in all plants	We re-use majority of broken pieces and other process waste back into our manufacturing process	Lower waste generation during manufacturing process
2	Installation of rainwater harvesting structure to conserve water	We have rainwater harvesting structures in our plant and draw the water required from these sources, thus reducing our usage of ground water resources	Lower dependency on groundwater
3	Use of renewable fuel sources	We utilise renewable electricity wherever possible in our plants. In addition, our plant uses solar energy.	Lower dependency on thermal energy, resulting in lower emission

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.
The Company has plan to disaster management and business continuity. We have location-based emergency response plans which includes periodic mock drills against events such as fire, earthquake, etc. Our highly experienced team with right mix of people, and frequent knowledge exchange sessions between leadership team and plant representatives ensures highest product quality, desired production levels and no disruptions in any business functions.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
We have not conducted formal assessment our value chain partners on their impact on environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
We have not conducted formal assessment our value chain partners on their impact on environment

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

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.
The Company has 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	Gujarat State
2	Indian Council of Sanitaryware Manufacturers	PAN India
3	Indian Green Building Council Promoted by CII	PAN India
4	Kadi Industrial Association	Kadi, Gujarat

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.
The Company has not received any order from the regulatory authority

LEADERSHIP INDICATOR

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

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others –please specify)	WebLink, if available
From time to time the Company has been raising various issues relating to Ceramic Industries through above mentioned association. The Company also works closely with influencers and their associations like IIA (Indian Institute of Architects), IID (Institute of Indian Interior Designers) and IPA (Indian Plumbing Association). The Company's R & D Team/ executives are active participants in meetings with statutory agencies and help in evolving new standards for finished products and raw materials for human safety and environmental protection.		No.	As and when required	Not Applicable

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

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Weblink
The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has always strived to provide better health, education and vocational skills to the people in or around its manufacturing units located at Kadi Gujarat and Kolkata, West Bengal. The Company extends its social responsibility by engaging its strategic and trust based community development interventions. No Social Impact Assessment was conducted during the year. The Company has taken various CSR initiatives for support and development of society. The report on the CSR projects carried by the Company is annexed as Annexure II & Annexure IV of the Director's Report.					

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.

Our HR & CSR team regularly interact with community members to identify and address their concerns. We have not received any specific grievances from the community in the reporting period.

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers*	40%	51%
Sourced directly from within the district and neighbouring districts	The Company gives priority to suppliers in local community for sourcing of input material.	

* Due to change in the product mix, purchases from MSME was reduced during the reporting period. Further old product discontinued by MSME vendors. In house manufacturing resulted to restricted outsourced purchases from MSME.

LEADERSHIP INDICATORS

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

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:
The Company undertakes the CSR initiatives in the surrounding locations where it has its business presence. We have not undertaken any CSR projects in aspirational districts **None**

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? **No**
(b) From which marginalized/vulnerable groups do you procure? **Not Applicable**
(c) What percentage of total procurement (by value) does it constitute? **Not Applicable**

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes where in usage of traditional knowledge is involved.

Not applicable

6. Details of beneficiaries of CSR Projects:

CERA CSR Policy focuses on five thrust areas in which CSR activities are planned –

- Eradicating hunger and malnutrition
- Promoting healthcare including preventive health care
- Promoting education, including special education
- Employment enhancing vocational skills among women
- Environment Sustainability
- Empowering women
- Rural Development.

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
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The details are mentioned in report on the CSR projects carried by the Company is annexed as Annexure II & Annexure IV of the Director's Report.

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.

Company's after Sales team of technicians, a 24 hour toll free call centre, and timely on site service from the technicians to individual customers, has been one of its key strengths in generating customer loyalty and helping it garner word of mouth publicity. Consumer Satisfaction Surveys are being conducted periodically to assess the consumer satisfaction levels and consumer's trends. This survey system is periodically reviewed by management team as well.

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	No
Safe and responsible usage	100%
Recycling and/or safe disposal	Not applicable

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

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other*	567345	2541		510953	2211	

* We have considered customer care related service calls under this category.

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

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

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

The Company has information security management policy which comprises of data protection, email, web and network protection. It also includes access control policy with two-factor authentication to protect the system from unauthorised access. Multiple security controls like firewall, end-point protection, web protection, etc. have been implemented to prevent data attacks and threats.

6. Provide details of any corrective action staken or under way 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

Leadership Indicators

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

Customers have access to the Company's website i.e. www.cera-india.com, which provides host of information on products and services. In addition, information is disseminated to the customers through dealer network, display boards, exhibitions, catalogues, advertisements, etc.

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

Our packaging provides information on safe and responsible usage of products.

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

None of our products are classified as essential services, hence it is not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact : **NIL**
- b. Percentage of data breaches involving personally identifiable information of customers : **NIL**

Ahmedabad.
10th May, 2023

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 31ST MARCH, 2023

[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 31st March, 2023 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 31st March, 2023 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 External Overseas Direct Investment and 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the year under review;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not applicable during the year under review;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable during the year under review;
- (g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review;
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) The 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 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 women 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 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/ 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, the Company has completed transaction relating to divestment of its entire stake and

consequently Anjani Tiles Limited has ceased to be the subsidiary of the Company.

Further, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity etc.
- b) Redemption / buy-back of securities.
- c) Obtaining the approval from shareholders under Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations.

For Parikh Dave & Associates
Company Secretaries
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
Umesh Parikh
Practicing Company Secretary
Partner
FCS No. 4152
C P No.: 2413
UDIN:F004152E000283299

Ahmedabad
10th May, 2023

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

ANNEXURE - A

To,
The Members,
Cera Sanitaryware Limited
CIN:L26910GJ1998PLC034400

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh Dave & Associates
Company Secretaries
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
Umesh Parikh
Practicing Company Secretary
Partner
FCS No. 4152
C P No.: 2413
UDIN:F004152E000283299

Ahmedabad
10th May, 2023

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, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, 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.

Emphasis of Matter

We draw attention to Note 6.1(D) of the standalone financial statements regarding legal dispute with M/s Milo Tiles LLP (An Associate) whose Share of Profit / (Loss) for the period 1st April, 2022 to 31st March, 2023 has not been included in these financial statements due to non receipt of financial information from the Associate. Also, as against the total Investment of ₹ 806 Lakhs the management has provided for an Impairment Loss of ₹ 500 Lakhs in the books of accounts which has been disclosed as an "Exceptional Item" in the standalone financial statements. In the opinion of the management the impact of the above matter on the standalone financial statements is not expected to be material.

Our opinion on the standalone financial statements is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31st March, 2023. 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 mis statement 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)	
<p>As at 31st March, 2023, the carrying amount of Trade Receivables aggregated ₹ 18,826.76 Lakhs (net of Expected credit loss of ₹ 2,298.03 Lakhs) constituting a significant component of the Company's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.</p> <p>The Company has made provision for Expected Credit Losses in respect of trade receivables aggregating to ₹ 2,298.03 lakhs up to 31st March, 2023 (including ₹ 1,064.76 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>Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others:</p> <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions; • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information. ➤ We carried out detailed analysis of balances of trade receivables and capital advances, (i) where no legal actions have been taken so far by the Company and the reasons therefor, (ii) where legal

Refer Notes No. 11, 38 and 42 to the standalone financial statements.	<p>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.</p> <ul style="list-style-type: none"> ➤ 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.
B) Revenue Recognition – Discounts, Incentives and Volume rebates	
<p>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on Company's sales. Due to Company's presence across different marketing zones within the country and the competitive nature of the business makes the assessment of various type of discounts, incentives and volume rebates as complex and judgmental. Therefore, there is a risk of revenue being mis stated 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 mis statement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31st March, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended 31st March, 2022 have been audited by the predecessor auditor who expressed an unmodified opinion on the standalone financial statements vide their report dated 10th May, 2022.

Our opinion on the audited standalone financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31st March, 2023 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 45 (c) 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 Holding Company are in compliance with Section 123 of the Act.
- (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 1st April, 2023, reporting under this clause is not applicable.

Place : Mumbai
Date : 10th May, 2023

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 23204936BGYIRS2790

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, 2023

(Referred to in paragraph 1 of our Report on Other legal and regulatory requirements)

We report that:

- i. In respect of its Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As explained to us, the Company has a regular program of conducting physical verification of its property, plant and equipment in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
 - c) According to the information and explanations given to us and on the basis of our examination, title deeds of the immovable property (other than self - constructed immovable property (buildings), and where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in schedule of Property, Plant and Equipment to the standalone financial statements, are held in the name of the Company.
 - d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
 - e) According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- ii. In respect of its Inventories :
 - a) As per information and explanations provided to us, physical verification has been conducted by the management at reasonable intervals during the year in respect of inventory of Raw Materials, Work-in-progress, Finished Goods, Traded Goods and by products (other than inventories lying with third parties), and no material discrepancies were noticed on such physical verification.
 - b) Based on our examination of the books of accounts of the Company, with respect to the sanctioned working capital limits availed in excess of ₹ 5.00 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 Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable. There were no material undisputed outstanding statutory dues as at the year end, for a period of more than six months from the date they became payable.

- b) The particulars of dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory that have not been deposited on account of any dispute, are as follows:

Sr. No.	Name of Statute	Nature of Dues	Amount in dispute (Net of Advances Paid) (₹ in Lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	43.44	2015-16	CIT-Appeals
2	Income Tax Act, 1961	Income Tax	168.14	2016-17	CIT-Appeals
3	Income Tax Act, 1961	Income Tax	29.38	2017-18	CIT-Appeals
4	Income Tax Act, 1961	Income Tax	-*	2019-20	CIT-Appeals
5	Central GST and Central Excise Act, 1944	Service Tax	79.44	2014-15, 2015-16 and 2016-17	CESTAT

* Disputed Demand of ₹ 28.62 Lakhs fully paid / adjusted.

- 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 give 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 Companies Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As reported to us by the management, there are no 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.

Place : Mumbai
Date : 10th May, 2023

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 23204936BGYIRS2790

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, 2023

(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, 2023 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, 2023 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.

Standalone Balance Sheet as at 31st March, 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	29,520.96	30,488.90
(b) Capital work-in-progress	4	1,693.48	58.24
(c) Right-of-use assets	45(a)	2,468.13	1,519.36
(d) Other Intangible Assets	5	51.76	46.35
(e) Intangible Assets under development	5	3.22	-
(f) Financial Assets			
(i) Investments			
- Investments in Subsidiaries & Associates	6 & 16	906.78	1,344.33
- Other Investments	6	2,520.02	2,675.41
(ii) Other Financial Assets	7	794.56	201.32
(g) Other Non-current Assets	8	973.93	546.54
(2) Current Assets			
(a) Inventories	9	37,640.91	28,771.28
(b) Financial Assets			
(i) Investments	10	63,451.81	52,715.60
(ii) Trade Receivables	11	18,826.76	16,408.24
(iii) Cash and Cash Equivalents	12	1,041.69	1,378.19
(iv) Other Balances with Banks	13	1,490.05	1,036.11
(v) Other Financial Assets	14	283.83	377.38
(c) Other Current Assets	15	3,894.73	2,955.97
(3) Non-current Assets classified as held for Sale			
	16	-	2,226.20
Total Assets		1,65,562.62	1,42,749.42
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	650.29	650.29
(b) Other Equity	18	1,16,271.25	99,924.28
Total Equity		1,16,921.54	1,00,574.57
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	45(a)	2,007.98	1,151.99
(ii) Other Financial Liabilities	19	2,885.15	2,702.94
(b) Provisions	20	881.41	890.26
(c) Deferred Tax Liabilities (Net)	21	3,610.66	3,421.06
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,834.06	1,920.15
(ii) Lease Liabilities	45(a)	718.22	627.78
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	23	4,330.09	3,678.74
- total outstanding dues of creditors other than micro enterprises and small enterprises	23	16,669.85	15,669.90
(iv) Other Financial Liabilities	24	10,904.26	8,271.79
(b) Other Current Liabilities	25	2,940.65	2,979.79
(c) Provisions	26	1,303.86	238.04
(d) Current Tax Liabilities (Net)	27	554.89	622.41
Total Equity and Liabilities		1,65,562.62	1,42,749.42
Significant Accounting Policies	3		

The accompanying Notes 1 to 55 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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068) Joint Managing Director
Anupam Gupta (DIN:09290890) Executive Director (Technical)
Ayush Bagla (DIN:01211591) Executive Director
Surendra Singh Baid (DIN:02736988) Director
Ravi Bhamidipaty (DIN:00160891) Director
Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Standalone Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs except for per equity share data)

Particulars	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Revenue from Operations	28	1,79,619.15	1,44,175.57
Other Income	29	3,742.22	2,278.05
Total Income		1,83,361.37	1,46,453.62
EXPENSES			
Cost of Materials Consumed	30	21,765.17	17,641.17
Purchases of Stock-in-Trade	31	67,243.21	60,730.96
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	32	(6,833.25)	(10,271.85)
Employee Benefits Expense	33	21,129.50	19,074.95
Finance Costs	34	540.07	458.71
Depreciation and Amortization Expense	35	3,044.24	3,043.00
Other Expenses	36	47,799.86	34,875.63
Total Expenses		1,54,688.80	1,25,552.57
Profit before exceptional items and tax		28,672.57	20,901.05
Exceptional Items	6.1(D) & 16	(500.00)	(573.80)
Profit before tax		28,172.57	20,327.25
Tax Expense :	37		
(1) Current Tax		7,017.39	5,197.72
(2) Deferred Tax		189.60	193.55
Total Tax Expense		7,206.99	5,391.27
Profit for the year		20,965.58	14,935.98
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of Defined Benefit plan		(88.95)	(147.76)
(ii) Income tax relating to items that will not be reclassified to profit or loss		22.39	37.19
Total Other Comprehensive Income for the year (Net of Tax)		(66.56)	(110.57)
Total Comprehensive Income for the year		20,899.02	14,825.41
Earnings per equity share of face value of ₹ 5/- each			
(1) Basic	38	161.20	114.84
(2) Diluted	38	161.20	114.84
Weighted average number of equity shares		1,30,05,874	1,30,05,874
Significant Accounting Policies	3		

The accompanying Notes 1 to 55 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. 204936Place : Ahmedabad
Date : 10th May, 2023**Vikas Kothari**
Chief Financial Officer
Mem. No. ACA 114368**Hemal Sadiwala**
Company Secretary
Mem. No. ACS 20741

Vikram Somany	(DIN:00048827)	Chairman and Managing Director
Deepshikha Khaitan	(DIN:03365068)	Joint Managing Director
Anupam Gupta	(DIN:09290890)	Executive Director (Technical)
Ayush Bagla	(DIN:01211591)	Executive Director
Surendra Singh Baid	(DIN:02736988)	Director
Ravi Bhamidipaty	(DIN:00160891)	Director
Sajan Kumar Pasari	(DIN:00370738)	Director
Lalit Kumar Bohania	(DIN:00235869)	Director
Akriti Jain	(DIN:08259413)	Director

Standalone Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Balance as at 1 st April, 2022	Changes in equity share capital due to prior period items	Restated balance as at 1 st April, 2022	Changes in equity share capital during the year	Balance as at 31 st March, 2023
A. EQUITY SHARE CAPITAL					
Equity Share Capital	650.29	-	650.29	-	650.29

Particulars	Balance as at 1 st April, 2021	Changes in equity share capital due to prior period items	Restated balance as at 1 st April, 2021	Changes in equity share capital during the year	Balance as at 31 st March, 2022
Equity Share Capital	650.29	-	650.29	-	650.29

Particulars	Reserves and Surplus			Other Comprehensive Income (Actuarial Gain / (Loss))	Total
	Securities Premium	General Reserve	Retained Earnings		
B. OTHER EQUITY					
Balance as at 1 st April, 2022	8,095.94	52,440.05	39,935.98	(547.69)	99,924.28
Transferred from Retained Earnings	-	4,383.93	(4,383.93)	-	-
Dividend on Equity Shares	-	-	(4,552.05)	-	(4,552.05)
Remeasurement of Defined Benefit Plan	-	-	-	(88.95)	(88.95)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	22.39	22.39
Profit for the year	-	-	20,965.58	-	20,965.58
Balance as at 31st March, 2023	8,095.94	56,823.98	51,965.58	(614.25)	1,16,271.25
Balance as at 1 st April, 2021	8,095.94	49,000.47	30,130.34	(437.12)	86,789.63
Transferred from Retained Earnings	-	3,439.58	(3,439.58)	-	-
Dividend on Equity Shares	-	-	(1,690.76)	-	(1,690.76)
Remeasurement of Defined Benefit Plan	-	-	-	(147.76)	(147.76)
Tax effect on Remeasurement of Defined Benefit Plan	-	-	-	37.19	37.19
Profit for the year	-	-	14,935.98	-	14,935.98
Balance as at 31 st March, 2022	8,095.94	52,440.05	39,935.98	(547.69)	99,924.28

The accompanying Notes 1 to 55 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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
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Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Standalone Statement of Cash Flows for the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Year ended 31 st March, 2023		Year ended 31 st March, 2022	
	₹	₹	₹	₹
A. Cash flows from Operating activities				
Net Profit before tax		28,172.57		20,327.25
Adjustments for :				
Depreciation & Amortization	3,044.24		3,043.00	
Allowance for expected credit loss - Trade Receivables	1,064.76		391.96	
Allowance for expected credit loss - Capital Advance	140.66		117.23	
Allowance for expected credit loss - Security Deposit	39.20		-	
Impairment Loss on Investment	500.00		573.80	
Amortization of Prepaid Rentals	12.47		14.14	
Bad Debts	548.61		-	
Finance Cost (Other than Loss on Foreign Exchange Fluctuations)	540.07		458.71	
Interest on Security Deposit (Non Cash)	(12.85)		(15.27)	
Other Interest Received	(277.93)		(309.02)	
Foreign Exchange Fluctuations (Income) / Loss (Net)	29.60		6.20	
Profit on Sale of Investments	(120.31)		(93.01)	
Net Gain on Fair Valuation of Investments in Mutual Funds	(2,313.88)		(1,731.68)	
Liabilities & provisions no longer required, written back	(165.58)		(48.10)	
Credit Balances written back	(553.38)		-	
Loss / (Gain) on Foreign Currency Translation (Net)	(36.97)		-	
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(50.76)		21.92	
Loss / (Profit) on Discard of Property, Plant and Equipment	63.19		-	
Share of Profit on Investment in LLP	(188.15)		(20.40)	
Loss / (Gain) on Termination of Lease	(8.84)		(30.83)	
		2,254.15		2,378.65
Operating profit before working capital changes		30,426.72		22,705.90
Adjustments for changes in working capital				
(Increase) / Decrease in Inventories	(8,869.63)		(11,802.91)	
(Increase) / Decrease in Trade Receivables	(4,031.88)		3,871.15	
(Increase) / Decrease in Other Financial Assets	94.79		126.10	
(Increase) / Decrease in Other Assets	(1,024.46)		(52.63)	
Increase / (Decrease) in Trade Payable	1,651.30		(95.01)	
Increase / (Decrease) in Other Financial Liabilities	2,980.27		(357.65)	
Increase / (Decrease) in Provisions	961.46		(185.42)	
Increase / (Decrease) in Other Liabilities	514.25		587.57	
		(7,723.90)		(7,908.80)
Cash generated from operations		22,702.82		14,797.10
Income Taxes paid		(7,055.96)		(5,012.49)
Net cash generated by Operating activities (Total-A)		15,646.86		9,784.61
B. Cash flow from Investing activities				
Payments for Property, Plant and Equipments, Capital Work-in-progress & Capital Advances	(3,441.80)		(1,410.82)	
Payments for Computer Software	(34.69)		(20.45)	
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	115.72		163.11	
Proceeds / (Payments) from Debentures	(469.36)		-	
Proceeds / (Payments) from Fixed Deposit	(1,070.57)		320.47	
Payments for purchase of Mutual Funds	(38,628.24)		(26,285.88)	
Proceeds from sale of Mutual Funds	30,453.44		18,799.58	
Proceeds / (Payments) from Bonds	481.78		514.03	
Proceeds from Divestment in Subsidiary	2,226.20		643.00	
Payments for Investments in Subsidiaries & Associates	(62.45)		(78.06)	
Movement in Current Account of Subsidiaries & Associate	18.36		20.40	
Interest Received	293.64		319.30	
		(10,117.97)		(7,015.32)
Net cash used in Investing activities (Total-B)		(10,117.97)		(7,015.32)

(₹ in lakhs)

Particulars	Year ended 31 st March, 2023		Year ended 31 st March, 2022	
	₹	₹	₹	₹
C. Cash flow from Financing activities				
Payment of Lease Liabilities	(927.05)		(822.63)	
Proceed / Repayment of Short Term Borrowings (Working Capital)	(86.09)		677.16	
Dividend on Equity Shares paid	(4,552.05)		(1,690.76)	
Finance Cost (Other than Non Cash)	(300.20)		(264.94)	
Net cash used in Financing activities (Total-C)		(5,865.39)		(2,101.17)
Net increase / (decrease) in Cash & cash equivalents (A+B+C)		(336.50)		668.12
Cash & cash equivalent - Opening Balance		1,378.19		710.07
Cash & cash equivalent - Closing Balance		1,041.69		1,378.19

Notes to Cash Flow Statement

1. Components of Cash & cash equivalents

Balances with banks	337.80	172.17
Cash on Hand	3.80	5.95
Bank FDs with original maturity of less than 3 months	700.09	1,200.07
Cash & cash equivalents considered in Cash Flow Statement	1,041.69	1,378.19

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

3. Reconciliation of Liabilities arising from Financing activities

(₹ in lakhs)

Particulars	Outstanding as at 1 st April, 2022	Cash Flows	Non-Cash Changes	Outstanding as at 31 st March, 2023
Short Term Borrowings	1,920.15	(86.09)	-	1,834.06
Lease Liabilities	1,779.77	(927.05)	1,873.48	2,726.20
Total Liabilities from Financing activities	3,699.92	(1,013.14)	1,873.48	4,560.26

Significant Accounting Policies

Note 3.7

The accompanying Notes 1 to 55 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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
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Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Significant Accounting Policies and other Explanatory Information to the Standalone Financial Statements for the Financial Year ended 31st March, 2023

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 products and is having non-conventional wind & 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, 2023 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 10th May, 2023.

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
Non-current Assets classified as held for sale	Lower of carrying amount and fair value less costs to sell

3. Significant Accounting Policies

3.1 Property, Plant and Equipment

(a) Tangible Assets

[i] Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[ii] Subsequent Expenditure

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

[iii] Derecognition

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

[iv] Research and Development Cost

Research and Development Costs that are in the nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred.

[v] Depreciation/Amortization

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight-line method in respect of plant and machinery and electric plant and installation and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external / internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Company's plant and equipments are considered on the basis of continuous process plant.

Depreciation on additions (disposals) is provided on a pro rata basis that is from (upto) the date on which asset is ready for use (disposed of).

(b) Capital work-in-progress

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

(c) Intangible Assets**[i] Initial Recognition and Classification**

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

[ii] Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits 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 Amortisation expense in the Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

[iv] Derecognition

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

[v] Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

(d) Impairment of Non Financial Assets

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

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

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

3.2 Borrowing Costs

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

3.3 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Company has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

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

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

- * Expected to be realised or intended to be sold or consumed or settled in normal operating cycle.
- * Held primarily for the purpose of trading.
- * Expected to be realised / settled within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

3.5 Inventories

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

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

3.8 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.

3.9 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.

3.10 Foreign Currency Transactions and Translations

Initial Recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts / payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.11 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 (net of variable consideration) 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 retrospective volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. Retrospective volume rebates give rise to variable consideration. To estimate the variable consideration, the Company considers that the most likely amount method better predicts the amount of variable consideration.

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.

3.12 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.

3.13 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease

liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 43, 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.

3.14 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

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

Defined Benefit Plans

The Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term Employee Benefits

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

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

Long-term Employee Benefits

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

3.15 Taxes on Income

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

(a) Current Tax

Current income tax assets and / or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Tax relating to items recognised directly in equity / other comprehensive income is recognised in respective head and not in the Statement of Profit & 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.

3.16 Equity, Reserves and Dividend Payments

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

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

Dividend distribution (including interim dividend) to equity shareholders is accounted for in the year of actual distribution.

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 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.

3.18 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.

3.19 Financial Instruments**I. Financial Assets****(a) Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement**[i] Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[ii] Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[iii] Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) Impairment of Financial Assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Derecognition of Financial Assets

A financial asset is derecognised when:

- * The Company has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Company transfers substantially all the risks and rewards of ownership of the financial asset, the Company shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognise the financial asset.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial Liabilities**Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

V. Investment in Subsidiaries, Joint Ventures and Associates

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

3.20 Non-current Assets classified as held for Sale

Non-current assets (or disposal group) are classified as held for sale if the carrying amount of assets will be recovered principally through a sale transaction rather than through continuing use.

Non-current Assets (or disposal group) are classified as held for sale, when the asset (or disposal group) is available for immediate sale in its present condition and its sale must be highly probable. For the sale to be highly probable, the management must be committed to a plan to sell the asset (or disposal group) and an active programme to locate buyer and complete plan must have been initiated. In addition, the sale should be completed within 1 year from the date of classification.

Upon classification, non-current assets (or disposal group) held for sale are measured at the lower of carrying amount and fair value less costs to sell.

3.21 Recent Pronouncements

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. On 31st March, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2023, as below:

I. Ind AS 1 - Presentation of Financial Statements -

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

II. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

III. Ind AS 12 - Income Taxes -

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Notes to Standalone financial statements for the year ended 31st March, 2023

Note - 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in lakhs)

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Cost of Assets								
	As at 1 st April, 2021	1,311.31	16,526.87	26,681.84	2,732.75	1,193.13	722.84	998.02	50,166.76
	Addition / Transfers	-	295.58	601.64	158.31	178.13	37.54	112.64	1,383.84
	Disposal / Adjustments	-	(84.69)	(17.60)	(94.97)	(95.67)	(52.10)	(188.61)	(533.64)
	As at 31 st March, 2022	1,311.31	16,737.76	27,265.88	2,796.09	1,275.59	708.28	922.05	51,016.96
	Addition / Transfers	-	259.36	375.19	311.58	160.78	46.40	331.40	1,484.71
	Disposal / Adjustments	-	(95.42)	(135.99)	(62.89)	(66.28)	(22.67)	(204.22)	(587.47)
	As at 31st March, 2023	1,311.31	16,901.70	27,505.08	3,044.78	1,370.09	732.01	1,049.23	51,914.20
2	Depreciation / Amortization								
	As at 1 st April, 2021	-	5,818.81	8,577.33	1,788.06	1,046.34	584.97	738.88	18,554.39
	Charge for the year	-	751.40	1,023.69	307.94	102.44	56.57	87.50	2,329.54
	Disposal / Adjustments	-	(33.96)	(1.24)	(46.41)	(85.08)	(40.97)	(148.21)	(355.87)
	As at 31 st March, 2022	-	6,536.25	9,599.78	2,049.59	1,063.70	600.57	678.17	20,528.06
	Charge for the year	-	706.38	1,042.19	288.69	145.50	52.35	89.39	2,324.50
	Disposal / Adjustments	-	(61.79)	(89.02)	(51.94)	(54.56)	(20.98)	(181.03)	(459.32)
	As at 31st March, 2023	-	7,180.84	10,552.95	2,286.34	1,154.64	631.94	586.53	22,393.24
3	Net Block								
	As at 31 st March, 2022	1,311.31	10,201.51	17,666.10	746.50	211.89	107.71	243.88	30,488.90
	As at 31st March, 2023	1,311.31	9,720.86	16,952.13	758.44	215.45	100.07	462.70	29,520.96

(b) Capital work-in-progress

As at 1 st April, 2021		59.97
Addition		58.24
Transfers / Adjustments		(59.97)
As at 31 st March, 2022		58.24
Addition		1,693.48
Transfers / Adjustments		(58.24)
As at 31st March, 2023		1,693.48

(c) Capital work-in-progress 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 31 st March, 2022	58.24	-	-	-	58.24
As at 31st March, 2023	1,693.48	-	-	-	1,693.48
Sanitaryware	14.25	-	-	-	14.25
Faucetware	1,223.90	-	-	-	1,223.90
Others	455.33	-	-	-	455.33

All the projects are executed as per rolling annual plan.

Notes:

- Previous period's figures have been re-grouped / re-classified wherever required to current year's classification.
- Cost of Buildings includes ownership offices in co-operative societies for ₹ 2,179.55 lakhs (Previous year ₹ 2,179.55 lakhs) including 40 shares of ₹ 50/- each and 10 shares of ₹ 50/- each in respective Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is ₹ 3,539.64 lakhs as on 31st March, 2023 & ₹ 170.82 lakhs as on 31st March, 2022. [Refer Note No. 45(b)]

Note-5. OTHER INTANGIBLE ASSETS**(a) Other Intangible Assets** (₹ in lakhs)

Sr. No.	Particulars	Computer Softwares
1	Cost of Assets	
	As at 1 st April, 2021	642.52
	Addition / Transfers	20.45
	Disposal / Adjustments	(145.64)
	As at 31 st March, 2022	517.33
	Addition / Transfers	31.47
	Disposal / Adjustments	-
	As at 31st March, 2023	548.80
2	Amortization	
	As at 1 st April, 2021	567.01
	Charge for the year	42.35
	Disposal / Adjustments	(138.38)
	As at 31 st March, 2022	470.98
	Charge for the year	26.06
	Disposal / Adjustments	-
	As at 31st March, 2023	497.04
3	Net Block	
	As at 31 st March, 2022	46.35
	As at 31st March, 2023	51.76

(b) Intangible Assets under development

	As at 1 st April, 2021	-
	Addition	-
	Transfers / Adjustments	-
	As at 31 st March, 2022	-
	Addition	3.22
	Transfers / Adjustments	-
	As at 31st March, 2023	3.22

(c) Capital work-in-progress 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 31 st March, 2022	-	-	-	-	-
As at 31st March, 2023	3.22	-	-	-	3.22

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 6. INVESTMENTS - NON-CURRENT			
Non-Current Investments			
Trade Investments (valued at cost, net of impairment loss)			
Investments in Subsidiaries & Associates			
A	Investments in Equity Instruments		
	Investment in Subsidiary Company (Unquoted)		
	Opening Balance		
	Nil Equity Shares of Anjani Tiles Limited (1,02,00,000 Equity Shares of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	1,020.00
	Less: Trasferred to Non-current Assets classified as held for sale (Refer Note No. 16)	-	(1,020.00)
	Closing Balance	-	-
	Total (A)	-	-
B	Investments in Preference Shares		
	Investment in Subsidiary Company (Unquoted)		
	Opening Balance		
	Nil 1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited (2,42,30,000 1% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	2,423.00
	Less: Transferred during the year	-	(643.00)
	Less: Trasferred to Non-current Assets classified as held for sale (Refer Note No. 16)	-	(1,780.00)
	Closing Balance	-	-
	Total (B)	-	-
C	Investments in Limited Liability Partnership (Unquoted)		
	(a) Packcart Packaging LLP (Subsidiary)	90.78	90.78
	(b) Race Polymer Arts LLP (Subsidiary)	510.00	447.55
	(c) Milo Tile LLP (Associate entity)	806.00	806.00
	Less: Provision for Impairment (Refer Note 6.1D)	(500.00)	-
	Total (C)	906.78	1,344.33
	Total Trade Investments in Subsidiaries & Associates (A + B + C)	906.78	1,344.33
Non Trade Investments			
D	Investments in Debentures (at amortised cost) (Unquoted)		
	(a) State Bank of India Series1 9.56% - NCD Perpetual 10 Units of face value of ₹ 10,00,000 per unit (10 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	100.37	101.40
	(b) State Bank of India Series1 7.74% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	500.75	501.00
	(c) State Bank of India Series1 7.73% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	505.43	507.24
	(d) State Bank of India SR III 7.55% - BD Perpetual FVRS1CR 7 Units of face value of ₹ 1,00,00,000 per unit (Nil Unit as at 31 st March, 2022)	693.28	-
	(e) Mahindra & Mahindra Financial Services Ltd SR AG2020 BR NCD 06JU22 Nil Unit (20 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	-	223.92
	Total (D)	1,799.83	1,333.56

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
E	Investments in Bonds (at amortised cost) (Unquoted)		
(a)	Rural Electrification Corporation Limited SR-2 8.12 / 8.32 (Tax free) 28,000 Bonds of face value of ₹ 1,000 per Bond (28,000 Bonds of face value of ₹ 1,000 per Bond as at 31 st March, 2022)	306.50	312.08
(b)	Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of ₹ 1,00,000 per Bond (385 Bonds of face value of ₹ 1,00,000 per Bond as at 31 st March, 2022)	413.56	420.61
(c)	Indian Railway Finance Corporation Limited 7.18 / 7.68 (Tax free) Nil Bond (30000 Bonds of face value of Rs.1,000 per Bond as at 31 st March, 2022)	-	305.18
(d)	HDFC Bank Limited SR-1 8.85 BD Perpetual Nil Bond (30 Bonds of face value of ₹ 10,00,000 per Bond as at 31 st March, 2022)	-	303.85
	Total (E)	720.06	1,341.72
F	Investments in Government Securities (at cost) (Unquoted)		
	National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (F)	0.13	0.13
	Total Non-Trade Investments (D + E + F)	2,520.02	2,675.41
	Total Non-Current Investments (A + B + C + D + E + F)	3,426.80	4,019.74
	Aggregate amount of Unquoted Investments (A + B + C + D + E + F)	3,926.80	4,019.74
	Aggregate amount of Impairment in value of Investments	500.00	-

Notes :

Sr. No.	Name of Partners	As at 31 st March, 2023		As at 31 st March, 2022	
		Capital (₹ in lakhs)	Share percentage	Capital (₹ in lakhs)	Share percentage
6.1(A)	Investment in Packcart Packaging LLP (subsidiary), their partners, total capital and shares of each partner are as under :				
1	Cera Sanitaryware Limited	90.78	51%	90.78	51%
2	Smt. Kinjal Bhatt	87.22	49%	87.22	49%
	Total	178.00	100%	178.00	100%
6.1(B)	Investment in Race Polymer Arts LLP (subsidiary), their partners, total capital and shares of each partner are as under :				
1	Cera Sanitaryware Limited	510.00	51%	447.55	51%
2	Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP)	490.00	49%	430.00	49%
	Total	1,000.00	100%	877.55	100%
6.1(C)	Investment in Milo Tile LLP (associate entity), their partners, total capital and shares of each partner are as under :				
1	Cera Sanitaryware Limited	806.00	26%	806.00	26%
2	Shri Rameshbhai Vashrambhai Bhalodia	100.00	28%	100.00	28%
3	Smt. Ansoyaben Rameshbhai Bhalodia	80.00	12%	80.00	12%
4	Shri Milanbhai Rameshbhai Bhalodia	80.00	12%	80.00	12%
5	Shri Kevin Rameshbhai Bhalodia	70.00	12%	70.00	12%
6	Smt. Jalpaben Milanbhai Bhalodia	35.00	5%	35.00	5%
7	Smt. Sweta Kevin Bhalodia	35.00	5%	35.00	5%
	Total	1,206.00	100%	1,206.00	100%

6.1(D) During the financial year 2018-19, the Company acquired share capital worth ₹ 806 Lakhs in M/s Milo Tile LLP ("Milo") which was a vendor of tiles for the company. During financial year 2022-23 Milo has 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. The Company has served Legal notices on Milo and the other LLP partners for violation of certain terms of the Investment Agreement.

Considering the above as well as other available information, as a matter of abundant caution, the management has decided to provide for an Impairment Loss of ₹ 500 Lakhs in the books of accounts which has been disclosed as an "Exceptional Item" in the financial statements. However, the Company is taking all necessary steps for recovery of the same.

Sr. No.	Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
			As on 31 st March, 2023	As on 31 st March, 2022	
			6.2 Ownership Interest in Subsidiaries :		
1	Equity Shares of Anjani Tiles Limited	India	-	51%	} Manufacturing of Tiles
2	1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited	India	-	39.56%	
3	Investment in Limited Liability Partnership - Packcart Packaging LLP	India	51%	51%	} Manufacturing of Corrugated Boxes
4	Investment in Limited Liability Partnership - Race Polymer Arts LLP	India	51%	51%	
6.3 Ownership Interest in Associate :					
	Milo Tile LLP	India	26%	26%	Manufacturing of Tiles

(₹ in lakhs)

Sr. No.	Particulars	As at	As at
		31 st March, 2023	31 st March, 2022
Note - 7. OTHER FINANCIAL ASSETS - NON-CURRENT			
At amortised cost			
1	Security Deposits	193.77	119.71
	Less: Allowance for Expected Credit Loss	(39.20)	-
	Net Security Deposits	154.57	119.71
2	Advance Contribution to Subsidiary*	-	62.45
Other Bank Balances			
3	Margin Money Deposits with a bank held as security with more than 12 months maturity	639.99	19.16
	Total	794.56	201.32

* Refer Note No. 39

Note - 8. OTHER NON-CURRENT ASSETS

1	Capital Advances	898.88	577.01
	Less: Allowance for Expected Credit Loss	(468.91)	(328.24)
	Net Capital Advances	429.97	248.77
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	284.51	51.81
	(b) Other Advances (Unsecured, considered good)		
	Advance Lease Rentals - Security Deposits	29.61	13.76
	(c) Income Tax of earlier years	229.84	232.20
	Total	973.93	546.54

Note - 9. INVENTORIES**At lower of Cost and Net Realisable Value**

1	Raw Materials	4,655.03	3,524.20
2	Raw Materials in Transit	345.60	-
3	Work-in-progress	1,107.68	1,198.69
4	Finished Goods	16,056.06	8,657.42
5	Stock-in-trade	13,477.65	13,994.81
6	Stock-in-trade in Transit	42.78	-
7	Stores and Spares	1,855.89	1,396.16
8	Stores and Spares in Transit	100.22	-
	Total	37,640.91	28,771.28

Note :

9.1 Inventories are hypothecated to secure working capital facilities from State Bank of India.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 10. INVESTMENTS - CURRENT			
Current Investments			
Investments in Mutual Funds (Unquoted)			
Measured at fair Value through Profit & Loss (FVTPL)			
1	Bandhan Corporate Bond Fund Regular Plan-Growth (erstwhile IDFC Corporate Bond Fund Regular Plan-Growth) 4812489.613 Units NAV of ₹ 16.2370 each (4812489.613 Units NAV of ₹ 15.7346 each as at 31 st March, 2022)	781.40	757.23
2	HDFC Corporate Bond Fund - Regular Plan - Growth (Formerly HDFC Medium Term Opportunities Fund-Regular Plan-Growth) 5127446.6910 Units NAV of ₹ 27.1800 each (6883789.369 Units NAV of ₹ 26.1331 each as at 31 st March, 2022)	1,393.64	1,798.95
3	Axis Banking & PSU Debt Fund - Direct Growth (BD-DG) 23266.5560 Units NAV of ₹ 2288.5724 each (68099.467 Units NAV of ₹ 2187.0567 each as at 31 st March, 2022)	532.47	1,489.37
4	Axis Short Term Fund - Growth (ST-GP) 1816802.2210 Units NAV of ₹ 26.0068 each (3209139.7240 Units NAV of ₹ 24.9292 each as at 31 st March, 2022)	472.49	800.01
5	Axis Banking & PSU Debt Fund - Regular Growth (BD-GP) 10026.932 Units NAV of ₹ 2233.5915 each (54671.6500 Units NAV of ₹ 2140.7193 each as at 31 st March, 2022)	223.96	1,170.37
6	Bandhan Banking & PSU Debt Fund-Regular Plan-Growth (erstwhile IDFC Banking & PSU Debt Fund-Regular Plan-Growth) 4105987.93 Units NAV of ₹ 20.8893 each (5750828.9360 Units NAV of ₹ 20.0164 each as at 31 st March, 2022)	857.71	1,151.11
7	HSBC Banking and PSU Debt Fund-Regular Growth (Formerly known as L&T Banking and PSU Debt Fund-Growth) 2566877.3220 Units NAV of ₹ 20.6149 each (5507136.2820 Units NAV of ₹ 20.2002 each as at 31 st March, 2022)	529.16	1,112.45
8	HSBC Banking and PSU Debt Fund-Direct Growth (Formerly known as L&T Banking and PSU Debt Fund-Growth) 4840052.4810 Units NAV of ₹ 21.5296 each (5423136.0600 Units NAV of ₹ 21.0165 each as at 31 st March, 2022)	1,042.05	1,139.75
9	ICICI Prudential Corporate Bond Fund-Growth 1477353.3180 Units NAV of ₹ 24.9722 each (2831219.4670 Units NAV of ₹ 23.6558 each as at 31 st March, 2022)	368.93	669.75
10	HSBC Short Duration Fund-Regular Growth (Formerly known as L&T Short Term Bond Fund-Growth) 1519949.1080 Units NAV of ₹ 22.4077 each (2521308.8490 Units NAV of ₹ 21.6605 each as at 31 st March, 2022)	340.59	546.13
11	SBI Corporate Bond Fund-Regular Plan Growth 8848146.5610 Units NAV of ₹ 13.0641 each (9761597.1200 Units NAV of ₹ 12.5796 each as at 31 st March, 2022)	1,155.93	1,227.97
12	Edelweiss Mutual Fund Bharat Bond ETF- April-2030 40000 Units NAV of ₹ 1249.9910 each (40000 Units NAV of ₹ 1203.0839 each as at 31 st March, 2022)	500.00	481.23
13	Kotak Banking and PSU Debt Fund-Regular Plan-Growth 412484.0420 Units NAV of ₹ 55.0793 each (1270249.3920 Units NAV of ₹ 52.7948 each as at 31 st March, 2022)	227.19	670.63
14	Kotak Floating Rate Fund-Regular Plan-Growth 138304.2380 Units NAV of ₹ 1265.2224 each (195064.6600 Units NAV of ₹ 1214.8169 each as at 31 st March, 2022)	1,749.86	2,369.68
15	HSBC Corporate Bond Fund-Direct Growth (Formerly known as L&T Triple Ace Bond Fund Direct Plan-Growth) 426193.2750 Units NAV of ₹ 65.0579 each (1335436.2750 Units NAV of ₹ 62.8597 each as at 31 st March, 2022)	277.27	839.45
16	HSBC Corporate Bond Fund-Regular Growth (Formerly known as L&T Triple Ace Bond Fund-Growth) 716573.7480 Units NAV of ₹ 61.5431 each (1097031.1720 Units NAV of ₹ 59.6662 each as at 31 st March, 2022)	441.00	654.56
17	ICICI Prudential Banking & PSU Debt Fund-Growth 3439414.8080 Units NAV of ₹ 27.5470 each (3439414.8080 Units NAV of ₹ 26.1348 each as at 31 st March, 2022)	947.46	898.88

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
18	Bandhan Bond Fund-Short Term Plan-Growth (Regular Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Regular Plan) 2076176.3730 Units NAV of ₹ 48.1735 each (2076176.3730 Units NAV of ₹ 46.4728 each as at 31 st March, 2022)	1,000.17	964.86
19	HDFC Corporate Bond Fund-Direct Plan -Growth 15143548.5460 Units NAV of ₹ 27.6193 each (15143548.5460 Units NAV of ₹ 26.4814 each as at 31 st March, 2022)	4,182.53	4,010.22
20	ICICI Prudential Short Term Fund Growth 2371754.8990 Units NAV of ₹ 50.5295 each (2371754.8990 Units NAV of ₹ 47.7874 each as at 31 st March, 2022)	1,198.44	1,133.40
21	Kotak Floating Rate Fund-Direct Plan Growth 13375.9980 Units NAV of ₹ 1283.4124 each (13375.9980 Units NAV of ₹ 1227.3269 each as at 31 st March, 2022)	171.67	164.17
22	SBI Dynamic Bond Fund-Direct Growth 709853.9780 Units NAV of ₹ 32.1842 each (709853.9780 Units NAV of ₹ 30.2725 each as at 31 st March, 2022)	228.46	214.89
23	Bharat Bond FOF-April 2025-Direct Plan Growth 23810152.9690 Units NAV of ₹ 11.1021 each (23810152.9690 Units NAV of ₹ 10.8230 each as at 31 st March, 2022)	2,643.43	2,576.97
24	Axis Corporate Debt Fund-Regular Growth (CO-GP) 8021457.6570 Units NAV of ₹ 14.3435 each (8021457.6570 Units NAV of ₹ 13.7565 each as at 31 st March, 2022)	1,150.56	1,103.47
25	DSP Bond Fund-Regular Plan Growth 791425.2720 Units NAV of ₹ 68.5960 each (791425.2720 Units NAV of ₹ 66.1813 each as at 31 st March, 2022)	542.88	523.78
26	SBI Floating Rate Debt Fund-Direct Plan Growth 60529563.6120 Units NAV of ₹ 11.1961 each (69153021.2510 Units NAV of ₹ 10.6519 each as at 31 st March, 2022)	6,776.95	7,366.11
27	HDFC Banking & PSU Debt Fund-Direct Plan Growth 1976743.860 Units NAV of ₹ 20.0223 each (1976743.860 Units NAV of ₹ 19.1592 each as at 31 st March, 2022)	395.79	378.73
28	Bandhan Bond Fund-Short Term Plan-Growth-Direct Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Direct Plan) 2078625.8820 Units NAV of ₹ 51.0320 each (2078625.8820 Units NAV of ₹ 48.9968 each as at 31 st March, 2022)	1,060.76	1,018.46
29	ICICI Prudential Corporate Bond Fund-Direct Growth 16464710.6090 Units NAV of ₹ 26.0278 each (16464710.6090 Units NAV of ₹ 24.5863 each as at 31 st March, 2022)	4,285.40	4,048.06
30	DSP Bond Fund-Direct Plan Growth 1461851.0920 Units NAV of ₹ 72.2633 each (1461851.0920 Units NAV of ₹ 69.4769 each as at 31 st March, 2022)	1,056.38	1,015.65
31	ICICI Prudential Banking & PSU Debt Fund-Direct Growth 1887260.7350 Units NAV of ₹ 28.4957 each (1887260.7350 Units NAV of ₹ 26.9203 each as at 31 st March, 2022)	537.79	508.06
32	ICICI Prudential Short Term Fund-Direct Plan Growth 5933470.6160 Units NAV of ₹ 54.3683 each (5933470.6160 Units NAV of ₹ 51.0452 each as at 31 st March, 2022)	3,225.93	3,028.75
33	Franklin India Low Duration Fund-Segregated Portfolio 2 202048.4720 Units NAV of ₹ 0.3609 each (270745.155 Units NAV of ₹ 0.3396 each as at 31 st March, 2022)	0.73	0.91
34	Bandhan CRISIL IBX Gilt April 2028 Index Fund Direct Plan-Growth (erstwhile IDFC Crisil IBX Gilt April 2028 Index Fund Direct Plan-Growth) 17416655.9240 Units NAV of ₹ 10.9493 each (Nil Unit as at 31 st March, 2022)	1,907.00	-
35	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund-Direct Growth 20040969.467 Units NAV of ₹ 10.4880 each (Nil Unit as at 31 st March, 2022)	2,101.90	-
36	Edelweiss Nifty PSU Bond Plus SDL APRIL 2026 50:50 Index Fund-Direct Growth 16362429.2430 Units NAV of ₹ 11.0703 each (Nil Unit as at 31 st March, 2022)	1,811.37	-
37	Aditya Birla Sun Life Money Manager Fund-Direct Growth 358222.8470 Units NAV of ₹ 316.1942 each (Nil Unit as at 31 st March, 2022)	1,132.68	-

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
38	Aditya Birla Sun Life Corporate Bond Fund -Direct Growth 523558.7033 Units NAV of ₹ 95.6053 each (Nil Unit as at 31 st March, 2022)	500.55	-
39	BANDHAN Crisil IBX Gilt April 2028 Index Fund-Direct Plan Growth (erstwhile IDFC IBX Gilt April 2028 Index Fund-Direct Plan Growth) 6986468.8800 Units NAV of ₹ 10.9493 each (Nil Unit as at 31 st March, 2022)	764.97	-
40	BANDHAN Crisil IBX Gilt June 2027 Index Fund-Direct Plan Growth (erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund-Direct Plan Growth) 9170151.5210 Units NAV of ₹ 10.9205 each (Nil Unit as at 31 st March, 2022)	1,001.43	-
41	Bharat Bond FOF-April 2030-Direct Plan-Growth 6073406.8810 Units NAV of ₹ 12.5113 each (Nil Unit as at 31 st March, 2022)	759.86	-
42	DSP Corporate Bond Fund-Direct Growth 12844054.4060 Units NAV of ₹ 13.6583 each (Nil Unit as at 31 st March, 2022)	1,754.28	-
43	DSP Nifty SDL Plus G-Sec Jun2028 30:70 Index Fund-Dir Growth Mat. Dt 30-06-2028 10414446.1130 Units NAV of ₹ 10.4387 each (Nil Unit as at 31 st March, 2022)	1,087.13	-
44	Kotak Bond Fund-Short Term-Direct Plan Growth 3084411.001 Units NAV of ₹ 47.7234 each (Nil Unit as at 31 st March, 2022)	1,471.98	-
45	Kotak Nifty SDL April 2027 Top 12 Equal Weight Index Fund-Direct Plan Growth 16941895.2191 Units NAV of ₹ 10.3678 each (Nil Unit as at 31 st March, 2022)	1,756.50	-
46	SBI CPSE BD SDL Sept 2020 50:50 Index-Direct Growth 19351259.2560 Units NAV of ₹ 10.4153 each (Nil Unit as at 31 st March, 2022)	2,015.49	-
47	SBI Magnum Gilt Fund-Direct Growth 1731983.0160 Units NAV of ₹ 57.7654 each (Nil Unit as at 31 st March, 2022)	1,000.49	-
48	SBI Magnum Low Duration Fund-Direct Growth 133346.8470 Units NAV of ₹ 3065.0878 each (Nil Unit as at 31 st March, 2022)	4,087.20	-
49	SBI Savings Fund-Direct Plan-Growth Nil Unit (9616102.6010 Units NAV of ₹ 35.5614 each as at 31 st March, 2022)	-	3,419.62
50	SBI Liquid Fund-Direct Growth Nil Unit (45042.2120 Units NAV of ₹ 3333.0896 each as at 31 st March, 2022)	-	1,501.30
51	SBI Overnight Fund-Direct Plan Growth Nil Unit (17442.6910 Units NAV of ₹ 3461.3538 each as at 31 st March, 2022)	-	603.75
52	SBI Corporate Bond Fund-Direct Plan Growth Nil Unit (3971522.7670 Units NAV of ₹ 12.7751 each Units as at 31 st March, 2022)	-	507.37
53	HSBC Banking and PSU Debt Fund-Direct Growth (Formerly known as L&T Banking and PSU Debt Fund Direct Plan-Growth) Nil Unit (4164632.5570 Units NAV of ₹ 20.3992 each as at 31 st March, 2022)	-	849.55
	Total	63,451.81	52,715.60
	Aggregate Cost of Unquoted Investments	59,902.77	50,041.24
	Aggregate Fair Value of Unquoted Investments	63,451.81	52,715.60

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 11. TRADE RECEIVABLES - CURRENT			
(a)	Trade Receivables considered good - Secured	2,659.63	2,593.46
(b)	Trade Receivables considered good - Unsecured	15,576.01	12,133.54
(c)	Trade Receivables which have significant increase in Credit Risk	243.78	678.89
(d)	Trade Receivables - credit impaired	2,645.37	2,282.23
		<u>21,124.79</u>	<u>17,688.12</u>
	Less: Allowance for Expected Credit Losses	2,298.03	1,279.88
	Total	<u>18,826.76</u>	<u>16,408.24</u>
Movement in Allowance for Expected Credit Losses			
	Balance at the beginning of the year	1,279.88	945.53
	Allowance for Expected Credit Losses provided during the year (Refer Note No. 36)	1,064.76	391.96
	Amounts written back during the year	(19.71)	(30.16)
	Amounts of Trade Receivables written off during the year	(26.90)	(27.45)
	Balance at the end of the year	<u>2,298.03</u>	<u>1,279.88</u>

Notes :

11.1 Trade Receivables are hypothecated to secure working capital facilities from State Bank of India.

11.2 No Trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

11.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

11.4 Trade Receivables are non-interest bearing and are generally on credit terms of 30 to 60 days.

11.5 Ageing for Trade Receivables - Current as at 31st March, 2023 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,490.14	7,249.65	25.28	39.53	376.79	54.25	18,235.64
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	243.78	-	-	-	243.78
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	365.46	335.37	1,944.54	2,645.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	10,490.14	7,249.65	269.06	404.99	712.16	1,998.79	21,124.79

Ageing for Trade Receivables - Current as at 31st March, 2022 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	8,878.62	4,486.21	670.97	600.84	34.92	55.44	14,727.00
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	0.51	24.59	125.18	163.24	365.37	678.89
(iii) Undisputed Trade Receivables - credit impaired	-	7.41	16.53	188.09	189.95	1,880.25	2,282.23
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	8,878.62	4,494.13	712.09	914.11	388.11	2,301.06	17,688.12

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 12. CASH & CASH EQUIVALENTS			
1	Balances with banks in current accounts	337.80	172.17
2	Cash on hand	3.80	5.95
3	Bank FDs with original maturity of less than 3 months	700.09	1,200.07
	Total	1,041.69	1,378.19
Note - 13. OTHER BALANCES WITH BANKS			
1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,030.27	33.18
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	351.83	899.18
3	Earmarked Balances with Banks (Unpaid Dividend)*	107.95	103.75
	Total	1,490.05	1,036.11
	* Not due for deposit in the Investor Education and Protection Fund		
Note - 14. OTHER FINANCIAL ASSETS - CURRENT			
At amortised cost (Unsecured, considered good)			
1	Security Deposits*	98.35	150.69
2	Insurance claims receivable	74.95	92.00
3	Interest accrued and receivable	77.31	89.42
4	Advance to staff	33.22	45.27
	Total	283.83	377.38
	* including ₹ 20.29 Lakhs (PY ₹ 20.29 Lakhs) given to a related party		
Note - 15. OTHER CURRENT ASSETS			
Advances other than Capital Advances (Unsecured, considered good)			
	Other Advances		
	(i) Prepaid Expenses	1,260.97	582.86
	(ii) Balance with Customs & Central Excise Authorities	56.67	56.00
	(iii) Advance Lease Rentals - Security Deposits	11.55	8.80
	(iv) Other Advances*	2,565.54	2,308.31
	Total	3,894.73	2,955.97
	* Amounts due from related parties amounting to ₹ 240.59 Lakhs (PY ₹ 70.80 Lakhs). Refer Note No. 39 and 46.		
Note - 16. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE			
Trade Investments (Refer Note No. 6)			
Investments in Subsidiary (Unquoted)			
A	Investments in Equity Instruments (valued at lower of carrying amount and fair value less costs to sell)		
	Nil Equity Shares of Anjani Tiles Limited of (1,02,00,000 Equity Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	1,020.00
	Less : Impairment Loss upon divestment of Equity Shares of Anjani Tiles Limited	-	(573.80)
	Total (A)	-	446.20
B	Investments in Preference Shares (valued at fair value which is equivalent to carrying amount)		
	Nil 1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited (1,78,00,000 1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	1,780.00
	Total (B)	-	1,780.00
	Total (A + B)	-	2,226.20

Notes :

16.1 Pursuant to the Resolution passed at the Board Meeting held on 5th August, 2021 the Company had decided to divest the Company's entire stake in Anjani Tiles Limited, a subsidiary company and accordingly a Memorandum of Understanding (MOU) was executed on 17th August, 2021 by and amongst Cera Sanitaryware Limited (Cera), Anjani Vishnu Holdings Ltd (AVHL) (Joint Venture Partner and Acquirer Company) and Anjani Tiles Limited (ATL) (Subsidiary Company) for a total consideration of ₹ 2,869.20 Lakhs. The Company, AVHL and ATL also entered in to Share Purchase Agreement (SPA) dated 26th August, 2021 pursuant to which the Company agreed to sell all the Equity and Preference Shares held by it in ATL to AVHL. As on 31st March, 2022, the Company's shareholdings in Equity and Preference shares in ATL were presented as Non-current Assets classified as Held for Sale as per Indian Accounting Standard - 105 - "Non-current Assets Held for Sale and Discontinued Operations". The consequential impairment loss of ₹ 573.80 Lakhs due to above arrangements was recognised in the Statement of Profit and Loss as Exceptional Item in the financial year ended 31st March, 2022. As on 31st March, 2023, the total consideration of ₹ 2,869.20 Lakhs has been fully realised (₹ 643 Lakhs in financial year 2021-22 and the balance consideration of ₹ 2,226.20 Lakhs in financial year 2022-23).

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
Note - 17. SHARE CAPITAL			
1	Authorized Share Capital		
	2,00,00,000 Equity Shares of ₹ 5/- each (2,00,00,000 Equity Shares of ₹ 5/- each as at 31 st March, 2022)	1,000.00	1,000.00
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,30,05,874 Equity Shares of ₹ 5/- each fully paid up (1,30,05,874 Equity Shares of ₹ 5/- each fully paid up as at 31 st March, 2022)	650.29	650.29
	Total	650.29	650.29

Notes :**17.1 The reconciliation of the number of Equity Shares outstanding and amount of share capital is set out below: (₹ in lakhs)**

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Add : Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

17.2 Terms / Rights attached to Equity Share :

The Company has only one class of Equity Shares having a par value of ₹ 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note 52 for the particulars of Dividend paid / proposed during the year.

17.3 Details of the shareholders holding more than 5% of the aggregate shares are set out below :

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,98,143	9.98%	12,98,143	9.98%

17.4 Details of the shareholding of promoters are set out below :

Promoter Name	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%	-
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%	-
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%	-
Rekha Commercial Pvt. Ltd.	5,32,388	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,84,400	3.72%	4,84,400	3.72%	-
Deepshikha Khaitan	3,39,116	2.61%	3,39,116	2.61%	-
Suvinay Trading & Investment Co. Ltd.	3,22,808	2.48%	3,22,808	2.48%	-
Pooja Jain Somany	2,00,000	1.54%	2,00,000	1.54%	-
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,85,139	54.48%	70,85,139	54.48%	

17.5 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 18. OTHER EQUITY			
1	Other Reserves		
	(i) Securities Premium	8,095.94	8,095.94
	(ii) General Reserve		
	Balance as per last financial year	52,440.05	49,000.47
	Add : Transferred from Statement of Profit and Loss	4,383.93	3,439.58
		56,823.98	52,440.05
2	Retained Earnings		
	Balance as per last financial year	39,935.98	30,130.34
	Add : Profit for the year	20,965.58	14,935.98
	Less : Appropriations		
	Transferred to General Reserve	(4,383.93)	(3,439.58)
	Dividend on Equity Shares distributed for F.Y. 2021-22	(4,552.05)	-
	Dividend on Equity Shares distributed for F.Y. 2020-21	-	(1,690.76)
		51,965.58	39,935.98
3	Other Comprehensive Income		
	Remeasurements of Defined Benefit Plan		
	Balance as per last financial year	(547.69)	(437.12)
	Adjustments during the year		
	Add : Actuarial (Loss) / Gain on Remeasurement of Defined Benefit Plan	(88.95)	(147.76)
	Less : Current Tax effect on Gratuity	22.39	(1.28)
	Less : Deferred Tax on Leave Encashment	-	38.47
		(614.25)	(547.69)
	Total	1,16,271.25	99,924.28

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.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 19. OTHER FINANCIAL LIABILITIES - NON-CURRENT			
1	Deposits by Dealers	2,862.92	2,680.71
2	Due to others	22.23	22.23
	Total	2,885.15	2,702.94
Note - 20. PROVISIONS - NON-CURRENT			
1	Provision for Employee Benefits		
	Provision for Leave Encashment	554.13	569.54
2	Provision for Tax		
	Provision for Income Tax of earlier years	327.28	320.72
	Total	881.41	890.26

Refer Note No. 43 for Movement of Provisions

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022	
Note - 21. DEFERRED TAX LIABILITIES (NET)				
1	Deferred Tax Liabilities (Arising on account of temporary difference)			
	(a) Assets : Impact of difference between carrying value and tax base of Depreciable assets	2,970.89	3,018.85	
	(b) Impact of difference between carrying value and tax base of Investments in Mutual Funds	893.18	672.88	
	Total Deferred Tax Liabilities (A)	3,864.07	3,691.73	
2	Deferred Tax Assets (Arising on account of temporary difference)			
	(a) Leave Encashment	185.94	203.25	
	(b) Others*	67.47	67.42	
	Total Deferred Tax Assets (B)	253.41	270.67	
	Net Deferred Tax Liabilities (A - B)	3,610.66	3,421.06	
Reconciliation of Deferred Tax Liabilities (Net) :				
	Particulars	31st March, 2023	31st March, 2022	
	Opening Balance	3,421.06	3,265.98	
	Tax Expense / (Income) during the period recognised in Profit or Loss	189.60	193.55	
	Tax Expense / (Income) during the period recognised in Other Comprehensive Income	-	(38.47)	
	Tax Expense / (Income) during the period recognised directly in Other Equity	-	-	
	Closing balance	3,610.66	3,421.06	
Movements in DTA :				
	Particulars	Leave Encashment	Others*	Total
	At 1 st April, 2021	206.33	65.83	272.16
	(Charged) / Credited:			
	to Profit or Loss	(41.55)	1.59	(39.96)
	to Other Comprehensive Income directly to Equity	38.47	-	38.47
		-	-	-
	At 31 st March, 2022	203.25	67.42	270.67
	(Charged) / Credited:			
	to Profit or Loss	(17.31)	0.05	(17.26)
	to Other Comprehensive Income directly to Equity	-	-	-
		-	-	-
	At 31st March, 2023	185.94	67.47	253.41
*Includes impact of Ind AS 116				
Movements in DTL :				
	Particulars	Assets : Impact of difference between carrying value and tax base of Depreciable assets	Impact of difference between carrying value and tax base of Investments in Mutual Funds	Total
	At 1 st April, 2021	3,043.78	494.36	3,538.14
	(Charged) / Credited :			
	to Profit or Loss	(24.93)	178.52	153.59
	to Other Comprehensive Income directly to Equity	-	-	-
		-	-	-
	At 31 st March, 2022	3,018.85	672.88	3,691.73
	(Charged) / Credited :			
	to Profit or Loss	(47.96)	220.30	172.34
	to Other Comprehensive Income directly to Equity	-	-	-
		-	-	-
	At 31st March, 2023	2,970.89	893.18	3,864.07

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 22. BORROWINGS - CURRENT			
Borrowings Repayable on Demand			
	From State Bank of India (Secured)		
	Cash Credit	1,829.42	1,677.17
	From HDFC Bank Ltd (Unsecured)		
	Overdraft Working Capital	4.64	242.98
	Total	1,834.06	1,920.15

Notes :

22.1 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.

22.2 Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.15% above 6 months MCLR (Present effective rate 8.55% p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2 bps for 90 days.

22.3 Rate of interest on overdraft working capital facility from HDFC Bank Ltd. is 9.20% p.a.

22.4 Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

Note - 23. TRADE PAYABLES - CURRENT

1	Total outstanding dues of micro enterprises and small enterprises*	4,330.09	3,678.74
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	16,669.85	15,669.90
	Total	20,999.94	19,348.64

* Disclosure with respect to amount due to MSME is given in Note No. 44 and due to related parties amounting to ₹ 811.71 Lakhs (PY ₹ 1,146.86 Lakhs) is given in Note No. 39.

23.1 Ageing for Trade Payables - Current as at 31st March, 2023 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,330.09	-	-	-	-	4,330.09
(ii) Others	16,329.25	90.06	12.75	-	-	16,432.06
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	237.79	-	-	-	237.79
Total	20,659.34	327.85	12.75	-	-	20,999.94

Ageing for Trade Payables - Current as at 31st March, 2022 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,678.74	-	-	-	-	3,678.74
(ii) Others	14,664.32	962.18	1.00	19.90	22.50	15,669.90
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	18,343.06	962.18	1.00	19.90	22.50	19,348.64

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 24. OTHER FINANCIAL LIABILITIES - CURRENT			
1	Unpaid dividends*	107.95	103.75
2	Retention money payable	243.77	175.16
3	Others		
	(i) Employee related payable	4,121.62	3,834.78
	(ii) Other payable	6,430.92	4,158.10
	Total	10,904.26	8,271.79
* Not due for deposit in the Investor Education and Protection Fund			
Note - 25. OTHER CURRENT LIABILITIES			
1	Payable towards Statutory dues	1,688.80	1,494.81
2	Contract Liability - Advances received from Customers*	1,251.85	1,484.98
	Total	2,940.65	2,979.79
25.1 * Contract Liability - Advances received from Customers			
	Opening Balance of Contract Liability	1,484.98	1,358.90
	Add : Addition of Contract Liability - Advances received from Customers	1,251.85	1,484.98
	Less : Revenue recognised during the reporting period	(1,484.98)	(1,358.90)
	Closing Balance of Contract Liability	1,251.85	1,484.98
Note - 26. CURRENT PROVISIONS			
1	Provision for Leave Encashment	184.64	238.04
2	Provision for Gratuity	19.22	-
3	Provision for Loyalty Program	1,100.00	-
	Total	1,303.86	238.04
Refer Note No. 43 for Movement of Provisions			
Note - 27. CURRENT TAX LIABILITIES (NET)			
	Provision for tax (Net)	554.89	622.41
	Total	554.89	622.41

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 28. REVENUE FROM OPERATIONS		
A Revenue from Contracts with Customers		
(a) Sale of products (Building Products)	1,79,265.07	1,43,773.56
(b) Sale of services	59.26	52.70
	<u>1,79,324.33</u>	<u>1,43,826.26</u>
B Other Operating Revenue		
(a) Exports Incentives	43.31	80.91
(b) Insurance Claims Received	23.11	85.38
(c) Miscellaneous Operating Income	228.40	183.02
	<u>294.82</u>	<u>349.31</u>
Total	<u>1,79,619.15</u>	<u>1,44,175.57</u>

Notes :**28.1 Disaggregation of Revenue**

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data :

(₹ in lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Product Type		
Goods	1,79,265.07	1,43,773.56
After Sales Services	59.26	52.70
Total	<u>1,79,324.33</u>	<u>1,43,826.26</u>
Contract Counterparties		
Dealers	1,79,265.07	1,43,773.56
Direct to Consumers	59.26	52.70
Total	<u>1,79,324.33</u>	<u>1,43,826.26</u>
Timing of Transfer of Goods and Services		
Point in time	1,79,324.33	1,43,826.26
Total	<u>1,79,324.33</u>	<u>1,43,826.26</u>

28.2 The expected credit loss recognised on receivables arising from the Company's contracts with customers is disclosed in Note No. 11.

28.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 11 and 25 respectively. Revenue recognised from opening balance of contract liability is disclosed in Note No. 25.1.

28.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 29. OTHER INCOME		
1 Interest Income from Financial Assets at Amortised Cost		
(a) On Security Deposits	12.85	15.27
(b) Others	277.93	309.02
2 Other Non-operating Income		
(a) Profit on Sale of Investments (Net)	120.31	93.01
(b) Net Gain on Fair Valuation of Investments	2,313.88	1,731.68
(c) Profit on Sale of Property, Plant and Equipment (Net)	50.76	-
(d) Share of Profit on Investment in LLP*	188.15	20.40
(e) Net Gain on foreign currency translation	36.97	10.24
(f) Gain on termination of Lease (Net)	8.84	30.83
(g) Miscellaneous Income	13.57	19.50
(h) Credit balances written back	553.38	-
(i) Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	165.58	48.10
Total	<u>3,742.22</u>	<u>2,278.05</u>

* Refer Note No. 39

Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 30. COST OF MATERIALS CONSUMED		
Opening Stock	3,524.20	2,241.66
Add : Purchases (Net)	<u>23,241.60</u>	<u>18,923.71</u>
Sub Total	26,765.80	21,165.37
Less : Closing Stock	<u>5,000.63</u>	<u>3,524.20</u>
Total	<u>21,765.17</u>	<u>17,641.17</u>
Note - 31. PURCHASES OF STOCK IN TRADE		
Sanitaryware and other allied products	<u>67,243.21</u>	60,730.96
Total	<u>67,243.21</u>	<u>60,730.96</u>
Note - 32. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
Inventories at the end of the year:		
Finished Goods	16,056.06	8,657.42
Work-in-progress	1,107.68	1,198.69
Stock-in-Trade	<u>13,520.43</u>	<u>13,994.81</u>
	30,684.17	23,850.92
Inventories at the beginning of the year:		
Finished Goods	8,657.42	2,481.11
Work-in-progress	1,198.69	824.70
Stock-in-Trade	<u>13,994.81</u>	<u>10,273.26</u>
	23,850.92	13,579.07
Change in Inventories	<u>(6,833.25)</u>	<u>(10,271.85)</u>
Note - 33. EMPLOYEE BENEFITS EXPENSE		
1 Salaries, Wages and Bonus	18,930.23	16,779.59
2 Contribution to Provident and other Funds	774.49	1,002.05
3 Staff and Labour Welfare Expenses	<u>1,424.78</u>	<u>1,293.31</u>
Total	<u>21,129.50</u>	<u>19,074.95</u>

Note :

33.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

Defined Contribution Plan :

The Company's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

Defined Benefit Plan :

The 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.

Gratuity :

The benefits are governed by the Payment of Gratuity Act, 1972. The key features are as under :

Plan Features	
Benefits offered	(15 / 26) x (Salary) X (Duration of Service in years)
Salary definition	Last drawn qualifying Salary
Benefit ceiling	Without limit
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon death or disability or retirement
Retirement age	60 years

Leave Encashment : The benefits are governed by the Company's Leave Policy.

Key Features

Salary for Encashment	As per rules of the Company
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	As per rules of the Company
Benefit Formula	(1/30) x (Basic Salary) x (Leave Days)
Leave Denominator	Employee 30
Leave Credited Annually	Employee 30
Retirement age	60 years

Risks associated to the Plan (Gratuity and Leave Encashment)

A. Actuarial Risk	Risks due to adverse salary growth / Variability in mortality and withdrawal rates.
B. Investment Risk	Risks due to significant changes in discounting rate during the inter-valuation period.
C. Liquidity Risk	Risks on account of Employees resignation / retirement from the company , resulting into strain on the cashflow.
D. Market Risk	Risks related to changes and fluctuations of the financial markets and assumptions depend on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
E. Legislative Risk	Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

Key Assumptions considered (Gratuity and Leave Encashment)

Actuarial Assumptions

A. Discount Rate	7.50 % p.a
B. Salary Growth Rate	6.00 % p.a
C. Rate of Interest on Plan Assets	7.50 % p.a
D. Mortality	IALM 2012-14
E. Withdrawal Rate	6.00% p.a.

Financial Assumptions

A. Discount Rate	7.50 % p.a
B. Salary Growth Rate	6.00 % p.a

Demographic Assumptions

A. Withdrawal Rate	6.00% p.a
B. Mortality Rate	-

(₹ in lakhs)

Particulars	2022-23		2021-22	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Reconciliation of opening and closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at beginning of the year	2,015.23	807.58	2,068.73	845.24
Current Service Cost	192.53	129.13	170.48	97.43
Interest Cost	146.11	58.55	149.98	61.28
Actuarial (Gain) / Losses recognised in Other Comprehensive Income	-	-	-	-
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	0.48	0.14	(76.89)	(27.40)
Due to Experience adjustments (Loss)	76.69	184.73	131.72	180.26
Benefits paid	(249.38)	(441.35)	(428.79)	(349.23)
Prior year Charge	-	-	-	-
Defined Benefit Obligation at year end	2,181.66	738.78	2,015.23	807.58
Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of Plan Assets at beginning of the year	2,237.94	-	2,071.80	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	167.84	-	150.20	-
Actuarial Gain / (Loss)	(11.77)	-	59.93	-
Employer Contribution	17.81	-	384.80	-
Benefits paid	(249.38)	-	(428.79)	-
Fair Value of Plan Assets at year end	2,162.44	-	2,237.94	-
Return on Plan Assets recognised in Other Comprehensive Income (Gain) / Loss	88.95	-	(5.10)	-
Actual return on Plan Assets	156.07	-	210.14	-

(₹ in lakhs)

Particulars	2022-23		2021-22	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Reconciliation of fair value of assets and obligations				
Fair value of Plan Assets	2,162.44	-	2,237.94	-
Present value of Obligation	2,181.66	738.78	2,015.23	807.58
(Deficit) / Surplus amount of Plans recognised in Balance Sheet	(19.22)	(738.78)	222.71	(807.58)
Expense recognized during the year				
Current Service Cost	192.53	129.12	170.48	97.43
Interest Cost	146.11	58.55	149.98	61.28
Expenses deducted from the fund	-	-	-	-
Expected return on plan Assets	(167.85)	-	(150.20)	-
Net Cost	170.79	187.67	170.26	158.71
Note: The net surplus amount of Plan Asset as on 31 st March, 2022 has been adjusted during the current year				
Investment Details				
Debt Instruments				
Government of India Securities	0.67%	-	0.67%	-
High Quality Coporate Bonds	3.66%	-	4.56%	-
State Government Securities	2.81%	-	2.82%	-
Cash and Cash Equivalents				
Fixed Deposits	-	-	-	-
Bank Balances	-	-	-	-
Special Deposit Scheme	0.39%	-	0.39%	-
Investment Funds				
Insurance Policies	92.47%	-	91.56%	-
Others				
Mutual Funds	-	-	-	-

Actuarial Assumptions

	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Mortality Table				
Discount Rate	7.50%	7.50%	7.25%	7.25%
Expected Rate of Return	7.50%	-	7.25%	-
Rate of escalation in Salary	6.00%	6.00%	5.75%	5.75%

Sensitivity Analysis

Particulars	Changes in assumption	Increase in assumption		Decrease in assumption			
		Increase / Decrease by	31 st March, 2023	31 st March, 2022	Increase / Decrease by	31 st March, 2023	31 st March, 2022
Impact on Defined Benefit Obligation (Gratuity)							
Discount Rate	1%	Decrease by	7%	7%	Increase 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%
Impact on Defined Benefit Obligation (Leave Encashment)							
Discount Rate	1%	Decrease by	6%	6%	Increase by	7%	7%
Salary Growth Rate	1%	Increase by	7%	7%	Decrease by	7%	6%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

The Methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Funding arrangements and funding policy :

Gratuity liability is funded whereas leave Benefits Liability is not funded. There are no minimum funding requirements for Leave benefits plans in India and there is no compulsion on the part of the Company to fully pre fund the liability. The Company has purchased an insurance policy to partly provide for payment of gratuity to the employees. The trustees of the plan also make investments in Central / State Govt. securities, high quality Corporate bonds, special deposit scheme etc., as per rules and regulations. Every year, the actuary carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

Amounts for the current and previous years are as follows

		(₹ in lakhs)	
Particulars	31 st March, 2023	31 st March, 2022	
1 Gratuity (Funded)			
Defined Benefit Obligation	2,181.66	2,015.23	
Plan Assets	2,162.44	2,237.94	
Surplus / (Deficit)	(19.22)	222.71	
Experience adjustments on Plan Liability (Gain) / Loss	76.69	131.72	
Experience adjustments on Plan Assets Gain	(11.77)	59.93	
2 Leave Encashment (Non-Funded)			
Defined Benefit Obligation	738.77	807.58	
Experience adjustments on Plan Liability (Gain)	184.73	180.26	

Company's estimate of Contributions expected to be paid during Financial Year 2023-24 is as under :

(i) Defined Contribution Plan :	
(a) Employer's contribution to Provident Fund	12% of Basic Salary
(ii) Defined Investment Plan :	
(a) Gratuity	227.80
(b) Leave Encashment	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

		(₹ in lakhs)	
Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022	
Note - 34. FINANCE COSTS			
1 Interest Costs			
(a) Interest on Financial Liabilities	480.72	399.24	
(b) For Income Tax	25.00	46.00	
2 Other Borrowing Costs	34.35	13.47	
Total	540.07	458.71	
Note - 35. DEPRECIATION & AMORTIZATION EXPENSE			
1 Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,324.50	2,329.54	
2 Amortization of Other Intangible Assets (Refer Note No. 5)	26.06	42.35	
3 Depreciation on Right-of-use Assets (Refer Note No. 45(a))	693.68	671.11	
Total	3,044.24	3,043.00	

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 36. OTHER EXPENSES			
1	Stores, Spares, Chemicals and Packing Materials Consumed	6,771.58	5,221.07
2	Power and Fuel	5,938.11	4,383.30
3	Repairs and Maintenance		
	- To Buildings	164.69	116.97
	- To Plant and Equipment	415.29	314.44
	- To Others	345.01	283.88
4	Auditors' Remuneration		
	- As Audit Fees	15.50	10.50
	- For Limited Review	7.50	0.70
	- For Taxation Matter	3.50	0.90
	- For Other Services	-	3.89
	- For Reimbursement of Expenses	1.03	0.35
5	Research & Development Expenses	145.59	188.94
6	Freight and Forwarding Expenses (Net)	10,168.50	8,310.36
7	Sales Promotion Expenses	9,826.65	6,582.54
8	Publicity & Advertisement Expenses	5,676.08	3,246.43
9	Bad Debts	548.61	-
10	Allowance for Expected Credit Loss - Trade Receivables	1,064.76	391.96
11	Allowance for Expected Credit Loss - Capital Advances	140.66	117.23
12	Allowance for Expected Credit Loss - Security Deposits	39.20	-
13	Rent Expenses	444.25	129.52
14	Insurance	1,570.44	1,335.83
15	Rates and Taxes	25.73	24.12
16	Loss on Sale of Property, Plant and Equipment (Net)	-	21.92
17	Loss on Discard of Property, Plant and Equipment	63.19	-
18	Directors' Commission	25.00	16.00
19	Directors' Sitting Fees	3.50	2.80
20	Foreign Exchange Fluctuations (Net)	29.60	6.20
21	Donation	0.25	5.26
22	CSR Expenses (Refer Note No. 47)	300.03	291.03
23	Amortisation of Prepaid Rentals	12.47	14.14
24	Deficit due to surrender of exemption granted to Provident Fund Trust (Refer Note No. 49)	-	328.47
25	Miscellaneous Expenses	4,053.14	3,526.88
	Total	47,799.86	34,875.63
Note - 37. TAX EXPENSE			
1	Current Tax	7,017.39	5,197.72
2	Deferred Tax	189.60	193.55
	Total	7,206.99	5,391.27

37.1 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	31 st March, 2023	31 st March, 2022
Accounting Profit before Income Tax	28,172.57	20,327.25
Add : Interest Expense on Income Tax (Refer Note No. 34)	25.00	46.00
Accounting Profit before Income Tax	28,197.57	20,373.25
India's Statutory Income Tax Rate of 25.168% (P.Y. 25.168%)	7,096.76	5,127.54
Due to Income exempt from Taxation	(14.69)	(21.26)
Non-Deductible Expenses for Tax purpose	1,625.12	1,268.10
Deductible Expenses for Tax purpose	(1,564.70)	(1,397.10)
Income not chargeable for Tax purpose	30.03	192.04
Effects of Excess / (Less) Tax for Tax purpose on Capital Gain / Loss	34.47	221.95
Income Tax Expense reported in the Statement of Profit and Loss	7,206.99	5,391.27

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 38. EARNINGS PER SHARE			
1	Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	20,965.58	14,935.98
2	Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,30,05,874	1,30,05,874
3	Nominal value of Equity Shares (₹)	5	5
4	Basic / Diluted Earnings per Share (₹) (A/B)	161.20	114.84

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 - 39. RELATED PARTY DISCLOSURE

39.1 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, 2023	As at 31 st March, 2022
1	Anjani Tiles Limited*	Subsidiary	-	51%
2	Packcart Packaging LLP	Subsidiary	51%	51%
3	Race Polymer Arts LLP	Subsidiary	51%	51%
4	Milo Tile LLP	Associate	26%	26%

*Anjani Tiles Limited ceased to be a subsidiary effective from 23rd March, 2023

(B) Key Management Personnel :

Sr. No.	Name	Designation
1	Shri Vikram Somany	Chairman and Managing Director
2	Smt. Deepshikha Khaitan	Joint Managing Director
3	Shri Anupam Gupta	Executive Director (Technical) (w.e.f. 15.10.2021)
4	Shri Ayush Bagla	Executive Director
5	Shri Atul Singhvi	Executive Director & CEO (ceased w.e.f 14.10.2021)
6	Shri Vikas Kothari	Dy. CFO (CFO w.e.f. 01.04.2023)
7	Shri R.B.Shah	CFO & COO (Fin. & Comm.) (retired w.e.f. close of working hours of 31.03.2023)
8	Shri Hemal Sadiwala	Company Secretary
9	Shri Sajan Kumar Pasari	Non Executive Independent Director
10	Shri Lalit Kumar Bohania	Non Executive Independent Director
11	Shri Surendra Singh Baid	Non Executive Independent Director
12	Ms. Akriti Jain	Non Executive Independent Director
13	Shri Ravi Bhamidipaty	Non Executive Independent Director (w.e.f. 04.08.2022)

(C) Other Related Parties :

Sr. No.	Particulars
(a) Relatives of Key Management Personnel	
1	Smt. Smiti Somany
2	Smt. Pooja Jain Somany
(b) Enterprises significantly influenced by Key Management Personnel and / or their relatives	
1	Madhusudan Industries Limited
2	Cera Foundation
3	Indian Council of Sanitaryware Manufacturers
(c) Post Employment Benefit Plans	
1	Madhusudan Gratuity Fund

39.2 Disclosures of Transactions during the year between the Company and Related Parties :

(₹ in lakhs)

Sr. No.	Nature of Transaction	Subsidiaries & Associate		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Purchase of Goods	5,379.85	10,292.42	-	-	-	-
2	Other Income	-	1.02	-	-	-	-
3	Investment in Shares	62.45	78.06	-	-	-	-
4	Donation	-	-	-	-	0.25	1.15
5	Remuneration	-	-	1,858.00	1,775.40	-	-
6	Directors Commission & Sitting Fees	-	-	28.50	18.80	-	-
7	Rent, Rates & Taxes	-	-	-	-	98.31	90.96
8	Other Service	-	-	-	-	18.13	17.50
9	Advances given	-	530.00	-	-	-	-
10	Advances Recovered	-	1,700.00	-	-	-	-
11	Contribution to Gratuity Fund	-	-	-	-	17.81	-
12	Share of Profit distribution in LLP	188.15	20.40	-	-	-	-
13	Provision for Impairment Loss of Investment	500.00	573.80	-	-	-	-

39.3 The details of amounts due to or due from related parties as at 31st March, 2023 and 31st March, 2022 :

(₹ in lakhs)

Sr. No.	Particulars	As at	As at
		31 st March, 2023	31 st March, 2022
1	Trade Payables		
	(a) Subsidiaries		
	Anjani Tiles Limited	-	1.02
	Packcart Packaging LLP	99.89	145.88
	Race Polymer Arts LLP	474.03	607.32
	Sub Total (a)	573.92	754.22
	(b) Associate		
	Milo Tile LLP	237.79	392.64
	Sub Total (b)	237.79	392.64
	Total Trade Payable to Subsidiaries & Associate (a + b)	811.71	1,146.86
2	Other Financial Assets & Advances		
	(a) Subsidiaries		
	Race Polymer Arts LLP (Refer Note No. 7(2))	-	62.45
	Sub Total (a)	-	62.45
	(b) Other Related Parties		
	Madhusudan Industries Limited	20.29	20.29
	Sub Total (b)	20.29	20.29
	Balance of advances to Related Parties (a + b)	20.29	82.74
3	Other Current Assets		
	(a) Subsidiaries		
	Race Polymer Arts LLP	146.81	-
	Packcart Packaging LLP	6.42	-
	Sub Total (a)	153.23	-
	(b) Associate		
	Milo Tile LLP	87.36	70.80
	Sub Total (b)	87.36	70.80
	Balances of other current assets - Related Parties (a + b)	240.59	70.80

39.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year : (₹ in lakhs)

Sr. No.	Nature of Transaction	Related Parties	Year ended	
			31 st March, 2023	31 st March, 2022
1	Purchase of Goods	Anjani Tiles Limited	-	4,563.23
2	Investment in LLP	Race Polymers Arts LLP	62.45	78.06
3	Donation	Cera Foundation	0.25	1.15
4	Remuneration	Key Management Personnel	1,858.00	1,775.40
5	Directors Commission & Sitting Fees	Key Management Personnel	28.50	18.80
6	Rent, Rates & Taxes	Madhusudan Industries Limited	98.31	90.96
7	Other Services	Madhusudan Industries Limited	18.00	17.38
8	Advances given	Anjani Tiles limited	-	530.00
9	Advances Recovered	Anjani Tiles limited	-	1,700.00
10	Contribution to Gratuity fund	Madhusudan Gratuity Fund	17.81	-
11	Share of Profit distribution in LLP	Packcart Packaging LLP	24.78	20.40
		Race Polymers Arts LLP	146.81	-
		Milo Tile LLP	16.56	-
12	Provision for Impairment Loss of Investment	Milo Tile LLP	500.00	-
		Anjani Tiles limited	-	573.80

39.5 Breakup of compensation to Key Management Personnel : (₹ in lakhs)

Sr. No.	Particulars	Key Management Personnel	Year ended	
			31 st March, 2023	31 st March, 2022
1	Remuneration	Shri Vikram Somany	755.13	734.93
		Smt. Deepshikha Khaitan	306.83	281.72
		Shri Anupam Gupta	324.77	139.89
		Shri Ayush Bagla	286.76	218.38
		Shri Atul Sanghvi	-	244.05
		Shri R. B. Shah	159.84	136.36
		Shri Hemal Sadiwala	24.67	20.07
Commission		Shri Sajan Kumar Pasari	5.00	4.00
		Shri Lalit Kumar Bohania	5.00	4.00
		Shri Ravi Bhamidipaty	5.00	-
		Shri Surendra Singh Baid	5.00	4.00
		Ms. Akriti Jain	5.00	4.00
Sitting Fees		Shri Sajan Kumar Pasari	0.60	0.70
		Shri Lalit Kumar Bohania	0.80	0.70
		Shri Ravi Bhamidipaty	0.50	-
		Shri Surendra Singh Baid	0.80	0.70
		Ms. Akriti Jain	0.80	0.70
Total			1,886.50	1,794.20

Note – 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**Overview :**

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors and the Risk Management Committee. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit Risk :

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The Company establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables, advances and investments.

(i) Trade Receivables :

The Company extends credits to customers in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdictions and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 5 per cent of total net revenue from operations.

The Company generally does not hold any collateral or other credit enhancements over any of its trade receivables excepting a small amount in the nature of security deposits from its dealers, nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected Credit Loss (ECL) :

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for internal and external information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the Company's provision matrix.

(₹ in lakhs)

Period	As at 31 st March, 2023	As at 31 st March, 2022
Ageing of past dues receivables :		
0-3 months	16,522.61	13,116.07
3-6 months	1,217.17	256.68
6-12 months	269.06	712.09
Beyond 12 months	3,115.95	3,603.28
Ageing of impaired trade receivables :		
0-3 months	-	-
3-6 months	-	-
6-12 months	6.09	-
Beyond 12 months	2,291.94	1,279.88

(ii) Cash and cash equivalents and short-term investments :

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

(B) Liquidity Risk :

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The table below provides undiscounted cash flows towards non-derivative financial assets / (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2023			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
Financial Assets					
Trade receivables	11	18,826.76	-	-	18,826.76
Others	7,14	283.83	794.56	-	1,078.39
Current investments	10	63,451.81	-	-	63,451.81
Cash and cash equivalents	12	1,041.69	-	-	1,041.69
Other bank balances	13	1,490.05	-	-	1,490.05
Total		85,094.14	794.56	-	85,888.70
Financial Liabilities					
Borrowings	22	1,834.06	-	-	1,834.06
Current payables	23,24	31,904.20	-	-	31,904.20
Non-current payables	19	-	2,885.15	-	2,885.15
Lease Liabilities	45(a)	718.22	1,578.43	429.55	2,726.20
Total		34,456.48	4,463.58	429.55	39,349.61

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2022			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
Financial Assets					
Trade receivables	11	16,408.24	-	-	16,408.24
Others	7,14	377.38	201.32	-	578.70
Current investments	10	52,715.60	-	-	52,715.60
Cash and cash equivalents	12	1,378.19	-	-	1,378.19
Other bank balances	13	1,036.11	-	-	1,036.11
Non-current Asset classified as held for sale	16	2,226.20	-	-	2,226.20
Total		74,141.72	201.32	-	74,343.04
Financial Liabilities					
Borrowings	22	1,920.15	-	-	1,920.15
Current payables	23,24	27,620.43	-	-	27,620.43
Non-current payables	19	-	2,702.94	-	2,702.94
Lease Liabilities	45(a)	627.78	1,121.25	30.74	1,779.77
Total		30,168.36	3,824.19	30.74	34,023.29

(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.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables	USD	0.97	2.32
	EUR	0.51	-
Trade payables	USD	0.32	0.32
	EUR	0.02	0.02
	NPR	3.39	-
	AED	-	0.05
Advance to suppliers	USD	1.46	0.87
	EUR	0.37	0.30
	GBP	-	0.04
Advance from customers	USD	0.92	0.59
	EUR	0.38	-
Balance in EEFC account	USD	3.62	1.80

Currency Rate	(in ₹)	
	31 st March, 2023	31 st March, 2022
USD	82.2212	75.7416
EUR	89.3463	84.1158
AED	22.3883	20.6240
GBP	101.7334	99.4238
NPR	0.6250	0.6250

Of the above foreign currency exposures, following exposures are not hedged: (in lakhs)

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables	USD	0.97	2.32
	EUR	0.51	-
Trade payables	USD	0.32	0.32
	EUR	0.02	0.02
	NPR	3.39	-
	AED	-	0.05
Advance to suppliers	USD	1.46	0.87
	EUR	0.37	0.30
	GBP	-	0.04
Advance from customers	USD	0.92	0.59
	EUR	0.38	-
Balance in EEFC account	USD	3.62	1.80

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 Profit	
		before tax 31 st March, 2023	before tax 31 st March, 2022
USD	5%	19.78	15.45
	-5%	(19.78)	(15.45)
EUR	5%	2.14	1.18
	-5%	(2.14)	(1.18)
NPR	5%	(0.11)	-
	-5%	0.11	-
AED	5%	-	(0.05)
	-5%	-	0.05
GBP	5%	-	0.20
	-5%	-	(0.20)

(₹ in lakhs)

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

(ii) Interest Rate Risk :

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low due to negligible borrowings by the Company.

The Company's non-current borrowings from banks are Nil as at 31st March, 2023 and 31st March, 2022 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 No. 22, 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.

Note - 41. ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	2022-23	2021-22
Current ratio (in times)	Total Current Assets	Total Current Liabilities	3.23	3.05
Debt - Equity ratio	Debt = Borrowings + Lease Liabilities (Non-current + Current)	Total Equity	0.04	0.04
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	16.44	14.42
Return on equity ratio (in %)	Net Profits after taxes	Average Equity	19.28%	15.89%
Inventory Turnover ratio (in Times)	Revenue from Operations excluding GST	Average Inventory	5.41	6.30
Trade receivables turnover ratio (in times)*	Revenue from Operations including GST	Average Trade Receivable	12.01	9.14
Trade payable turnover ratio (in times)	Revenue from Operations including GST	Average Trade Payable	5.72	7.48
Net capital turnover ratio (in times)	Revenue from Operations excluding GST	Working Capital = Total Current Assets - Total Current Liabilities	2.06	2.07
Net Profit ratio (in %)	Net Profits after taxes	Revenue from Operations excluding GST	11.67%	10.36%
Return on capital employed (in %)	Profit before exceptional items, tax and finance cost	Capital employed = Total Equity + Non-Current Liabilities	23.13%	19.64%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	6.38%	5.83%

* Effective credit control steps including timely recoveries were taken during current period resulting in to reduction in Trade Receivables.

Note - 42. FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

(₹ in lakhs)

Particulars	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 23	As at 31 st March, 22	As at 31 st March, 23	As at 31 st March, 22	
Financial Assets					
Current					
Investments (measured at fair value)	63,451.81	52,715.60	63,451.81	52,715.60	Level 1
Non-current Assets classified as held for Sale					
Equity Instruments in Subsidiary Company (measured at lower of carrying amount and fair value less costs to sell)	-	446.20	-	446.20	Level 3
Preference Shares (valued at fair value which is equivalent to carrying amount)	-	1,780.00	-	1,780.00	Level 3
Financial assets measured at amortised cost					
Non-current					
Investments in Subsidiaries (LLP) & Associate	906.78	1,344.33	906.78	1,344.33	Level 3
Other Investments	2,520.02	2,675.41	2,520.02	2,675.41	Level 3
Margin Money Deposits with a bank held as security with more than 12 months maturity	639.99	19.16	639.99	19.16	Level 3
Security Deposit	154.57	119.71	154.57	119.71	Level 3
Advance Contribution to Subsidiary	-	62.45	-	62.45	Level 3
Current					
Security Deposit	98.35	150.69	98.35	150.69	Level 3
Trade receivables	18,826.76	16,408.24	18,479.42	15,405.89	Level 3
Cash and cash equivalents	1,041.69	1,378.19	1,041.69	1,378.19	Level 3
Other Balances with Banks	1,490.05	1,036.11	1,490.05	1,036.11	Level 3
Insurance claims receivables	74.95	92.00	74.95	92.00	Level 3
Advances	33.22	45.27	33.22	45.27	Level 3
Interest accrued and receivable	77.31	89.42	77.31	89.42	Level 3
Total	89,315.50	78,362.78	88,968.16	77,360.43	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-Current					
Lease liabilities	2,007.98	1,151.99	2,007.98	1,151.99	Level 3
Deposits by Dealers	2,862.92	2,680.71	2,862.92	2,680.71	Level 3
Other financial liabilities	22.23	22.23	22.23	22.23	Level 3
Current					
Borrowings	1,834.06	1,920.15	1,834.06	1,920.15	Level 3
Lease liabilities	718.22	627.78	718.22	627.78	Level 3
Trade payables	20,999.94	19,348.64	20,999.94	19,348.64	Level 3
Unpaid dividends	107.95	103.75	107.95	103.75	Level 3
Retention money payable	243.77	175.16	243.77	175.16	Level 3
Employee related payables	4,121.62	3,834.78	4,121.62	3,834.78	Level 3
Other payables	6,430.92	4,158.10	6,430.92	4,158.10	Level 3
Total	39,349.61	34,023.29	39,349.61	34,023.29	

42.1 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.

42.2 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.

42.3 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.

42.4 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.

42.5 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 - 43. MOVEMENT IN PROVISIONS

Disclosure of Movement in Provisions during the year as per Ind AS- 37, Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakhs)				
Particulars	Balance as on 1 st April, 2022	Provided/ Transferred during the year	Paid/Adjusted during the year	Balance as on 31 st March, 2023
Non-current Provisions				
Accumulated leaves	569.54	187.90	203.31	554.13
Income Tax of earlier years	320.72	36.92	30.36	327.28
Total	890.26	224.82	233.67	881.41
Current Provisions				
Accumulated leaves	238.04	184.64	238.04	184.64
Gratuity	-	19.22	-	19.22
Loyalty Program *	-	1,100.00	-	1,100.00
Total	238.04	1,303.86	238.04	1,303.86
Grand total	1,128.30	1,528.68	471.71	2,185.27

* 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.

Note - 44. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	31 st March, 2023	31 st March, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount due to micro enterprises and small enterprises	4,330.09	3,678.74
(ii) Interest due on above	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) "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".	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note - 45. COMMITMENTS AND CONTINGENCIES**(a) Leases**

The Company has adopted Ind AS 116, effective from annual reporting period beginning 1st April, 2019 and applied the Standard to its leases, using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1st April, 2019).

(i) Changes in the carrying value of right-of-use assets : (₹ in lakhs)

Particulars	Category of Right-of-use asset	
	Land	Buildings
Balance as at 1 st April, 2021	8.66	1,281.68
Additions during the year	-	1,028.51
Termination during the year	-	(110.13)
Depreciation	(0.60)	(670.51)
Remeasurement of lease liability due to lease modifications	-	(18.25)
Balance as at 31 st March, 2022	8.06	1,511.30
Additions during the year	-	1,727.76
Termination during the year	-	(85.31)
Depreciation	(0.59)	(693.09)
Balance as at 31st March, 2023	7.47	2,460.66

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. 35)

(ii) Movement in Lease Liabilities : (₹ in lakhs)

Particulars	Buildings	
	2022-23	2021-22
Opening Balance	1,779.77	1,539.33
Finance cost accrued during the year	239.87	193.77
Additions during the year	1,727.76	1,028.51
Termination during the year	(94.15)	(140.96)
Payment of lease liabilities	(927.05)	(822.63)
Remeasurement of lease liability due to Lease modifications	-	(18.25)
Closing Balance	2,726.20	1,779.77

(iii) Break-up of current and non-current lease liabilities : (₹ in lakhs)

Particulars	Buildings	
	2022-23	2021-22
Non-current lease liabilities	2,007.98	1,151.99
Current lease liabilities	718.22	627.78
Total	2,726.20	1,779.77

(iv) Contractual maturities of lease liabilities on discounted basis.

Particulars	(₹ in lakhs)	
	31 st March, 2023	31 st March, 2022
Not later than one year	718.22	627.78
Later than one year but not later than five years	1,578.43	1,121.25
Later than five years	429.55	30.74
Total	2,726.20	1,779.77

Particulars	(₹ in lakhs)	
	31 st March, 2023	31 st March, 2022

(b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) **3,539.64** 170.82

(c) Contingent Liabilities

Claims against the Company not acknowledged as debts (Net of Payments) **79.44** 765.13
Letters of Credit (Foreign & Inland) opened and guarantees given (Net) **674.86** 1,751.41

Note - 46. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 :

For Subsidiaries

(₹ in lakhs)

Particulars	Anjani Tiles Limited#		Packcart Packaging LLP		Race Polymer Arts LLP	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Investments*						
At the beginning of the year	-	3,443.00	90.78	90.78	447.55	369.49
Addition during the year	-	-	-	-	62.45	78.06
Transferred during the year	-	(643.00)	-	-	-	-
Transferred to Non-current Assets classified as held for Sale during the year (Refer Note No. 16)	-	(2,800.00)	-	-	-	-
At the end of the year	-	-	90.78	90.78	510.00	447.55
Loans & advances**						
At the beginning of the year	-	1,170.00	-	-	62.45	140.51
Addition during the year	-	530.00	-	-	-	-
Recovered / Transferred during the year	-	(1,700.00)	-	-	(62.45)	(78.06)
At the end of the year	-	-	-	-	-	62.45
Non-current Asset classified as held for Sale (Refer Note. No. 16)						
At the beginning of the year	2,226.20	-	-	-	-	-
Investment classified as held for Sale during the year	-	2,800.00	-	-	-	-
Impairment loss	-	(573.80)	-	-	-	-
Sold during the year	(2,226.20)	-	-	-	-	-
At the end of the year	-	2,226.20	-	-	-	-
Other Current Assets***						
At the beginning of the year	-	-	-	-	-	-
Addition during the year	-	-	24.78	-	146.81	-
Recovered / Transferred during the year	-	-	(18.36)	-	-	-
At the end of the year	-	-	6.42	-	146.81	-

Anjani Tiles Limited ceased to be a subsidiary effective from 23rd March, 2023

For Associates

(₹ in lakhs)

Particulars	Milo Tile LLP	
	As at 31 st March, 2023	As at 31 st March, 2022
Investments*		
At the beginning of the year	806.00	806.00
Addition during the year	-	-
Provision for Impairment (Refer Note No. 6)	(500.00)	-
At the end of the year	306.00	806.00
Other Current Assets***		
At the beginning of the year	70.80	66.45
Addition during the year	16.56	4.35
Recovered during the year	-	-
At the end of the year	87.36	70.80

* The company has paid amounts towards its Capital Contribution.

** The company has given advances for following purposes :

(a) Advance capital contribution.

(b) Towards future purchases.

*** Represents current account of the Company in respective LLP.

Note - 47. NOTE ON CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms of the provisions of the said Act, the Company was required to spend ₹ 298.36 lakhs (previous year ₹ 289.56 Lakhs) towards CSR activities during the year ended 31st March, 2023. The Company has spent following amounts towards CSR activities for the benefit of general public and in the neighbourhood of the manufacturing facilities of the Company.

		(₹ in lakhs)	
Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Prescribed CSR Expenditure (2% of Average Net Profits of the three immediately preceding financial years)	298.36	289.56
2	Add : Unspent amount of previous year	-	-
	Total amount to be spent for the financial year	298.36	289.56
3	Details of amounts spent towards CSR activities during the financial year 2022-23		
a	Promoting Education and enhancing vocational skills	92.06	38.36
b	Eradicating hunger, poverty, Malnutrition, promoting health care and sanitation	142.70	204.34
c	Ensuring environmental sustainability	5.00	-
d	Rural Development	52.41	18.57
e	Protection of National Heritage Art & Culture	-	-
f	Disaster management, including relief, rehabilitation and reconstruction activities.	7.86	29.76
	Total Amount spent during the financial year	300.03	291.03
4	Amount unspent, if any.	-	-

Note - 48. RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development expenditure incurred is set out below

		(₹ in lakhs)	
Sr. No.	Particulars	2022-23	2021-22
1	Capital expenditure	43.43	1.44
2	Revenue expenditure	145.59	188.94

Note - 49. DEFICIT DUE TO SURRENDER OF EXEMPTION GRANTED TO PF TRUST

- The Company was granted Exemption for certain employees under Para 27 of the Employees' Provident Fund Scheme, 1952. (EPF Scheme, 1952).
- Because of drastic reduction in rate of return on investments as compared to the rate declared by the Government for employees Provident Fund in last 3 to 4 years, the Company had to make additional Contribution / provision for the deficit sustained, as a legal or constructive obligation. Further, credit risk, interest risk, default risk also increased in the recent past in Bond market.
- The Company had therefore submitted application dated 14th February, 2022 for surrender of exemption granted w.e.f. 1st March, 2022 pursuant to resolution passed by the Board of Directors of the Company on 26th October, 2021, followed by resolution passed by the Board of Trustees of Madhusudan Provident Fund Institution (MPFI) on 28th November, 2021.
- By an Order dated 9th March, 2022, the Regional Provident Fund Commissioner withdrew the exemption granted under Para 27 of the Employees' Provident Scheme (EPF Scheme) with effect from 1st March, 2022. The Trust was also required to transfer the Corpus in the name of Central Board of Trustees, EPFO and any loss incurred by MPFI was borne by the Company as per the Order of RPFC. The Company was also directed to comply as an un-exempted establishment w.e.f. 1st March, 2022. In this process, the Company incurred loss of ₹ 328.47 lakhs on liquidation of the securities comprised in the Corpus of MPFI which is recognised in Note No. 36 in F.Y. 2021-22.

Note - 50. 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 - 51.

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 - 52. DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A.	Declared and paid during the year:		
	Final dividend for FY 2021-22 : ₹ 20 per share (FY 2020-21 : ₹ 13 per share)	2,601.17	1,690.76
	Special dividend for FY 2021-22 : ₹ 15 per share (FY 2020-21 : ₹ Nil per share)	1,950.88	-
B.	Proposed for approval at the ensuing annual general meeting (not recognised as a liability):		
	Final dividend for FY 2022-23 : ₹ 50 per share (FY 2021-22 : ₹ 20 per share)	6,502.94	2,601.17
	Special dividend for FY 2022-23 : ₹ Nil per share (FY 2021-22 : ₹ 15 per share)	-	1,950.88
	Dividend Remittance to Foreign Investors (INR)		
	Number of non-resident shareholders	947	841
	Number of shares held by them on which dividend was paid	2463743	2412350
	Amount remitted - Net of Tax (₹ in Lakhs)	681.04	247.67

Note - 53. ADDITIONAL REGULATORY INFORMATION

The following additional disclosures are made pursuant to notification of Ministry of Corporate Affairs dated 24th March, 2021.

1. Title deeds of Immovable Properties

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself.

2. Revaluation of Property, Plant & Equipment

The company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

3. Loans / Advances in the nature of loans to Promoters, Directors, KMP's and Related Parties

The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

4. Details of Benami Property held

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

5. Wilful Defaulter

None of the banks, financial institutions or other lenders from whom the company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.

6. Relationship with Struck off Companies

The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year or in previous year.

7. Registration of charges or satisfaction with Registrar of Companies (ROC)

All the charges or satisfaction of which is required to be registered with Registrar of Companies (ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act, 2013 and rules made thereunder.

8. Compliance with number of layers of companies

The company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

9. Compliance with Approved Scheme of Arrangements

No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the Companies Act, 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the act is not applicable.

10. Borrowing from Banks and Financial Institutions for Specific Purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

11. Utilisation of Borrowed funds and Share Premium

a) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- b) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12. Borrowings on the basis of security of Current Assets

The Company has working capital facilities from banks on the basis of security of current assets & are submitting periodically Financial Information as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between quarterly Financial Information and books of accounts.

13. There were no transactions which have not been recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

Note - 54.

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, 2023 and 31st March, 2022 are net of GST. The following additional information is being provided to facilitate such understanding.

Particulars	Year ended	
	31 st March, 2023	31 st March, 2022
Revenue from Operations (Gross)	2,11,505.14	1,69,479.97
Less : GST Recovered	31,885.99	25,304.40
Revenue from Operations (Net)	1,79,619.15	1,44,175.57

(₹ in lakhs)

Note - 55.

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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068) Joint Managing Director
Anupam Gupta (DIN:09290890) Executive Director (Technical)
Ayush Bagla (DIN:01211591) Executive Director
Surendra Singh Baid (DIN:02736988) Director
Ravi Bhamidipaty (DIN:00160891) Director
Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

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, 2023, 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, 2023 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 there under, 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.

Emphasis of Matter

We draw attention to Note 6.1(A) of the consolidated financial statements regarding legal dispute with M/s Milo Tiles LLP (An Associate) whose financial information for the period 1st April, 2022 to 31st March, 2023 has not been included in the results due to non receipt of financial information from the Associate. Also, as against the total Investment of ₹ 806 Lakhs the management has provided for an Impairment Loss of ₹ 500 Lakhs in the books of accounts which has been disclosed as an "Exceptional Item" in the consolidated financial statements. In the opinion of the management the impact of the above matter on the audited consolidated financial results is not expected to be material.

Our opinion on the audited consolidated financial statements is not modified in respect of the above matter.

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)	
<p>As at 31st March, 2023, the carrying amount of Trade Receivables aggregated ₹ 18,915.14 Lakhs (net of Expected credit loss of ₹ 2,298.03 Lakhs) constituting a significant component of the Group's Total Assets. The allowance for expected credit losses ("ECL") on such Trade Receivables is a critical estimate involving greater level of management judgement.</p> <p>The Group has made provision for Expected Credit Losses in respect of trade receivables aggregating to ₹ 2,298.03 Lakhs up to 31st March, 2023 (including ₹ 1,064.76 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</p>	<p>Our Audit procedures related to the allowance for expected credit losses for trade receivables included the following, among others:</p> <ul style="list-style-type: none"> ➤ We tested the effectiveness of controls over the: <ul style="list-style-type: none"> • Development of the methodology and model for the allowance for credit losses, including consideration of the current and estimated future economic conditions; • Completeness and accuracy of information used in the estimation of probability of default; and • Computation of the allowance for credit losses. ➤ For a few customers, we tested the input data such as credit reports, past history of dealings with them and other credit related information used in estimating the probability of default by comparing them to external and internal source of information.

<p>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. 11, 38 and 42 to the consolidated financial statements.</p>	<ul style="list-style-type: none"> ➤ 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.
B) Revenue Recognition – Discounts, Incentives and Volume rebates	
<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, that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the Company and of its subsidiaries included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the Company and of its subsidiaries included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls. As none of the subsidiaries are a Company incorporated in India under the Act, the audit of internal financial controls over financial reporting is not applicable to these subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31st March, 2023 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

- i. We did not audit the financial statements and other financial information, of 2 subsidiaries, whose financial statements include total assets of ₹ 3,474.49 Lakhs as at 31st March, 2023, and total revenues of ₹ 6,253.67 Lakhs total net profit after tax of ₹ 335.93 Lakhs, total comprehensive income of ₹ 336.97 Lakhs and net cash inflow of ₹ 75.72 Lakhs for the year ended 31st March, 2023. 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.
- ii. Consolidated Financial Statements of the Group for the year ended 31st March, 2022 have been audited by the predecessor auditor who expressed an unmodified opinion on the consolidated financial statements vide their report dated 10th May, 2022.

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, 2023 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company are disqualified as on 31st March, 2023 from being appointed as a director in terms of section 164(2) of the Act. None of the subsidiaries are a Company incorporated in India under the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
 - g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31st March, 2023 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, 2023 on the consolidated financial position of the Group - Refer Note No. 46 (c) 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, 2023;

- 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 proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. 1st April, 2023 for the Holding Company and its subsidiaries, hence reporting under this clause is not applicable.

Place : Mumbai
Date : 10th May, 2023

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 23204936BGYIRT1134

Annexure – A to the Independent Auditor's Report of even date to the members of Cera Sanitaryware Limited on the Consolidated Financial Statements as of and for the year ended 31st March, 2023

(Referred to in paragraph 2 (f) of our Report on Other Legal and Regulatory Requirements)

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

In conjunction with our audit of the Consolidated Financial Statements of **Cera Sanitaryware Limited** ('the Holding Company') as of and for the year ended 31st March, 2023, 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, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai
Date : 10th May, 2023

For Singhi & Co.
Chartered Accountants
Firm Registration No : 302049E
Sudesh Choraria
Partner
Membership No : 204936
UDIN : 23204936BGYIRT1134

Consolidated Balance Sheet as at 31st March, 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	31,383.13	32,067.06
(b) Capital work-in-progress	4	1,693.48	68.46
(c) Right-of-use assets	46(a)	2,507.78	1,582.80
(d) Other Intangible Assets	5	51.76	46.35
(e) Intangible Assets under development	5	3.22	-
(f) Financial Assets			
(i) Investments			
- Investments in Associates	6	306.00	806.00
- Other Investments	6	2,520.02	2,675.41
(ii) Other Financial Assets	7	820.74	164.55
(g) Other Non-current Assets	8	990.11	582.92
(2) Current Assets			
(a) Inventories	9	38,252.54	29,374.86
(b) Financial Assets			
(i) Investments	10	63,451.81	52,715.60
(ii) Trade Receivables	11	18,915.14	16,476.76
(iii) Cash and Cash Equivalents	12	1,128.86	1,389.63
(iv) Other Balances with Banks	13	1,490.05	1,036.11
(v) Other Financial Assets	14	399.50	477.27
(c) Other Current Assets	15	3,750.28	2,976.36
(3) Assets classified as held for Sale			
	16.1	-	12,733.01
Total Assets		1,67,664.42	1,55,173.15
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	650.29	650.29
(b) Other Equity	18.1	1,16,613.48	1,00,864.88
Equity attributable to Owners of the Company		1,17,263.77	1,01,515.17
Non-Controlling Interests	18.2	1,061.20	1,423.25
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	416.80	554.43
(ii) Lease Liabilities	46(a)	2,028.47	1,200.19
(iii) Other Financial Liabilities	20	2,885.15	2,702.94
(b) Provisions	21	891.68	899.39
(c) Deferred Tax Liabilities (Net)	22	3,760.72	3,541.57
(d) Other Non-current Liabilities	23	9.59	11.08
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	2,118.03	2,113.58
(ii) Lease Liabilities	46(a)	745.93	652.86
(iii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	25	3,794.23	2,998.08
- total outstanding dues of creditors other than micro enterprises and small enterprises	25	16,899.09	15,930.08
(iv) Other Financial Liabilities	26	10,973.47	8,321.44
(b) Other Current Liabilities	27	2,952.70	3,017.06
(c) Provisions	28	1,308.70	242.86
(d) Current Tax Liabilities (Net)	29	554.89	684.66
(3) Liabilities directly associated with assets classified as held for Sale			
	16.1	-	9,364.51
Total Equity and Liabilities		1,67,664.42	1,55,173.15
Significant Accounting Policies	3		

The accompanying Notes 1 to 55 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 : 10th May, 2023**Vikas Kothari**
Chief Financial Officer
Mem. No. ACA 114368**Hemal Sadiwala**
Company Secretary
Mem. No. ACS 20741

Vikram Somany	(DIN:00048827)	Chairman and Managing Director
Deepshikha Khaitan	(DIN:03365068)	Joint Managing Director
Anupam Gupta	(DIN:09290890)	Executive Director (Technical)
Ayush Bagla	(DIN:01211591)	Executive Director
Surendra Singh Baid	(DIN:02736988)	Director
Ravi Bhamidipaty	(DIN:00160891)	Director
Sajan Kumar Pasari	(DIN:00370738)	Director
Lalit Kumar Bohania	(DIN:00235869)	Director
Akriti Jain	(DIN:08259413)	Director

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs except for per equity share data)

Particulars	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Revenue from Operations	30	1,80,350.24	1,44,583.00
Other Income	31	3,557.04	2,364.59
Total Income		1,83,907.28	1,46,947.59
EXPENSES			
Cost of Materials Consumed	32	25,915.13	21,399.91
Purchases of Stock-in-Trade	33	63,434.41	57,312.24
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	34	(6,885.71)	(10,353.73)
Employee Benefits Expense	35	21,466.07	19,361.60
Finance Costs	36	604.83	528.15
Depreciation and Amortization Expense	37	3,260.74	3,240.74
Other Expenses	38	47,123.29	33,989.57
Total Expenses		1,54,918.76	1,25,478.48
Profit before exceptional items and tax		28,988.52	21,469.11
Exceptional Items	6.1(A) & 16.2	(500.00)	(573.80)
Profit before tax		28,488.52	20,895.31
Tax Expense :			
(1) Current Tax	39	7,164.75	5,391.30
(2) Deferred Tax		218.68	209.53
Total Tax Expense		7,383.43	5,600.83
Profit after tax		21,105.09	15,294.48
Add: Share of Profit / (Loss) from Associates (Refer Note No. 6.1(A))		-	0.76
Profit for the year		21,105.09	15,295.24
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurements of Defined Benefit plan		(87.45)	(146.77)
(ii) Income tax relating to items that will not be reclassified to profit or loss Total Other Comprehensive Income for the year (Net of Tax)		21.92	36.84
		(65.53)	(109.93)
Total Comprehensive Income for the year		21,039.56	15,185.31
Profit for the year attributable to :			
- Owners of the Company		20,940.48	15,109.58
- Non-Controlling Interests		164.61	185.66
		21,105.09	15,295.24
Other Comprehensive Income for the year attributable to :			
- Owners of the Company		(66.03)	(110.25)
- Non-Controlling Interests		0.50	0.32
		(65.53)	(109.93)
Total Comprehensive Income for the year attributable to :			
- Owners of the Company		20,874.45	14,999.33
- Non-Controlling Interests		165.11	185.98
		21,039.56	15,185.31
Earnings per equity share of face value of ₹ 5/- each			
(1) Basic	40	161.01	116.18
(2) Diluted	40	161.01	116.18
Weighted average number of equity shares		1,30,05,874	1,30,05,874
Significant Accounting Policies	3		

The accompanying Notes 1 to 55 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 : 10th May, 2023**Vikas Kothari**
Chief Financial Officer
Mem. No. ACA 114368**Hemal Sadiwala**
Company Secretary
Mem. No. ACS 20741

Vikram Somany	(DIN:00048827)	Chairman and Managing Director
Deepshikha Khaitan	(DIN:03365068)	Joint Managing Director
Anupam Gupta	(DIN:09290890)	Executive Director (Technical)
Ayush Bagla	(DIN:01211591)	Executive Director
Surendra Singh Baid	(DIN:02736988)	Director
Ravi Bhamidipaty	(DIN:00160891)	Director
Sajan Kumar Pasari	(DIN:00370738)	Director
Lalit Kumar Bohania	(DIN:00235869)	Director
Akriti Jain	(DIN:08259413)	Director

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Balance as at 1 st April, 2022	Changes in equity share capital due to prior period items	Restated balance as at 1 st April, 2022	Changes in equity share capital during the year	Balance as at 31 st March, 2023			
A. EQUITY SHARE CAPITAL	650.29	-	650.29	-	650.29			
Equity Share Capital	650.29	-	650.29	-	650.29			
Particulars	Balance as at 1 st April, 2021	Changes in equity share capital due to prior period items	Restated balance as at 1 st April, 2021	Changes in equity share capital during the year	Balance as at 31 st March, 2022			
Equity Share Capital	650.29	-	650.29	-	650.29			
Particulars	Reserves & Surplus			Other Comprehensive Income (Actuarial Gain / (Loss))	Group's Share in Equity of Subsidiary Company (Classified as held for Sale)	Total Other Equity	Non-Controlling Interests	Total
	Securities Premium	General Reserve	Retained Earnings					
	A	B	C	D	E	F (A+B+C+D+E)	G	H (F+G)
B. OTHER EQUITY								
Balance as at 1 st April, 2022	8,095.94	52,440.05	39,855.24	(546.35)	1,020.00	1,00,864.88	1,423.25	1,02,288.13
Profit for the Year (A)	-	-	20,940.48	-	-	20,940.48	164.61	21,105.09
Other Comprehensive Income (B)	-	-	-	(66.03)	-	(66.03)	0.50	(65.53)
Total Comprehensive Income for the Year (A + B)	-	-	20,940.48	(66.03)	-	20,874.45	165.11	21,039.56
Transferred from Retained Earnings	-	4,383.93	(4,383.93)	-	-	-	-	-
Dividend on Equity Shares	-	-	(4,552.05)	-	-	(4,552.05)	-	(4,552.05)
Elimination of Loss of Stake in Subsidiary	-	-	446.20	-	-	446.20	-	446.20
Net Increase / (Changes) in Non Controlling Interest	-	-	-	-	-	-	(527.16)	(527.16)
Group's Share in Equity of Subsidiary Company	-	-	-	-	(1,020.00)	(1,020.00)	-	(1,020.00)
Balance as at 31st March, 2023	8,095.94	56,823.98	52,305.94	(612.38)	-	1,16,613.48	1,061.20	1,17,674.68
Balance as at 1 st April, 2021	8,095.94	49,000.47	29,864.64	(437.57)	-	86,523.48	1,171.90	87,695.38
Profit for the Year (C)	-	-	15,109.58	-	-	15,109.58	185.66	15,295.24
Other Comprehensive Income (D)	-	-	-	(110.25)	-	(110.25)	0.32	(109.93)
Total Comprehensive Income for the Year (C + D)	-	-	15,109.58	(110.25)	-	14,999.33	185.98	15,185.31
Other Changes in Retained Earnings (Refer Note No 18.1)	-	-	11.36	-	-	11.36	-	11.36
Other Changes in Other Comprehensive Income (Refer Note No 18.1)	-	-	-	1.47	-	1.47	-	1.47
Group's Share in Equity of Subsidiary Company (Classified as held for Sale)	-	-	-	-	1,020.00	1,020.00	-	1,020.00
Transferred from Retained Earnings	-	3,439.58	(3,439.58)	-	-	-	-	-
Dividend on Equity Shares	-	-	(1,690.76)	-	-	(1,690.76)	-	(1,690.76)
Increase in Non Controlling Interest	-	-	-	-	-	-	65.37	65.37
Balance as at 31 st March, 2022	8,095.94	52,440.05	39,855.24	(546.35)	1,020.00	1,00,864.88	1,423.25	1,02,288.13

The accompanying Notes 1 to 55 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 (DIN:00048827) Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068) Joint Managing Director
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Surendra Singh Baid (DIN:02736988) Director
Ravi Bhamidipaty (DIN:00160891) Director
Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Place : Ahmedabad
Date : 10th May, 2023

Consolidated Statement of Cash Flows for the year ended 31st March, 2023

(₹ In lakhs)

Particulars	Year ended 31 st March, 2023		Year ended 31 st March, 2022	
	₹	₹	₹	₹
A. Cash flows from Operating activities				
Net Profit before tax		28,488.52		20,895.31
Adjustments for :				
Depreciation & Amortization	3,260.73		3,240.74	
Allowance for expected credit loss - Trade Receivables	1,064.76		391.96	
Allowance for expected credit loss - Capital Advance	140.66		117.23	
Allowance for expected credit loss - Security Deposit	39.20		-	
Impairment Loss on Investment	500.00		573.80	
Amortization of Prepaid Rentals	12.77		14.44	
Bad Debts	548.61		-	
Finance Cost (Other than Loss on Foreign Exchange Fluctuations)	604.83		528.15	
Interest on Security Deposit (Non Cash)	(14.01)		(16.60)	
Other Interest Received	(277.93)		(309.03)	
Foreign Exchange Fluctuations (Income) / Loss (Net)	29.60		6.20	
Profit on Sale of Investments	(120.31)		(93.01)	
Net Gain on Fair Valuation of Investments in Mutual Funds	(2,313.88)		(1,731.68)	
Liabilities & Provisions no longer required, written back	(165.91)		(53.36)	
Loss / (Gain) on Foreign Currency Translation (Net)	(36.97)		-	
Loss / (Profit) on Sale of Property, Plant and Equipment (Net)	(50.76)		21.92	
Loss / (Profit) on Discard of Property, Plant and Equipment	63.19		-	
Deferred Income on Capital Subsidy	(1.49)		(1.49)	
Subsidy Receivable	-		(98.79)	
Loss / (Gain) on Termination of Lease	(8.84)		(30.83)	
Credit Balance Written back	(553.38)		-	
		2,720.87		2,559.65
Operating profit before working capital changes		31,209.39		23,454.96
Adjustments for changes in working capital				
(Increase) / Decrease in Inventories	(8,877.70)		(11,838.17)	
(Increase) / Decrease in Trade Receivables	(3,249.67)		3,676.16	
(Increase) / Decrease in Other Financial Assets	79.98		66.30	
(Increase) / Decrease in Other Assets	(1,009.70)		(1,165.75)	
Increase / (Decrease) in Trade Payable	962.08		(150.10)	
Increase / (Decrease) in Other Financial Liabilities	2,937.59		(353.20)	
Increase / (Decrease) in Provisions	964.14		(182.24)	
Increase / (Decrease) in Other Liabilities	489.03		621.24	
		(7,704.25)		(9,325.76)
Cash generated from operations		23,505.14		14,129.20
Income Taxes paid		(7,265.58)		(5,229.64)
Net cash generated by Operating activities (Total-A)		16,239.56		8,899.56
B. Cash flow from Investing activities				
Payments for Property, Plant and Equipments, Capital Work-in-progress & Capital Advances	(3,908.30)		(1,643.25)	
Payments for Computer Software	(34.69)		(20.45)	
Proceeds from sale of Property, Plant and Equipments & Intangible Assets	115.72		163.11	
Proceeds / (Payments) from Debentures	(469.36)		-	
Proceeds / (Payments) from Fixed Deposit	(1,070.57)		320.47	
Payments for purchase of Mutual Funds	(38,628.24)		(26,285.88)	
Proceeds from sale of Mutual Funds	30,453.44		18,799.58	
Proceeds from redemption of Bonds	481.78		514.03	
Proceeds from Divestment in Subsidiary	2,226.20		643.00	
Interest Received	293.64		319.30	
Net cash used in Investing activities (Total-B)		(10,540.38)		(7,190.09)

Particulars	Year ended 31 st March, 2023		Year ended 31 st March, 2022	
	₹	₹	₹	₹
C. Cash flow from Financing activities				
Proceed from Issue of Share Capital / Partner Contribution	60.00		75.00	
Payment of Lease Liabilities	(959.27)		(853.50)	
Proceeds / (Repayment) of Long Term Borrowings (Net)	(137.63)		(136.25)	
Proceeds / (Repayment) of Short Term Borrowings (Net)	4.45		1,894.27	
Dividend on Equity Shares paid	(4,552.05)		(1,690.76)	
Distribution of Profit (Packart Packaging LLP)	(17.64)		(19.60)	
Finance Cost (Other than Non Cash)	(357.81)		(325.12)	
Net cash used in Financing activities (Total-C)		(5,959.95)		(1,055.96)
Net increase / (Decrease) in Cash & cash equivalents (A + B + C)		(260.77)		653.51
Cash & cash equivalent - Opening Balance		1,389.63		736.12
Cash & cash equivalent - Closing Balance (Notes 12)		1,128.86		1,389.63

Notes to Cash Flow Statement

- Components of Cash & cash equivalents

Balances with banks	423.92	182.65
Cash on Hand	4.85	6.91
Bank FDs with original maturity of less than 3 months	700.09	1,200.07
Cash & cash equivalents considered in Cash Flow Statement	1,128.86	1,389.63
- The above cash flow statement has been provided under the 'Indirect method' as set out in Indian Accounting Standard - 7 Statement of Cash Flows.
- Reconciliation of Liabilities arising from Financing activities

(₹ In lakhs)

Particulars	Outstanding as at 1 st April, 2022	Cash Flows	Non-Cash changes	Outstanding as at 31 st March, 2023
Long Term Borrowings :				
Term Loan from Bank (Current + Non Current)	700.75	-	(140.11)	560.64
Short Term Borrowings	1,967.26	6.93	-	1,974.19
Lease Liabilities	1,853.05	(959.27)	1,880.63	2,774.41
Total Liabilities from Financing activities	4,521.06	(952.34)	1,740.52	5,309.24

Significant Accounting Policies

Note 3.7

The accompanying Notes 1 to 55 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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368
Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
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Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Significant Accounting Policies and other Explanatory Information to the Consolidated Financial Statements for the Financial Year ended 31st March, 2023

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 products and is having non-conventional wind & 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 6.1A 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, 2023 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 10th May, 2023.

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 where certain financial assets and liabilities have been measured at fair value as under:-

Items	Measurement Basis
Investment in Mutual Funds	Fair Value
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value

2.4 Basis of Consolidation

(i) The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

(ii) The Consolidated Financial Statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profit / losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure consistency with the policies adopted by the Parent Company. The Consolidated Financial Statements have been presented to extent possible, in a same manner as Parent Company's Standalone Financial Statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Consolidated financial statements.

(iii) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

2.5 Investments in Joint Venture and Associates

When the Group has with other parties joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint venture. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in dilution of stake in the joint ventures and associates is recognised in the Consolidated Statement of Profit and Loss.

When the Group's share of losses of an associate or a joint venture exceed the Group's interest in that associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates or joint venture.

3. Significant Accounting Policies

3.1 Property, Plant and Equipment

(a) Tangible Assets

[i] Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[ii] Subsequent Expenditure

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

[iii] Derecognition

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

[iv] Research and Development Cost

Research and Development Costs that are in the nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred.

[v] Depreciation / Amortization

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery, electric plant & installation and dies & moulds and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except on following assets, where useful life has been taken based on external / internal technical evaluation as under:

Particulars	Useful Life
Fit outs & other display assets at sales outlets	3 years
Dies and Moulds	3 years
Other Buildings on leased premises	10 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The useful lives of the Parent Company's Plant and Equipments are considered on the basis of continuous process plant.

Depreciation on additions (disposals) is provided on a pro rata basis that is from (upto) the date on which asset is ready for use (disposed of).

(b) Capital work-in-progress

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

(c) Intangible Assets**[i] Initial Recognition and Classification**

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

[ii] Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits 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 amortisation expense in Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

[iv] Derecognition

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

[v] Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under Development".

(d) Impairment of Non Financial Assets

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

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

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

3.2 Borrowing Costs

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

3.3 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the Group has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

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

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

- * Expected to be realised or intended to be sold or consumed or settled in normal operating cycle.
- * Held primarily for the purpose of trading.
- * Expected to be realised / settled within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

3.5 Inventories

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

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

3.8 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 a 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.

3.9 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.

3.10 Foreign Currency Transactions and Translations

Initial Recognition

The Group financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts / payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date

Foreign Currency monetary items of the Group, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Group monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.11 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 (net of variable consideration) allocated to that performance obligation, in accordance with Ind AS115 "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 retrospective volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. Retrospective volume rebates give rise to variable consideration. To estimate the variable consideration, the group considers that the most likely amount method better predicts the amount of variable consideration.

The Group provides for warranties for general repairs and replacement which will be assurance-type warranties under Ind AS 115, which will continue to be accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its current practice.

Rendering of Services

The Parent Company is rendering after sales services for its sold products. The after sales services is rendered against independent contracts with customers or against assurance type warranty for goods sold. Revenue from sale of services is recognised at an amount entitled in exchange for transferring services at a point in time to a customer.

Interest, Dividends and Other Income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the unconditional right to receive payment is established. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.12 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.

3.13 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether : (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer Note No. 45, 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.

3.14 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

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

Defined Benefit Plans

The Parent Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term Employee Benefits

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

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

Long-term Employee Benefits

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

3.15 Taxes on Income

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

(a) Current Tax

Current income tax assets and / or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the Consolidated Financial Statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity / other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.16 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.

3.17 Equity, Reserves and Dividend Payments

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

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

Dividend distribution (including interim dividend) to equity shareholders is accounted for in the year of actual distribution.

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 subsidiaries or other available fair value indicators.

(b) Estimation of Defined Benefit Obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair Value Measurement of Financial Instruments

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

(d) Estimation of Current Tax and Deferred Tax

Management judgment is required for the calculation of provision for income – taxes and deferred tax assets and liabilities. The 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 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.

3.19 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.

3.20 Financial Instruments**I. Financial Assets****(a) Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement**[i] Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[ii] Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

[iii] Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) Impairment of Financial Assets

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Derecognition of Financial Assets

A financial asset is derecognised when :

- * The Group has transferred the right to receive cash flows from the financial assets or
- * Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group shall continue to recognise the financial asset.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial assets. Where the Group retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial Liabilities**Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.21 Non-current Assets classified as held for Sale

Non-current assets (or disposal group) are classified as held for sale if the carrying amount of assets will be recovered principally through a sale transaction rather than through continuing use.

Non-current Assets (or disposal group) are classified as held for sale, when the asset (or disposal group) is available for immediate sale in its present condition and its sale must be highly probable. For the sale to be highly probable, the management must be committed to a plan to sell the asset (or disposal group) and an active programme to locate buyer and complete plan must have been initiated. In addition, the sale should be completed within 1 year from the date of classification.

Upon classification, non-current assets (or disposal group) held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Entity committed to a sale plan involving loss of control of a subsidiary shall classify all the assets and liabilities of that subsidiary as held for sale irrespective whether non-controlling interest after the sale will be retained or not.

3.22 Recent Pronouncements

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. On 31st March, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2023, as below :

- I. **Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated Financial Statements.
- II. **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated Financial Statements.
- III. **Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated Financial Statement.

Notes to Consolidated financial statements for the year ended 31st March, 2023

Note - 4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in lakhs)

Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
1	Cost of Assets								
	As at 1 st April, 2021	1,999.74	18,929.97	34,128.21	3,000.62	1,203.25	969.70	1,009.55	61,241.04
	Addition / Transfers	-	699.06	793.52	158.31	186.32	38.40	112.64	1,988.25
	Disposal / Adjustments	-	(84.69)	(17.60)	(94.97)	(95.67)	(52.10)	(188.61)	(533.64)
	Elimination due to classification as held for sale	(550.41)	(2,218.56)	(6,361.17)	(263.29)	(16.05)	(245.17)	(1.19)	(9,655.84)
	As at 31st March, 2022	1,449.33	17,325.78	28,542.96	2,800.67	1,277.85	710.83	932.39	53,039.81
	Addition / Transfers	-	316.44	794.65	311.76	160.78	46.40	331.40	1,961.43
	Disposal / Adjustments	-	(95.42)	(135.99)	(62.89)	(66.28)	(22.67)	(204.22)	(587.47)
	As at 31st March, 2023	1,449.33	17,546.80	29,201.62	3,049.54	1,372.35	734.56	1,059.57	54,413.77
2	Depreciation / Amortization								
	As at 1 st April, 2021	-	6,628.48	10,075.02	1,933.96	1,053.48	711.24	745.72	21,147.90
	Charge for the year	-	794.23	1,152.27	308.54	102.60	56.94	88.91	2,503.49
	Depreciation of Subsidiary classified as held for Sale	-	132.49	286.73	30.99	5.39	12.66	0.06	468.32
	Disposal / Adjustments	-	(33.96)	(1.24)	(46.41)	(85.08)	(40.97)	(148.21)	(355.87)
	Elimination due to classification as held for Sale	-	(869.90)	(1,597.76)	(174.61)	(10.65)	(137.11)	(1.06)	(2,791.09)
	As at 31st March, 2022	-	6,651.34	9,915.02	2,052.47	1,065.74	602.76	685.42	20,972.75
	Charge for the year	-	753.34	1,186.30	289.16	145.57	52.48	90.36	2,517.21
	Disposal / Adjustments	-	(61.79)	(89.02)	(51.94)	(54.56)	(20.98)	(181.03)	(459.32)
	As at 31st March, 2023	-	7,342.89	11,012.30	2,289.69	1,156.75	634.26	594.75	23,030.64
3	Net Block								
	As at 31 st March, 2022	1,449.33	10,674.44	18,627.94	748.20	212.11	108.07	246.97	32,067.06
	As at 31st March, 2023	1,449.33	10,203.91	18,189.32	759.85	215.60	100.30	464.82	31,383.13

(b) Capital work-in-progress

As at 1 st April, 2021		133.42
Addition		74.45
Transfers / Adjustments		(133.42)
Elimination due to classification of asset as held for Sale		(5.99)
As at 31st March, 2022		68.46
Addition		1,693.48
Transfers / Adjustments	-	(68.46)
As at 31st March, 2023		1,693.48

(c) Capital work-in-progress 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 31 st March, 2022	68.46	-	-	-	68.46
As at 31st March, 2023	1,693.48	-	-	-	1,693.48
Sanitaryware	14.25	-	-	-	14.25
Faucetware	1,223.90	-	-	-	1,223.90
Others	455.33	-	-	-	455.33

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. 19 and 24 for information on Property, Plant and Equipment pledged as security by the Group.
- Elimination due to classification as held for Sale: Refer Note No. 16.1
- Cost of Buildings includes ownership offices in co-operative societies for ₹ 2,179.55 lakhs (Previous year ₹ 2,179.55 lakhs) including 40 shares of ₹ 50/- each and 10 shares of ₹ 50/- each in respective Co-operative societies.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant & Equipment is ₹ 3,645.64 Lakhs as on 31st March, 2023 and ₹ 338.45 Lakhs as on 31st March, 2022. [Refer Note No 46(b)]

Note - 5. OTHER INTANGIBLE ASSETS**(a) Other Intangible Assets**

(₹ in lakhs)

Sr. No.	Particulars	Computer Softwares
1	Cost of Assets	
	As at 1 st April, 2021	644.73
	Addition / Transfers	27.07
	Disposal / Adjustments	(145.64)
	Elimination due to classification of asset as held for Sale (Refer Note No. 16.1)	(8.83)
	As at 31 st March, 2022	517.33
	Addition / Transfers	31.47
	Disposal / Adjustments	-
	As at 31st March, 2023	548.80
2	Amortization	
	As at 1 st April, 2021	568.24
	Charge for the year	42.35
	Depreciation of Subsidiary classified as held for Sale	0.29
	Disposal / Adjustments	(138.38)
	Elimination due to classification of asset as held for Sale (Refer Note No. 16.1)	(1.52)
	As at 31 st March, 2022	470.98
	Charge for the year	26.06
	Disposal / Adjustments	-
	As at 31st March, 2023	497.04
3	Net Block	
	As at 31 st March, 2022	46.35
	As at 31st March, 2023	51.76

(b) Intangible Assets under development

	As at 1 st April, 2021	-
	Addition	-
	Transfers / Adjustments	-
	As at 31 st March, 2022	-
	Addition	3.22
	Transfers / Adjustments	-
	As at 31st March, 2023	3.22

(c) Capital work-in-progress 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 31 st March, 2022	-	-	-	-	-
As at 31st March, 2023	3.22	-	-	-	3.22

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
Note - 6. INVESTMENTS - NON-CURRENT			
Non-Current Investments			
Trade Investments (valued at cost unless otherwise specified)			
A	Investments in Associate (Unquoted)		
	Milo Tile LLP (Associate Entity) (Refer Note 6.1A below)	306.00	806.00
	Add / (Less): Share of Profit / (Loss) from Associate	-	-
	Total Trade Investments in Associate (A)	306.00	806.00
Non Trade Investments			
B	Investments in Debentures (at amortised cost) (Unquoted)		
(a)	State Bank of India Series1 9.56% - NCD Perpetual 10 Units of face value of ₹ 10,00,000 per unit (10 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	100.37	101.40
(b)	State Bank of India Series1 7.74% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	500.75	501.00
(c)	State Bank of India Series1 7.73% - NCD Perpetual 50 Units of face value of ₹ 10,00,000 per unit (50 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	505.43	507.24
(d)	State Bank of India SR III 7.55% - BD Perpetual FVRS1CR 7 Units of face value of ₹ 1,00,00,000 per unit (Nil Unit as at 31 st March, 2022)	693.28	-
(e)	Mahindra And Mahindra Financial Services Ltd SR AG2020 BR NCD 06JU22 Nil Unit (20 Units of face value of ₹ 10,00,000 per unit as at 31 st March, 2022)	-	223.92
	Total (B)	1,799.83	1,333.56
C	Investments in Bonds (at amortised cost) (Unquoted)		
(a)	Rural Electrification Corporation Limited SR-2 8.12 / 8.32 (Tax free) 28,000 Bonds of face value of ₹ 1,000 per Bond (28,000 Bonds of face value of ₹ 1,000 per Bond as at 31 st March, 2022)	306.50	312.08
(b)	Indian Railway Finance Corporation Limited SR-79 A 7.77 (Tax free) 385 Bonds of face value of ₹ 1,00,000 per Bond (385 Bonds of face value of ₹ 1,00,000 per Bond as at 31 st March, 2022)	413.56	420.61
(c)	Indian Railway Finance Corporation Limited 7.18 / 7.68 (Tax free) Nil Bond (30000 Bonds of face value of ₹ 1,000 per Bond as at 31 st March, 2022)	-	305.18
(d)	HDFC Bank Limited SR-1 8.85 BD Perpetual Nil Bond (30 Bonds of face value of ₹ 10,00,000 per Bond as at 31 st March, 2022)	-	303.85
	Total (C)	720.06	1,341.72
D	Investments in Government Securities (at cost) (Unquoted)		
	National Savings Certificates (Deposited with Government Department)	0.13	0.13
	Total (D)	0.13	0.13
	Total Non-Trade Investments (B + C + D)	2,520.02	2,675.41
	Aggregate amount of Unquoted Investments (A + B + C + D)	2,826.02	3,481.41
	Aggregate amount of Impairment in value of Investments	-	-

Notes :**6.1 Ownership interest in Associate :**

Name	Country of Incorporation	Ownership Interest of Cera Sanitaryware Limited (%)		Activities
		As on 31 st March, 2023	As on 31 st March, 2022	
Milo Tile LLP	India	26%	26%	Manufacturing of Tiles

6.1(A) During the financial year 2018-19, the Group has done investment of ₹ 806 Lakhs in M/s Milo Tile LLP ("Milo") for securing supply of Glazed Vitrified Tiles. In the recent past, Milo has been unable to maintain Cera's quality parameters which has forced the Company to stop further transactions with Milo since June, 2022 for which the Company has raised some claims. Further, the Company has served Legal notices on Milo and the other LLP partners for non-compliance with the terms of the Agreement.

Considering the above as well as other available information, as a matter of abundant caution, the management has decided to provide for an Impairment Loss of ₹ 500 Lakhs in the books of accounts which has been disclosed as an "Exceptional Item" in the financial statements. However the Company is taking all necessary steps for recovery of the same.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 7. OTHER FINANCIAL ASSETS - NON-CURRENT			
At amortized cost			
1	Security Deposits	219.95	145.39
	Less: Allowance for Expected Credit Loss	(39.20)	-
	Net Security Deposit	<u>180.75</u>	<u>145.39</u>
Other Bank Balances			
2	Margin Money Deposits with bank held as security with more than 12 months maturity	639.99	19.16
	Total	<u><u>820.74</u></u>	<u><u>164.55</u></u>
Note - 8. OTHER NON-CURRENT ASSETS			
1	Capital Advances	914.86	612.69
	Less: Allowance for Expected Credit Loss	(468.91)	(328.24)
	Net Capital Advances	<u>445.95</u>	<u>284.45</u>
2	Advances other than Capital Advances		
	(a) Prepaid Expenses	284.51	51.81
	(b) Others Advances (Unsecured, considered good)		
	(i) Advance Lease Rentals - Security Deposits	29.81	14.26
	(ii) Other Security Deposit	-	0.20
	(c) Advance Income tax for earlier years	229.84	232.20
	Total	<u><u>990.11</u></u>	<u><u>582.92</u></u>
Note - 9. INVENTORIES			
At lower of Cost and Net Realisable Value			
1	Raw Materials	4,843.52	3,766.53
2	Raw Materials in Transit	345.60	-
3	Work-in-progress	1,200.62	1,296.73
4	Finished Goods	16,331.61	8,867.80
5	Stock-in-trade	13,470.04	13,994.81
6	Stock-in-trade in Transit	42.78	-
7	Stores and Spares	1,918.15	1,448.99
8	Stores and Spares in Transit	100.22	-
	Total	<u><u>38,252.54</u></u>	<u><u>29,374.86</u></u>
Note :			
9.1 Refer Note No. 24 for information on inventory pledged as security by the Group.			
Note - 10. INVESTMENTS - CURRENT			
Current Investments			
Investments in Mutual Funds (Unquoted)			
Measured at fair Value through Profit & Loss (FVTPL)			
1	Bandhan Corporate Bond Fund Regular Plan-Growth (erstwhile IDFC Corporate Bond Fund Regular Plan-Growth) 4812489.613 Units NAV of ₹ 16.2370 each (4812489.613 Units NAV of ₹ 15.7346 each as at 31 st March, 2022)	781.40	757.23
2	HDFC Corporate Bond Fund - Regular Plan - Growth (Formerly HDFC Medium Term Opportunities Fund-Regular Plan-Growth) 5127446.6910 Units NAV of ₹ 27.1800 each (6883789.369 Units NAV of ₹ 26.1331 each as at 31 st March, 2022)	1,393.64	1,798.95
3	Axis Banking & PSU Debt Fund - Direct Growth (BD-DG) 23266.5560 Units NAV of ₹ 2288.5724 each (68099.467 Units NAV of ₹ 2187.0567 each as at 31 st March, 2022)	532.47	1,489.37
4	Axis Short Term Fund - Growth (ST-GP) 1816802.2210 Units NAV of ₹ 26.0068 each (3209139.7240 Units NAV of ₹ 24.9292 each as at 31 st March, 2022)	472.49	800.01
5	Axis Banking & PSU Debt Fund - Regular Growth (BD-GP) 10026.932 Units NAV of ₹ 2233.5915 each (54671.6500 Units NAV of ₹ 2140.7193 each as at 31 st March, 2022)	223.96	1,170.37

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
6	Bandhan Banking & PSU Debt Fund-Regular Plan-Growth (erstwhile IDFC Banking & PSU Debt Fund-Regular Plan-Growth) 4105987.93 Units NAV of ₹ 20.8893 each (5750828.9360 Units NAV of ₹ 20.0164 each as at 31 st March, 2022)	857.71	1,151.11
7	HSBC Banking and PSU Debt Fund-Regular Growth (Formerly known as L&T Banking and PSU Debt Fund-Growth) 2566877.3220 Units NAV of ₹ 20.6149 each (5507136.2820 Units NAV of ₹ 20.2002 each as at 31 st March, 2022)	529.16	1,112.45
8	HSBC Banking and PSU Debt Fund-Direct Growth (Formerly known as L&T Banking and PSU Debt Fund-Growth) 4840052.4810 Units NAV of ₹ 21.5296 each (5423136.0600 Units NAV of ₹ 21.0165 each as at 31 st March, 2022)	1,042.05	1,139.75
9	ICICI Prudential Corporate Bond Fund-Growth 1477353.3180 Units NAV of ₹ 24.9722 each (2831219.4670 Units NAV of ₹ 23.6558 each as at 31 st March, 2022)	368.93	669.75
10	HSBC Short Duration Fund-Regular Growth (Formerly known as L&T Short Term Bond Fund-Growth) 1519949.1080 Units NAV of ₹ 22.4077 each (2521308.8490 Units NAV of ₹ 21.6605 each as at 31 st March, 2022)	340.59	546.13
11	SBI Corporate Bond Fund-Regular Plan Growth 8848146.5610 Units NAV of ₹ 13.0641 each (9761597.1200 Units NAV of ₹ 12.5796 each as at 31 st March, 2022)	1,155.93	1,227.97
12	Edelweiss Mutual Fund Bharat Bond ETF- April-2030 40000 Units NAV of ₹ 1249.9910 each (40000 Units NAV of ₹ 1203.0839 each as at 31 st March, 2022)	500.00	481.23
13	Kotak Banking and PSU Debt Fund-Regular Plan-Growth 412484.0420 Units NAV of ₹ 55.0793 each (1270249.3920 Units NAV of ₹ 52.7948 each as at 31 st March, 2022)	227.19	670.63
14	Kotak Floating Rate Fund-Regular Plan-Growth 138304.2380 Units NAV of ₹ 1265.2224 each (195064.6600 Units NAV of ₹ 1214.8169 each as at 31 st March, 2022)	1,749.86	2,369.68
15	HSBC Corporate Bond Fund-Direct Growth (Formerly known as L&T Triple Ace Bond Fund Direct Plan-Growth) 426193.2750 Units NAV of ₹ 65.0579 each (1335436.2750 Units NAV of ₹ 62.8597 each as at 31 st March, 2022)	277.27	839.45
16	HSBC Corporate Bond Fund-Regular Growth (Formerly known as L&T Triple Ace Bond Fund-Growth) 716573.7480 Units NAV of ₹ 61.5431 each (1097031.1720 Units NAV of ₹ 59.6662 each as at 31 st March, 2022)	441.00	654.56
17	ICICI Prudential Banking & PSU Debt Fund-Growth 3439414.8080 Units NAV of ₹ 27.5470 each (3439414.8080 Units NAV of ₹ 26.1348 each as at 31 st March, 2022)	947.46	898.88
18	Bandhan Bond Fund-Short Term Plan-Growth (Regular Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Regular Plan) 2076176.3730 Units NAV of ₹ 48.1735 each (2076176.3730 Units NAV of ₹ 46.4728 each as at 31 st March, 2022)	1,000.17	964.86
19	HDFC Corporate Bond Fund-Direct Plan-Growth 15143548.5460 Units NAV of ₹ 27.6193 each (15143548.5460 Units NAV of ₹ 26.4814 each as at 31 st March, 2022)	4,182.53	4,010.22
20	ICICI Prudential Short Term Fund Growth 2371754.8990 Units NAV of ₹ 50.5295 each (2371754.8990 Units NAV of ₹ 47.7874 each as at 31 st March, 2022)	1,198.44	1,133.40
21	Kotak Floating Rate Fund-Direct Plan Growth 13375.9980 Units NAV of ₹ 1283.4124 each (13375.9980 Units NAV of ₹ 1227.3269 each as at 31 st March, 2022)	171.67	164.17
22	SBI Dynamic Bond Fund-Direct Growth 709853.9780 Units NAV of ₹ 32.1842 each (709853.9780 Units NAV of ₹ 30.2725 each as at 31 st March, 2022)	228.46	214.89
23	Bharat Bond FOF-April 2025-Direct Plan Growth 23810152.9690 Units NAV of ₹ 11.1021 each (23810152.9690 Units NAV of ₹ 10.8230 each as at 31 st March, 2022)	2,643.43	2,576.97

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
24	Axis Corporate Debt Fund-Regular Growth (CO-GP) 8021457.6570 Units NAV of ₹ 14.3435 each (8021457.6570 Units NAV of ₹ 13.7565 each as at 31 st March, 2022)	1,150.56	1,103.47
25	DSP Bond Fund-Regular Plan Growth 791425.2720 Units NAV of ₹ 68.5960 each (791425.2720 Units NAV of ₹ 66.1813 each as at 31 st March, 2022)	542.88	523.78
26	SBI Floating Rate Debt Fund-Direct Plan Growth 60529563.6120 Units NAV of ₹ 11.1961 each (69153021.2510 Units NAV of ₹ 10.6519 each as at 31 st March, 2022)	6,776.95	7,366.11
27	HDFC Banking & PSU Debt Fund-Direct Plan Growth 1976743.860 Units NAV of ₹ 20.0223 each (1976743.860 Units NAV of ₹ 19.1592 each as at 31 st March, 2022)	395.79	378.73
28	Bandhan Bond Fund-Short Term Plan-Growth-Direct Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Direct Plan) 2078625.8820 Units NAV of ₹ 51.0320 each (2078625.8820 Units NAV of ₹ 48.9968 each as at 31 st March, 2022)	1,060.76	1,018.46
29	ICICI Prudential Corporate Bond Fund-Direct Growth 16464710.6090 Units NAV of ₹ 26.0278 each (16464710.6090 Units NAV of ₹ 24.5863 each as at 31 st March, 2022)	4,285.40	4,048.06
30	DSP Bond Fund-Direct Plan Growth 1461851.0920 Units NAV of ₹ 72.2633 each (1461851.0920 Units NAV of ₹ 69.4769 each as at 31 st March, 2022)	1,056.38	1,015.65
31	ICICI Prudential Banking & PSU Debt Fund-Direct Growth 1887260.7350 Units NAV of ₹ 28.4957 each (1887260.7350 Units NAV of ₹ 26.9203 each as at 31 st March, 2022)	537.79	508.06
32	ICICI Prudential Short Term Fund-Direct Plan Growth 5933470.6160 Units NAV of ₹ 54.3683 each (5933470.6160 Units NAV of ₹ 51.0452 each as at 31 st March, 2022)	3,225.93	3,028.75
33	Franklin India Low Duration Fund-Segregated Portfolio 2 202048.4720 Units NAV of ₹ 0.3609 each (270745.155 Units NAV of ₹ 0.3396 each as at 31 st March, 2022)	0.73	0.91
34	Bandhan CRISIL IBX Gilt April 2028 Index Fund Direct Plan-Growth (erstwhile IDFC Crisil IBX Gilt April 2028 Index Fund Direct Plan-Growth) 17416655.9240 Units NAV of ₹ 10.9493 each (Nil Unit as at 31 st March, 2022)	1,907.00	-
35	Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund-Direct Growth 20040969.467 Units NAV of ₹ 10.4880 each (Nil Unit as at 31 st March, 2022)	2,101.90	-
36	Edelweiss Nifty PSU Bond Plus SDL APRIL 2026 50:50 Index Fund-Direct Growth 16362429.2430 Units NAV of ₹ 11.0703 each (Nil Unit as at 31 st March, 2022)	1,811.37	-
37	Aditya Birla Sun Life Money Manager Fund-Direct Growth 358222.8470 Units NAV of ₹ 316.1942 each (Nil Unit as at 31 st March, 2022)	1,132.68	-
38	Aditya Birla Sun Life Corporate Bond Fund -Direct Growth 523558.7033 Units NAV of ₹ 95.6053 each (Nil Unit as at 31 st March, 2022)	500.55	-
39	BANDHAN Crisil IBX Gilt April 2028 Index Fund-Direct Plan Growth (erstwhile IDFC IBX Gilt April 2028 Index Fund-Direct Plan Growth) 6986468.8800 Units NAV of ₹ 10.9493 each (Nil Unit as at 31 st March, 2022)	764.97	-
40	BANDHAN Crisil IBX Gilt June 2027 Index Fund-Direct Plan Growth (erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund-Direct Plan Growth) 9170151.5210 Units NAV of ₹ 10.9205 each (Nil Unit as at 31 st March, 2022)	1,001.43	-
41	Bharat Bond FOF-April 2030-Direct Plan-Growth 6073406.8810 Units NAV of ₹ 12.5113 each (Nil Unit as at 31 st March, 2022)	759.86	-
42	DSP Corporate Bond Fund-Direct Growth 12844054.4060 Units NAV of ₹ 13.6583 each (Nil Unit as at 31 st March, 2022)	1,754.28	-

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
43	DSP Nifty SDL Plus G-Sec Jun2028 30:70 Index Fund-Dir Growth Mat. Dt 30-06-2028 10414446.1130 Units NAV of ₹ 10.4387 each (Nil Unit as at 31 st March, 2022)	1,087.13	-
44	Kotak Bond Fund-Short Term-Direct Plan Growth 3084411.001 Units NAV of ₹ 47.7234 each (Nil Unit as at 31 st March, 2022)	1,471.98	-
45	Kotak Nifty SDL April 2027 Top 12 Equal Weight Index Fund-Direct Plan Growth 16941895.2191 Units NAV of ₹ 10.3678 each (Nil Unit as at 31 st March, 2022)	1,756.50	-
46	SBI CPSE BD SDL Sept 2020 50:50 Index-Direct Growth 19351259.2560 Units NAV of ₹ 10.4153 each (Nil Unit as at 31 st March, 2022)	2,015.49	-
47	SBI Magnum Gilt Fund-Direct Growth 1731983.0160 Units NAV of ₹ 57.7654 each (Nil Unit as at 31 st March, 2022)	1,000.49	-
48	SBI Magnum Low Duration Fund-Direct Growth 133346.8470 Units NAV of ₹ 3065.0878 each (Nil Unit as at 31 st March, 2022)	4,087.20	-
49	SBI Savings Fund-Direct Plan-Growth Nil Unit (9616102.6010 Units NAV of ₹ 35.5614 each as at 31 st March, 2022)	-	3,419.62
50	SBI Liquid Fund-Direct Growth Nil Unit (45042.2120 Units NAV of ₹ 3333.0896 each as at 31 st March, 2022)	-	1,501.30
51	SBI Overnight Fund-Direct Plan Growth Nil Unit (17442.6910 Units NAV of ₹ 3461.3538 each as at 31 st March, 2022)	-	603.75
52	SBI Corporate Bond Fund-Direct Plan Growth Nil Unit (3971522.7670 Units NAV of ₹ 12.7751 each Units as at 31 st March, 2022)	-	507.37
53	HSBC Banking and PSU Debt Fund-Direct Growth (Formerly known as L&T Banking and PSU Debt Fund Direct Plan-Growth) Nil Unit (4164632.5570 Units NAV of ₹ 20.3992 each as at 31 st March, 2022)	-	849.55
	Total	63,451.81	52,715.60
	Aggregate Cost of Unquoted Investments	59,902.77	50,041.24
	Aggregate Fair Value of Unquoted Investments	63,451.81	52,715.60

Note - 11. TRADE RECEIVABLES - CURRENT

(a) Trade Receivables considered good - Secured	2,659.63	2,593.46
(b) Trade Receivables considered good - Unsecured	15,664.39	12,202.06
(c) Trade Receivables which have significant increase in Credit Risk	243.78	678.89
(d) Trade Receivables - Credit Impaired	2,645.37	2,282.23
	21,213.17	17,756.64
Less: Allowance for Expected Credit Losses	2,298.03	1,279.88
Total	18,915.14	16,476.76
Movement in Allowance for Expected Credit Losses		
Balance at the beginning of the year	1,279.88	945.53
Allowance for Expected Credit Losses provided during the year (Refer Note No. 38)	1,064.76	391.96
Amounts written back during the year	(19.71)	(30.16)
Amounts of Trade Receivables written off during the year	(26.90)	(27.45)
Balance at the end of the year	2,298.03	1,279.88

Notes :

11.1 Refer Note No. 24 for information on Trade Receivables pledged as security by the Group.

11.2 No Trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

11.3 No Trade or other receivables are due from firms or private companies in which any director is a partner, director or a member.

11.4 Trade Receivables of the Group are non-interest bearing and are generally on credit terms up to 30 to 60 days.

11.5 Ageing for Trade Receivables - Current as at 31st March, 2023 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,549.63	7,261.04	42.78	39.53	376.79	54.25	18,324.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	243.78	-	-	-	243.78
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	365.46	335.37	1,944.54	2,645.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	10,549.63	7,261.04	286.56	404.99	712.16	1,998.79	21,213.17

Ageing for Trade Receivables - Current as at 31st March, 2022 is as follows :

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	8,900.55	4,532.80	670.97	600.84	34.92	55.44	14,795.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	0.51	24.59	125.18	163.24	365.37	678.89
(iii) Undisputed Trade Receivables - credit impaired	-	7.41	16.53	188.09	189.95	1,880.25	2,282.23
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	8,900.55	4,540.72	712.09	914.11	388.11	2,301.06	17,756.64

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
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Note - 12. CASH AND CASH EQUIVALENTS

1	Balances with banks in current accounts	423.92	182.65
2	Cash on hand	4.85	6.91
3	Bank FDs with original maturity of less than 3 months	700.09	1,200.07
	Total	1,128.86	1,389.63

Note - 13. OTHER BALANCES WITH BANKS

1	Bank Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,030.27	33.18
2	Margin Money Deposits with a bank held as security with more than 3 months but less than 12 months maturity	351.83	899.18
3	Earmarked Balances with Banks (Unpaid Dividend)*	107.95	103.75
	Total	1,490.05	1,036.11

* Not due for deposit in the Investor Education and Protection Fund

Note - 14. OTHER FINANCIAL ASSETS - CURRENT**At amortised cost (Unsecured, considered good)**

1	Security Deposits*	98.35	150.69
2	Insurance claims receivable	74.95	92.00
3	Interest accrued and receivable	78.17	90.36
4	Advance to staff	33.22	45.27
5	Incentives / Grants Receivable from Government	114.81	98.95
	Total	399.50	477.27

* including ₹ 20.29 Lakhs (PY ₹ 20.29 Lakhs) given to a related party.

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
Note - 15. OTHER CURRENT ASSETS			
1	Advances other than Capital Advances (Unsecured, considered good)		
	Other Advances		
	(i) Prepaid Expenses	1,262.15	584.15
	(ii) Balance with Statutory/Government Authorities	63.97	58.23
	(iii) Advance Lease Rentals - Security Deposits	11.85	9.10
	(iv) Other Advances*	2,412.31	2,324.88
	Total	3,750.28	2,976.36

* Amounts due from related parties amounting to ₹ 87.36 Lakhs (PY ₹ 87.36 Lakhs). Refer Note No. 41 and 47

NOTE - 16. ASSETS CLASSIFIED AS HELD FOR SALE

16.1 On 5th August, 2021, the Board of Directors of the Parent Company considered the proposal for in-principle approval for divestment of the entire stake in Anjani Tiles Limited, a subsidiary company of M/s. Cera Sanitaryware Limited. The Parent has executed SPA (Share Purchase Agreement) on 26th August, 2021 for sale of all equity and preference shares held in Anjani Tiles Limited to Anjani Vishnu Holdings Ltd. The Parent is committed to a sale plan resulting into impairment loss of ₹ 573.80 lakhs and loss of control of subsidiary company and therefore, has classified all the assets and liabilities of the subsidiary as held for sale as per Ind AS -105 "Non-current Assets Held for Sale and Discontinued Operations".

The major classes of assets and liabilities of Anjani Tiles Limited classified as held for sale are as under :

(₹ in lakhs)

Particulars	As at	
	31 st March, 2023	31 st March, 2022
ASSETS		
(1) Non-current Assets		
(a) Property, Plant and Equipment	-	6,864.75
(b) Capital work-in-progress	-	5.99
(c) Other Intangible Assets	-	7.31
(d) Other Financial Assets	-	538.43
(e) Deferred Tax Assets (Net)	-	238.00
(f) Other Non-current Assets	-	18.23
(2) Current Assets		
(a) Inventories	-	1,856.97
(b) Trade Receivables	-	203.11
(c) Cash and Cash Equivalents	-	23.53
(d) Other Balances with Banks	-	111.45
(e) Other Financial Assets	-	2,212.95
(f) Other Current Assets	-	652.29
Assets Classified as held for Sale	-	12,733.01
LIABILITIES		
(1) Non-current Liabilities		
(a) Borrowings (Refer Note No 16.5(a))	-	5,550.99
(b) Provisions	-	10.59
(2) Current Liabilities		
(a) Borrowing (Refer Note No 16.5(b))	-	2,286.28
(b) Trade Payables	-	
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,320.65
(c) Other Financial Liabilities	-	23.49
(d) Other Current Liabilities	-	164.89
(e) Provisions	-	7.62
Liabilities directly associated with assets classified as held for Sale	-	9,364.51
Net Assets classified as held for Sale	-	3,368.50

16.2 Impairment Loss due to Committed sale of stake in Anjani Tiles Limited is as under : (₹ in Lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1	Investments in Equity Instruments		
	Nil Equity Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2023 (1,02,00,000 Equity Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	1020.00
2	Investments in Preference Shares		
	Nil 1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2023 (1,78,00,000 1% Cumulative Redeemable Preference Shares of Anjani Tiles Limited of ₹ 10/- each fully paid up as at 31 st March, 2022)	-	1780.00
3	Total Owner's share in Anjani Tiles Limited (1+2)	-	2800.00
4	Deferred Consideration Receivable	-	2226.20
5	Impairment Loss shown in Statement of Profit and Loss as Exceptional Item	-	573.80

16.3 The net cash flows of Anjani Tiles Limited are as follows : (₹ in Lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1	Cash flow from Operating activities	-	898.65
2	Cash flow from Investing activities	-	(321.36)
3	Cash flow from Financing activities	-	(584.97)
	Net Cash Outflow	-	(7.68)

- 16.4 (a) Pursuant to the Resolution passed at the Board Meeting of the Parent held on 5th August, 2021 for consideration of the proposal and in principle approval for divestment of the Parent's entire stake in Anjani Tiles Limited, a Memorandum of Understanding (MOU) was executed on 17th August, 2021 by and amongst Cera Sanitaryware Limited (Cera), Anjani Vishnu Holdings Ltd (AVHL) (Joint Venture Partner and Acquirer Company) and Anjani Tiles Limited (ATL) (Subsidiary Company) for the transfer / divestment of entire stake in Anjani Tiles Limited, consisting of 1,02,00,000 Equity shares of ₹ 10/- each and 2,42,30,000 1% Cumulative Redeemable Preference shares of ₹ 10/- each on a fully diluted basis, for a total consideration of ₹ 2,869.20 Lakhs.
- (b) Cera Sanitaryware Limited (Cera), AVHL and ATL also entered in to Share Purchase Agreement (SPA) dated 26th August, 2021 pursuant to which the Cera agreed to sell all the Equity and Preference Shares held by it in ATL to AVHL.
- (c) Total consideration as referred above, will be received by the Parent in one or more tranches, beginning from 30th September, 2021 and completing on 31st March, 2023 through an escrow mechanism and as per the Payment Schedule set out in the MOU. Accordingly, the first tranche of ₹ 643.00 Lakhs has been received by the Parent on 28th September, 2021 from the Acquirer Company and 64,30,000 Preference Shares of ATL have been transferred (off market) to AVHL on 29th September, 2021.
- (d) Further, pursuant to the MOU and SPA, the Share Escrow Agreement was executed by the Cera, AVHL and ATL with Federal Bank Ltd. (Escrow Agent) jointly on 23rd November, 2021. Both Cera and AVHL have transferred their respective entire Equity shareholding and their respective balance Preference shareholding to the Escrow Account in January, 2022 with lien marked in favour of the Escrow Agent.
- (e) Assets and Liabilities of Anjani Tiles Limited have been presented as Assets classified as Held for Sale & Liabilities directly associated with assets classified as held for Sale as on 31st March, 2022 as per Indian Accounting Standard - 105 - "Non-current Assets Held for Sale and Discontinued Operations". The impairment loss of ₹ 573.80 Lakhs on Equity Shares (Preference shares to be transferred at fair value which is equivalent to carrying amount) due to above arrangements has been recognised in the Statement of Profit and Loss as Exceptional Item.
- (f) As on 31st March 2023, the Total consideration of ₹ 2,869.20 Lakhs has been fully realised (₹ 643 Lakhs in financial year 2021-22 and the balance consideration of ₹ 2,226.20 Lakhs in financial year 2022-23).

16.5 Terms & Conditions of Borrowings & Repayment Terms of Preference Shares for liabilities directly associated with assets classified as held for Sale of Subsidiary Company Anjani Tiles Limited (Refer Note No.16.1)

(a) Details of Non-current Borrowings :

(₹ in Lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
	Non-current Borrowings		
1	Term Loans (Secured)		
	From Banks		
	The Federal Bank Ltd.	-	1,267.99
2	Preference Share		
	2,72,00,000 1% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up held by Anjani Vishnu Holding Ltd. (AVHL)	-	2,720.00
3	Unsecured loans		
	From Related Party	-	1,563.00
	Total Non-current Borrowings	<u>-</u>	<u>5,550.99</u>

Terms & Conditions of Non-current Borrowings are as under :

- (i) **Terms of repayment of Term Loans from The Federal Bank Ltd. (Anjani Tiles Limited)**
Term loans from The Federal Bank Ltd. are secured by equitable mortgage (EM) of Industrial Land admeasuring 42.86 acres situated at Eguvarajupalem Village, Chillakur Mandal, Nellore, Andhra Pradesh and Factory Buildings and hypothecation of other fixed assets purchased out of the Term Loans proceeds, repayable from FY 2022-23 to FY 2026-27.
The Company has also availed Working Capital Term Loans (WCTL) from The Federal Bank Ltd. which are secured by movable / immovable assets of the Company, repayable from FY 2022-23 to FY 2026-27.
- (ii) **The reconciliation of the number of Preference Shares outstanding and amount of preference share capital are set out below :**

(₹ in Lakhs)

Particulars	As at		As at	
	31 st March, 2023		31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	-	-	2,07,70,000	2,077.00
Add: Divestment from the Parent to the AVHL	-	-	64,30,000	643.00
Shares outstanding at the end of the year	-	-	2,72,00,000	2,720.00

Conditions of Redemption :

- (i) 1% Cumulative Redeemable Preference Shares shall be redeemed on completion of 7 years from the respective dates of allotment. The Board of Directors of the issuing subsidiary are authorised to redeem before due date by giving one month prior notice to the preference share holders.
- (ii) Repayment Schedule of 1% Cumulative Redeemable Preference Shares

Particulars	FY 2023-24	FY 2024-25	FY 2029-30	Total
(a) No. of Shares	84,62,222	30,22,222	1,57,15,556	2,72,00,000
(b) Amount (₹ in Lakhs)	846.22	302.22	1,571.56	2,720.00

- (iii) No Capital Redemption Reserve has been created by Anjani Tiles Ltd. (Issuing Company) due to inadequate profits.

(b) Details of Current Borrowings :

(₹ in Lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
1	Borrowings Repayable on Demand		
	Secured		
	From The Federal Bank Ltd. (Anjani Tiles Limited)		
	Cash Credit / WCDL	-	997.31
2	Current Maturities of Long Term Debt	-	1,288.97
	Total	<u>-</u>	<u>2,286.28</u>

Notes :

- (i) Cash Credit / WCDL from The Federal Bank Ltd., referred in Note No 16.5(b) above, are secured by hypothecation of entire inventories and trade receivables and collaterally secured by way of equitable mortgage of land admeasuring 42.86 acres situated at Eguvarajupalem Village, Chillakur Mandal, Nellore, Andhra Pradesh.
- (ii) **Terms of Cash Credit / WCDL from The Federal Bank Ltd. :**
Rate of interest on Cash credit / WCDL facility is chargeable at 7.75% p.a.

(₹ in lakhs)

Sr. No.	Particulars	As at	
		31 st March, 2023	31 st March, 2022
Note - 17. SHARE CAPITAL			
1	Authorized Share Capital		
	2,00,00,000 Equity Shares of ₹ 5/- each	1,000.00	1,000.00
	(2,00,00,000 Equity Shares of ₹ 5/- each as at 31 st March, 2022)		
	Total	1,000.00	1,000.00
2	Issued, Subscribed & Fully Paid Up Capital		
	1,30,05,874 Equity Shares of ₹ 5/- each fully paid up	650.29	650.29
	(1,30,05,874 Equity Shares of ₹ 5/- each fully paid up as at 31 st March, 2022)		
	Total	650.29	650.29

Notes :

17.1 The reconciliation of the number of Equity Shares outstanding and amount of share capital is set out below : (₹ in lakhs)

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,30,05,874	650.29	1,30,05,874	650.29
Add : Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,30,05,874	650.29	1,30,05,874	650.29

17.2 **Terms / Rights attached to Equity Share :**

The Company has only one class of Equity Shares having a par value of ₹ 5/- per share. Each holder of Equity is entitled to one vote per share and each equity share carries an equal right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Refer Note 48 for the particulars of Dividend Paid / proposed during the year.

17.3 **Details of the shareholders holding more than 5% of the aggregate shares are set out below :**

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%
Nalanda India Equity Fund Limited	12,98,143	9.98%	12,98,143	9.98%

17.4 **Details of the shareholding of promoters are set out below :**

Promoter Name	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Vikram Investment Co. Pvt. Ltd.	29,00,275	22.30%	29,00,275	22.30%	-
Shri Vikram Somany	9,45,847	7.27%	9,45,847	7.27%	-
Smt. Smiti Somany	13,42,240	10.32%	13,42,240	10.32%	-
Rekha Commercial Pvt. Ltd.	5,32,388	4.09%	5,32,388	4.09%	-
Trisure Promotions & Tradings Pvt. Ltd.	4,84,400	3.72%	4,84,400	3.72%	-
Deepshikha Khaitan	3,39,116	2.61%	3,39,116	2.61%	-
Suvinay Trading & Investment Co. Ltd.	3,22,808	2.48%	3,22,808	2.48%	-
Pooja Jain Somany	2,00,000	1.54%	2,00,000	1.54%	-
Madhusudan Industries Ltd.	18,065	0.14%	18,065	0.14%	-
Total	70,85,139	54.48%	70,85,139	54.48%	

17.5 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 18.1 OTHER EQUITY			
1	Other Reserves		
	(i) Securities Premium	8,095.94	8,095.94
	(ii) General Reserve		
	Balance as per last financial year	52,440.05	49,000.47
	Add : Transferred from Statement of Profit and Loss	<u>4,383.93</u>	<u>3,439.58</u>
		56,823.98	52,440.05
2	Retained Earnings		
	Balance as per last financial year	39,855.24	29,864.64
	Adjustment related to prior period	-	10.50
	Add : Profit for the year	20,940.48	15,109.58
	Elimination of Loss of Stake in Subsidiary	446.20	-
	Others	-	0.86
	Less : Appropriations		
	Transferred to General Reserve	(4,383.93)	(3,439.58)
	Dividend on Equity Shares	(4,552.05)	(1,690.76)
		52,305.94	39,855.24
3	Other Comprehensive Income		
	Remeasurements of Defined Benefit Plan		
	Balance as per last financial year	(546.35)	(437.57)
	Adjustments during the year		
	Add : Actuarial (Loss) / Gain on Remeasurement of defined benefit plans	(88.18)	(147.26)
	Add : Elimination Effect of Subsidiary (Classified as held for Sale)	-	1.47
	Less : Current Tax effect on Gratuity	22.39	(1.28)
	Less : Deferred Tax on Leave Encashment/Gratuity	(0.24)	38.29
		(612.38)	(546.35)
4	Group's Share in Equity of Subsidiary Company (Classified as held for Sale)	-	1,020.00
	Total	<u>1,16,613.48</u>	<u>1,00,864.88</u>

Nature and purpose of Other Reserves**(a) Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b) General Reserve

General Reserve is created out of profit after tax earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 18.2 NON CONTROLLING INTERESTS			
	Balance as per last financial year	(73.97)	(250.32)
	Add : Profit for the year	164.61	185.66
	Add : Net Increase in Non Controlling Interest of Subsidiary Company (Classified as held for Sale)	-	20.47
	Add : Adjustment Related to prior period	-	(10.50)
	Add : Net Increase in Non Controlling Interest of Subsidiary	410.48	-
	Add : Other Comprehensive Income	0.73	0.49
	Less: Deferred Tax on Other Comprehensive Income	(0.23)	(0.17)
	Less: Distribution of Profit (Packart Packaging LLP & Race Polymer Arts LLP)	(17.64)	(19.60)
	Total	<u>483.98</u>	<u>(73.97)</u>
	Add : Share Capital Portion of Non Controlling Interests	577.22	1,497.22
	Total	<u>1,061.20</u>	<u>1,423.25</u>

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 19. BORROWINGS - NON-CURRENT			
Non-Current Borrowings			
1	Term Loans (Secured)		
	From Banks		
	HDFC Bank Ltd.	560.64	700.75
	Less: Current Maturities of Long Term Debt disclosed under Current Borrowings (Refer Note No.24)	(143.84)	(146.32)
	Total	416.80	554.43

Notes:**19.1 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, 77 and 81 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.
- Also Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP), and Shri Ashish Sharadkumar Nemani have given personal / corporate guarantee in favour of HDFC Bank Ltd.
- Term loans are repayable in 68 equal monthly instalments of ₹ 15.97 Lakhs (Principle and Interest) beginning from February, 2021 to September, 2026.
- Rate of Interest ranging from 7.15% to 9.40% p.a. (Floating Rate) during the year.

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 20. OTHER FINANCIAL LIABILITIES - NON-CURRENT			
1	Deposits by Dealers	2,862.92	2,680.71
2	Due to others	22.23	22.23
	Total	2,885.15	2,702.94

Note - 21. PROVISIONS - NON-CURRENT

1	Provision for Employee Benefits		
	(a) Provision for Leave Encashment	556.65	571.56
	(b) Provision for Gratuity	7.75	7.11
2	Provision for Tax		
	(a) Provision for Income tax of earlier years	327.28	320.72
	Total	891.68	899.39

Refer Note No. 44 for Movement of Provisions.

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022			
Note - 22. DEFERRED TAX LIABILITIES (NET)						
1	Deferred Tax Liabilities (Arising on account of temporary difference)					
	(a) Assets: Impact of difference between carrying value and tax base of Depreciable assets	3,131.23	3,587.55			
	(b) Impact of difference between carrying value and tax base of Investments in Mutual Funds	893.18	672.88			
	(c) Eliminated on Disposal and classified as held for Sale	-	(436.86)			
	Total Deferred Tax Liabilities (A)	4,024.41	3,823.57			
2	Deferred Tax Assets (Arising on account of temporary difference)					
	(a) Leave Encashment and Gratuity	189.66	212.38			
	(b) Unused Tax Losses	-	-			
	(c) Unabsorbed Depreciation in Income tax	-	669.23			
	(d) Deferred Govt. Grant	3.46	4.39			
	(e) Others	70.57	70.86			
	(f) Elimination due to classification as held for sale	-	(674.86)			
	Total Deferred Tax Assets (B)	263.69	282.00			
	Net Deferred Tax Liabilities (A - B)	3,760.72	3,541.57			
Reconciliation of Deferred Tax Liabilities (Net) :						
Particulars		31st March, 2023	31st March, 2022			
Opening Balance		3,541.57	3,025.24			
Tax Expense / (Income) during the period recognised in Profit or Loss		218.68	209.53			
Tax Expense / (Income) of Subsidiary (Classified as held for Sale)		-	107.56			
Tax Expense / (Income) during the period recognised in Other Comprehensive Income		0.47	(38.12)			
Tax Expense / (Income) recognized in Other Comprehensive Income of Subsidiary (Classified as held for Sale)		-	(0.64)			
Elimination due to classification as held for Sale		-	238.00			
Closing balance		3,760.72	3,541.57			
Movements in DTA :						
Particulars	Leave Encashment and Gratuity	Unused Tax Losses	Depreciation Loss	Deferred Govt. Grant	Others	Total
At 1 st April, 2021	212.70	41.14	970.81	4.39	68.39	1,297.43
(Charged) / Credited:						
to Profit or Loss	(40.42)	-	-	-	2.47	(37.95)
to Profit or Loss of Subsidiary (Classified as held for Sale)	1.34	(41.14)	(301.58)	-	-	(341.38)
to Other Comprehensive Income	38.12	-	-	-	-	38.12
to Other Comprehensive Income (Net of tax) of Subsidiary (Classified as held for Sale)	0.64	-	-	-	-	0.64
Elimination due to classification as held for Sale	(5.63)	-	(669.23)	-	-	(674.86)
At 31 st March, 2022	206.75	-	-	4.39	70.86	282.00
(Charged) / Credited :						
to Profit or Loss	(16.62)	-	-	(0.93)	(0.29)	(17.84)
to Other Comprehensive Income directly to Equity	(0.47)	-	-	-	-	(0.47)
	-	-	-	-	-	-
At 31st March, 2023	189.66	-	-	3.46	70.57	263.69
Movements in DTL :						
Particulars	Assets : Impact of difference between carrying value and tax base of Depreciable assets		Impact of difference between carrying value and tax base of Investments in Mutual Funds		Total	
At 1 st April, 2021	3,828.31		494.36		4,322.67	
(Charged) / Credited :						
to Profit or Loss directly to Equity	(6.93)		178.52		171.59	
to Profit or Loss of Subsidiary (Classified as held for Sale)	(233.83)		-		(233.83)	
Elimination due to classification as held for Sale	(436.86)		-		(436.86)	
At 31 st March, 2022	3,150.69		672.88		3,823.57	
(Charged) / Credited :						
to Profit or Loss	(19.46)		220.30		200.84	
to Other Comprehensive Income directly to Equity	-		-		-	
	-		-		-	
At 31st March, 2023	3,131.23		893.18		4,024.41	

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
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Note - 23. OTHER NON-CURRENT LIABILITIES

	Deferred Govt. Grant (Capital Subsidy)	9.59	11.08
	Total	9.59	11.08

Note - 24. BORROWINGS - CURRENT**1 Borrowings Repayable on Demand**

(a)	From State Bank of India (Cera Sanitaryware Limited-Secured) Cash Credit	1,829.42	1,677.17
(b)	From HDFC Bank Ltd. (Cera Sanitaryware Limited-Unsecured) Overdraft Working Capital	4.64	242.98
(c)	From HDFC Bank Ltd. (Race Polymer Arts LLP) Cash Credit	140.13	47.11

2 Current Maturities of Long Term Debt

	Total	2,118.03	2,113.58
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Notes :

24.1 Primary Security : Cash Credit facilities from State Bank of India (SBI) are secured by exclusive hypothecation over entire Current Assets of the Company comprising stock of raw materials, work-in-process, finished goods, stock in trade, stores & spares and receivables, both present and future.

Rate of interest on various cash credit facilities from State Bank of India chargeable at 0.15% above 6 months MCLR (Present effective rate 8.55 % p.a.) and rate of interest on export packing credit facility is chargeable at ARR + 2 bps for 90 days.

Quarterly statements of current assets filed by the company with banks are in agreement with the books of account.

24.2 Overdraft Working Capital Facility - Unsecured (From HDFC Bank Ltd.) (Cera Sanitaryware Limited)

Rate of interest on overdraft working capital facility from HDFC Bank Ltd. is 9.20% p.a.

24.3 Cash Credit Facilities From HDFC Bank Limited (Race Polymer Arts LLP)

All securities mentioned in Note No. 19.1 are also extended for Cash Credit facilities.

Terms of Cash Credit facility

Rate of interest on cash credit facility is chargeable at 7.15% p.a. (Floating Rate)

24.4 Monthly statements of current assets filed with banks are in agreement with books of account. (₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
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Note - 25. TRADE PAYABLES - CURRENT

1	Total outstanding dues of micro enterprises and small enterprises*	3,794.23	2,998.08
2	Total outstanding dues of creditors other than micro enterprises and small enterprises*	16,899.09	15,930.08
	Total	20,693.32	18,928.16

* Disclosure with respect to amount due to MSME is given in Note No. 45 and due to related parties amounting to ₹ 237.79 Lakhs (PY ₹ 392.64 Lakhs) is given in Note No. 41

25.1 Ageing for Trade Payables - Current as at 31st March, 2023 is as follows : (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,780.29	13.94	-	-	-	3,794.23
(ii) Others	16,551.29	97.26	12.75	-	-	16,661.30
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	237.79	-	-	-	237.79
Total	20,331.58	348.99	12.75	-	-	20,693.32

Ageing for Trade Payables - Current as at 31st March, 2022 is as follows : (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,961.18	36.90	-	-	-	2,998.08
(ii) Others	14,817.51	1,069.17	1.00	19.90	22.50	15,930.08
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	17,778.69	1,106.07	1.00	19.90	22.50	18,928.16

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Note - 26. OTHER FINANCIAL LIABILITIES - CURRENT			
1	Unpaid dividends*	107.95	103.75
2	Retention money payable	243.77	175.16
3	Others		
	(i) Employee related payable	4,128.66	3,841.79
	(ii) Other payable	6,493.09	4,200.74
	Total	10,973.47	8,321.44
* Not due for deposit in the Investor Education and Protection Fund			
Note - 27. OTHER CURRENT LIABILITIES			
1	Payable towards Statutory dues	1,699.36	1,530.59
2	Contract Liability - Advances received from Customers*	1,251.85	1,484.98
3	Deferred Govt. Grant (Capital Subsidy)	1.49	1.49
	Total	2,952.70	3,017.06
27.1 * Contract Liability - Advances received from Customers			
	Opening Balance of Contract Liability	1,484.98	1,391.22
	Add : Addition of Contract Liability - Advances received from Customers	1,251.85	1,484.98
	Less : Revenue recognised during the reporting period	(1,484.98)	(1,391.22)
	Closing Balance of Contract Liability	1,251.85	1,484.98
Note - 28. CURRENT PROVISIONS			
1	Provision for Leave Encashment	185.05	238.36
2	Provision for Bonus / Ex Gratia	3.66	3.94
3	Provision for Gratuity	19.99	0.56
4	Provision for Loyalty Program	1,100.00	-
	Total	1,308.70	242.86
Refer Note No. 44 for Movement of Provisions			
Note - 29. CURRENT TAX LIABILITIES (NET)			
	Provision for tax (Net)	554.89	684.66
	Total	554.89	684.66

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 30. REVENUE FROM OPERATIONS			
A	Revenue from Contracts with Customers		
	(a) Sale of products (Building Products)	1,79,982.44	1,44,160.14
	(b) Sale of services	59.26	52.70
		1,80,041.70	1,44,212.84
B	Other Operating Revenue		
	(a) Exports Incentives	43.31	80.91
	(b) Insurance Claims Received	23.11	85.38
	(c) Miscellaneous Operating Income	242.12	203.87
	Total	308.54	370.16
	Total	1,80,350.24	1,44,583.00

Notes :**30.1 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	(₹ in lakhs)	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Product Type		
Goods	1,79,982.44	1,44,160.14
After Sales Services	59.26	52.70
Total	1,80,041.70	1,44,212.84
Contract Counterparties		
Dealers	1,79,982.44	1,44,160.14
Direct to Consumers	59.26	52.70
Total	1,80,041.70	1,44,212.84
Timing of Transfer of Goods and Services		
Point in time	1,80,041.70	1,44,212.84
Total	1,80,041.70	1,44,212.84

30.2 The expected credit loss recognised on receivables arising from the Group's contracts with customers is disclosed in Note No. 11.

30.3 The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes No. 11 and 27 respectively. Revenue recognised from opening balance of contract liability is disclosed in Note No. 27.1.

30.4 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

Sr. No.	Particulars	(₹ in lakhs)	
		Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 31. OTHER INCOME			
1	Interest Income from Financial Assets at Amortised Cost		
(a)	On Security Deposits	14.00	16.60
(b)	Others	277.93	309.03
2	Other Non-operating Income		
(a)	Profit on Sale of Investments (Net)	120.31	93.01
(b)	Net Gain on Fair Valuation of Investments	2,313.88	1,731.68
(c)	Profit on Sale of Property, Plant and Equipment (Net)	50.76	-
(d)	Net Gain on Foreign Currency Translation	36.97	10.24
(e)	Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	165.91	53.36
(f)	Miscellaneous Income	13.57	19.56
(g)	Credit balances written back	553.38	-
(h)	Interest Subsidy	-	98.79
(i)	Deferred Income on Capital Subsidy	1.49	1.49
(j)	Gain on Termination of Lease (Net)	8.84	30.83
	Total	3,557.04	2,364.59
Note - 32. COST OF MATERIALS CONSUMED			
	Opening Stock	3,766.53	2,542.81
	Add : Purchases (Net)	27,337.72	22,623.63
	Sub Total	31,104.25	25,166.44
	Less : Closing Stock	5,189.12	3,766.53
	Total	25,915.13	21,399.91
Note - 33. PURCHASES OF STOCK IN TRADE			
	Sanitaryware and other allied products	63,434.41	57,312.24
	Total	63,434.41	57,312.24

Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 34. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
Inventories at the end of the year :		
Finished Goods	16,331.61	8,867.80
Work-in-progress	1,200.62	1,296.73
Stock-in-Trade	13,512.82	13,994.81
	<u>31,045.05</u>	<u>24,159.34</u>
Inventories at the beginning of the year :		
Finished Goods	8,867.80	2,619.70
Work-in-progress	1,296.73	912.07
Stock-in-Trade	13,994.81	10,273.84
	<u>24,159.34</u>	<u>13,805.61</u>
Change in Inventories	<u>(6,885.71)</u>	<u>(10,353.73)</u>
Note - 35. EMPLOYEE BENEFITS EXPENSE		
1 Salaries, Wages and Bonus	19,256.07	17,055.81
2 Contribution to Provident and other Funds	782.91	1,010.52
3 Staff and Labour Welfare Expenses	1,427.09	1,295.27
Total	<u>21,466.07</u>	<u>19,361.60</u>

Note :

35.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

Defined Contribution Plan :

The Group's Contribution to provident fund and pension fund is considered as Defined Contribution Plan and is recognised as expenses for the year.

Defined Benefit Plan :

The Group operates a Defined Benefit Gratuity plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation for leave encashment is recognized as expense for the year.

Gratuity : The benefits are governed by the Payment of Gratuity Act, 1972. The key features are as under :

Plan Features	
Benefits offered	(15 / 26) x (Salary) x (Duration of Service in years)
Salary definition	Last drawn qualifying Salary
Benefit ceiling	Without limit
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon death or disability or retirement
Retirement age	60 years

Leave Encashment : The benefits are governed by the Company's Leave Policy.

Key Features	
Salary for Encashment	As per rules of the Company
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	As per rules of the Company
Benefit Formula	(1/30) x (Basic Salary) x (Leave Days)
Leave Denominator	Employee 30
Leave Credited Annually	Employee 30
Retirement age	60 years

Risks associated to the Plan (Gratuity and Leave Encashment)

A. Actuarial Risk	Risks due to adverse salary growth / Variability in mortality and withdrawal rates.
B. Investment Risk	Risks due to significant changes in discounting rate during the inter-valuation period.
C. Liquidity Risk	Risks on account of Employees resignation / retirement from the company , resulting into strain on the cashflow.
D. Market Risk	Risks related to changes and fluctuations of the financial markets and assumptions depend on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
E. Legislative Risk	Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

Key Assumptions considered (Gratuity and Leave Encashment)**Actuarial Assumptions**

A. Discount Rate	7.50 % p.a
B. Salary Growth Rate	6.00 % p.a
C. Rate of Interest on Plan Assets	7.50 % p.a
D. Mortality	IALM 2012-14
E. Withdrawal Rate	6.00% p.a.

Financial Assumptions

A. Discount Rate	7.50 % p.a
B. Salary Growth Rate	6.00 % p.a

Demographic Assumptions

A. Withdrawal Rate	6.00% p.a.
B. Mortality Rate	-

(₹ in lakhs)

Particulars	2022-23		2021-22	
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
Reconciliation of opening and closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at beginning of the year	2,015.23	807.58	2,068.73	845.24
Current Service Cost	192.53	129.13	170.48	97.43
Interest Cost	146.11	58.55	149.98	61.28
Actuarial (Gain) / Losses recognised in Other Comprehensive Income	-	-	-	-
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)	0.48	0.14	(76.89)	(27.40)
Due to Experience adjustments (Loss)	76.69	184.73	131.72	180.26
Benefits paid	(249.38)	(441.35)	(428.79)	(349.23)
Prior year Charge	-	-	-	-
Defined Benefit Obligation at year end	2,181.66	738.78	2,015.23	807.58
Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of Plan Assets at beginning of the year	2,237.94	-	2,071.80	-
Expenses Deducted from the Fund	-	-	-	-
Expected return on Plan Assets	167.84	-	150.20	-
Actuarial Gain / (Loss)	(11.77)	-	59.93	-
Employer Contribution	17.81	-	384.80	-
Benefits paid	(249.38)	-	(428.79)	-
Fair Value of Plan Assets at year end	2,162.44	-	2,237.94	-
Return on Plan Assets recognised in Other Comprehensive Income (Gain) / Loss	88.95	-	(5.10)	-
Actual return on Plan Assets	156.07	-	210.14	-
Reconciliation of fair value of assets and obligations				
Fair value of Plan Assets	2,162.44	-	2,237.94	-
Present value of Obligation	2,181.66	738.78	2,015.23	807.58
(Deficit) / Surplus amount of Plans recognised in Balance Sheet	(19.22)	(738.78)	222.71	(807.58)
Expense recognized during the year				
Current Service Cost	192.53	129.12	170.48	97.43
Interest Cost	146.11	58.55	149.98	61.28
Expenses deducted from the fund	-	-	-	-
Expected return on plan Assets	(167.85)	-	(150.20)	-
Net Cost	170.79	187.67	170.26	158.71

Note : The net surplus amount of Plan Asset as on 31st March, 2022 has been adjusted during the current year .

(₹ in lakhs)

Particulars	2022-23		2021-22				
	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)			
Investment Details							
Debt Instruments							
Government of India Securities	0.67%	-	0.67%	-			
High Quality Corporate Bonds	3.66%	-	4.56%	-			
State Government Securities	2.81%	-	2.82%	-			
Cash and Cash Equivalents							
Fixed Deposits	-	-	-	-			
Bank Balances	-	-	-	-			
Special Deposit Scheme	0.39%	-	0.39%	-			
Investment Funds							
Insurance Policies	92.47%	-	91.56%	-			
Others							
Mutual Funds	-	-	-	-			
Actuarial Assumptions							
Mortality Table	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14			
Discount Rate	7.50%	7.50%	7.25%	7.25%			
Expected Rate of Return	7.50%	-	7.25%	-			
Rate of escalation in Salary	6.00%	6.00%	5.75%	5.75%			
Sensitivity Analysis							
Particulars	Changes in assumption	Increase in assumption		Decrease in assumption			
		Increase / Decrease by	31 st March, 2023	31 st March, 2022	Increase / Decrease by	31 st March, 2023	31 st March, 2022
Impact On Defined Benefit Obligation (Gratuity)							
Discount Rate	1%	Decrease by	7%	7%	Increase 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%
Impact On Defined Benefit Obligation (Leave Encashment)							
Discount Rate	1%	Decrease by	6%	6%	Increase by	7%	7%
Salary Growth Rate	1%	Increase by	7%	7%	Decrease by	7%	6%
Withdrawal Rate	1%	Increase by	1%	1%	Decrease by	1%	1%

The Methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Funding arrangements and funding policy :

Gratuity liability is funded whereas leave Benefits Liability is not funded. There are no minimum funding requirements for Leave benefits plans in India and there is no compulsion on the part of the Group to fully pre fund the liability. The Group has purchased an insurance policy to partly provide for payment of gratuity to the employees. The trustees of the plan also make investments in Central / State Govt. securities, high quality Corporate bonds, special deposit scheme etc., as per rules and regulations. Every year, the actuary carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

Amounts for the current and previous years are as follows

			(₹ in lakhs)	
Particulars	31 st March, 2023	31 st March, 2022		
1 Gratuity (Funded)				
Defined Benefit Obligation	2,181.66	2,015.23		
Plan Assets	2,162.44	2,237.94		
Surplus / (Deficit)	(19.22)	222.71		
Experience adjustments on Plan Liability (Gain) / Loss	76.69	131.72		
Experience adjustments on Plan Assets Gain	(11.77)	59.93		
2 Leave Encashment (Non-Funded)				
Defined Benefit Obligation	738.77	807.58		
Experience adjustments on Plan Liability (Gain)	184.73	180.26		

Group's estimate of Contributions expected to be paid during Financial Year 2023-24 is as under :

(i) Defined Contribution Plan :	
(a) Employer's contribution to Provident Fund	12% of Basic Salary
(ii) Defined Investment Plan :	
(a) Gratuity	227.80
(b) Leave Encashment	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

			(₹ in lakhs)	
Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022		
Note - 36. FINANCE COSTS				
1 Interest Costs				
(a) Interest on Financial Liabilities	545.25	461.32		
(b) For Income Tax	25.23	53.36		
2 Other Borrowing Costs	34.35	13.47		
Total	604.83	528.15		

Note - 37. DEPRECIATION & AMORTIZATION EXPENSE

1 Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,517.21	2,503.49		
2 Amortization of Other Intangible Assets (Refer Note No. 5)	26.06	42.35		
3 Depreciation on Right-of-use Assets (Refer Note No. 46(a))	717.47	694.90		
Total	3,260.74	3,240.74		

(₹ in lakhs)

Sr. Particulars No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 38. OTHER EXPENSES		
1 Stores, Spares, Chemicals and Packing Materials Consumed	5,840.85	4,067.23
2 Power and Fuel	6,062.82	4,479.49
3 Repairs and Maintenance		
- To Buildings	164.91	117.66
- To Plant and Equipment	421.46	328.85
- To Others	345.99	285.16
4 Auditors' Remuneration		
- As Audit Fees	17.35	12.15
- For Limited Review	7.50	0.70
- For Taxation Matters	4.15	1.45
- For Other Services	0.68	4.36
- For Reimbursement of Expenses	1.03	0.35
5 Research & Development Expenses	145.59	188.94
6 Freight and Forwarding Expenses (Net)	10,176.96	8,318.88
7 Sales Promotion Expenses	9,826.65	6,582.54
8 Publicity & Advertisement Expenses	5,676.08	3,246.43
9 Bad Debts	548.61	-
10 Allowance for Expected Credit Loss - Trade Receivables	1,064.76	391.96
11 Allowance for Expected Credit Loss - Capital Advances	140.66	117.23
12 Allowance for Expected Credit Loss - Security Deposits	39.20	-
12 Rent Expenses	444.25	129.52
13 Insurance	1,577.92	1,342.62
14 Rates and Taxes	25.73	24.14
15 Loss on Sale of Property, Plant and Equipment (Net)	63.19	21.92
16 Directors' Commission	25.00	16.00
17 Directors' Sitting Fees	3.50	2.80
18 Foreign Exchange Fluctuations (Net)	29.60	6.20
19 Donation	0.25	5.26
20 CSR Expenses	300.03	291.03
21 Amortization of Prepaid Rentals	12.77	14.44
22 Deficit due to surrender of exemption granted to Provident Fund Trust (Refer Note No. 50)	-	328.47
23 Miscellaneous Expenses	4,155.80	3,663.79
Total	47,123.29	33,989.57
Note - 39. CURRENT TAX		
Current Tax	7,164.75	5,391.30
Deferred Tax	218.68	209.53
Total	7,383.43	5,600.83

39.1 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.

(₹ in lakhs)

Particulars	31 st March, 2023	31 st March, 2022
Accounting Profit before Income Tax	28,488.52	20,895.31
Add : Interest Expense on Income Tax (Refer Note No. 36)	25.00	53.36
Accounting Profit before Income Tax	28,513.52	20,948.67
India's Statutory Income Tax	7,273.41	5,333.17
Due to Income exempt from Taxation	(14.69)	(21.26)
Non-Deductible Expenses for Tax purpose	1,695.71	1,346.03
Deductible Expenses for Tax purpose	(1,664.34)	(1,486.21)
Income not chargeable for Tax purpose	29.82	191.42
Effects of Excess / (Less) Tax for Tax purpose on Capital Gain / Loss	34.46	221.95
Others	29.06	15.73
Income Tax expense reported in the Statement of Profit and Loss	7,383.43	5,600.83

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Note - 40. EARNINGS PER SHARE			
1	Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	20,940.48	15,109.58
2	Weighted average number of Equity Shares outstanding during the period (No.) (B)	1,30,05,874	1,30,05,874
3	Nominal value of Equity Shares (₹)	5.00	5.00
4	Basic/Diluted Earnings per Share (₹) (A/B)	161.01	116.18

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 - 41. RELATED PARTY DISCLOSURES**A. RELATED PARTY DISCLOSURES OF THE GROUP****41.1 Name of the Related Parties & Nature of the Related Party Relationship with whom transactions have taken place during the reported period.****(A) Associate Entity :**

Sr.No.	Name	Nature	Ownership Interest held by the Company directly or indirectly	
			As at 31 st March, 2023	As at 31 st March, 2022
1	Milo Tile LLP	Associate	26%	26%

(B) Key Management Personnel :

Sr. No.	Name	Designation
1	Shri Vikram Somany	Chairman and Managaing Director
2	Smt. Deepshikha Khaitan	Joint Managing Director
3	Shri Anupam Gupta	Executive Director (Technical) (w.e.f. 15.10.2021)
4	Shri Ayush Bagla	Executive Director
5	Shri Atul Sanghvi	Executive Director & CEO (ceased w.e.f 14.10.2021)
6	Shri Vikas Kothari	Dy. CFO (CFO w.e.f. 01.04.2023)
7	Shri R.B.Shah	CFO & COO (Fin. & Comm.) (retired w.e.f. close of working hours of 31.03.2023)
8	Shri Hemal Sadiwala	Company Secretary
9	Shri Sajjan Kumar Pasari	Non Executive Independent Director
10	Shri Lalit Kumar Bohania	Non Executive Independent Director
11	Shri Surendra Singh Baid	Non Executive Independent Director
12	Ms. Akriti Jain	Non Executive Independent Director
13	Shri Ravi Bhamidipaty	Non Executive Independent Director (w.e.f. 04.08.2022)

(C) Other Related Parties :**Sr. No. Particulars****(a) Relatives of Key Management Personnel**

- Smt. Smiti Somany
- Smt. Pooja Jain Somany

(b) Enterprises significantly influenced by Key Management Personnel and / or their relatives

- Madhusudan Industries Limited
- Cera Foundation
- Indian Council of Sanitaryware Manufacturers

(c) Post Employment Benefit Plans

- Madhusudan Gratuity Fund

41.2 Disclosures of Transactions during the year between the Group and Related Parties :

(₹ in lakhs)

Sr. No.	Nature of Transaction	Associate Entity		Key Management Personnel		Other Related Parties	
		Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Purchase of Goods	199.41	911.4	-	-	-	-
2	Donation	-	-	-	-	0.25	1.15
3	Remuneration	-	-	1,858.00	1775.40	-	-
4	Directors Commission & Sitting Fees	-	-	28.50	18.80	-	-
5	Rent, Rates & Taxes	-	-	-	-	98.31	90.96
6	Other Service	-	-	-	-	18.13	17.50
7	Contribution to Gratuity Fund	-	-	-	-	17.81	-
8	Provision for Impairment Loss of Investment	500.00	-	-	-	-	-

41.3 The details of amounts due to or due from related parties as at 31st March, 2023 and 31st March, 2022 : (₹ in lakhs)

Sr. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1	Trade Payables		
	Associate		
	Milo Tile LLP	237.79	392.64
	Total Trade Payables to Associates	237.79	392.64
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. 15)	87.36	87.36
	Balances of other current assets - Related Parties	87.36	87.36

41.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year : (₹ in lakhs)

Sr. No.	Nature of Transaction	Related Parties	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Donation	Cera Foundation	0.25	1.15
2	Remuneration to Key Management Personnel	Key Management Personnel	1,858.00	1,775.40
3	Directors Commission & Sitting Fees	Key Management Personnel	28.50	18.80
4	Rent, Rates & Taxes	Madhusudan Industries Limited	98.31	90.96
5	Other Services	Madhusudan Industries Limited	18.00	17.38
6	Contribution to Gratuity Fund	Madhusudan Gratuity Fund	17.81	-
7	Provision for Impairment Loss of Investment	Milo Tile LLP	500.00	-

41.5 Breakup of compensation to Key Management Personnel : (₹ in lakhs)

Sr. No.	Particulars	Key Management Personnel	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Remuneration	Shri Vikram Somany	755.13	734.93
		Smt. Deepshikha Khaitan	306.83	281.72
		Shri Anupam Gupta	324.77	139.89
		Shri Ayush Bagla	286.76	218.38
		Shri Atul Sanghvi	-	244.05
		Shri R.B.Shah	159.84	136.36
		Shri Hemal Sadiwala	24.67	20.07
2	Commission	Shri Sajan Kumar Pasari	5.00	4.00
		Shri Lalit Kumar Bohania	5.00	4.00
		Shri Ravi Bhamidipaty	5.00	-
		Shri Surendra Singh Baid	5.00	4.00
		Ms. Akriti Jain	5.00	4.00
3	Sitting Fees	Shri Sajan Kumar Pasari	0.60	0.70
		Shri Lalit Kumar Bohania	0.80	0.70
		Shri Ravi Bhamidipaty	0.50	-
		Shri Surendra Singh Baid	0.80	0.70
		Ms. Akriti Jain	0.80	0.70
	Total		1,886.50	1,794.20

Note – 42. 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.

Period	As at 31 st March, 2023	As at 31 st March, 2022
(₹ in lakhs)		
Ageing of past dues receivables :		
0-3 months	16,593.49	13,184.59
3-6 months	1,217.17	256.68
6-12 months	286.56	712.09
Beyond 12 months	3,115.95	3,603.28
Ageing of impaired trade receivables :		
0-3 months	-	-
3-6 months	-	-
6-12 months	6.09	-
Beyond 12 months	2,291.94	1,279.88

(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 table below provides undiscounted cash flows towards non-derivative financial assets / (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2023			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
Financial Assets					
Trade receivables	11	18,915.14	-	-	18,915.14
Others	7, 14	399.50	820.74	-	1,220.24
Current investments	10	63,451.81	-	-	63,451.81
Cash and cash equivalents	12	1128.86	-	-	1128.86
Other bank balances	13	1490.05	-	-	1490.05
Total		85,385.36	820.74	-	86,206.10
Financial Liabilities					
Borrowings - Non-Current	19	-	416.80	-	416.80
Borrowings - Current	24	2,118.03	-	-	2,118.03
Current payables	25, 26	31,666.79	-	-	31,666.79
Non-current payables	20	-	2,885.15	-	2,885.15
Lease Liabilities	46(a)	745.93	1598.92	429.55	2774.40
Total		34,530.75	4,900.87	429.55	39,861.17
Particulars	Note No.	As at 31 st March, 2022			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
Financial Assets*					
Trade receivables	11	16,476.76	-	-	16,476.76
Others	7, 14	477.27	164.55	-	641.82
Current investments	10	52,715.60	-	-	52,715.60
Cash and cash equivalents	12	1,389.63	-	-	1,389.63
Other bank balances	13	1,036.11	-	-	1,036.11
Total		72,095.37	164.55	-	72,259.92
Financial Liabilities*					
Borrowings - Non-Current	19	-	554.43	-	554.43
Borrowings - Current	24	2,113.58	-	-	2,113.58
Current payables	25, 26	27,249.60	-	-	27,249.60
Non-current payables	20	-	2,702.94	-	2,702.94
Lease Liabilities	46(a)	652.86	1,169.45	30.74	1,835.05
Total		30,016.04	4,426.82	30.74	34,473.60

* Excluding Financial Assets classified as held for sale and excluding Financial Liabilities directly associated with the assets classified as held for sale

(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:

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables	USD	0.97	2.32
	EUR	0.51	-
Trade payables	USD	0.32	0.32
	EUR	0.02	0.02
	NPR	3.39	-
	AED	-	0.05
Advance to suppliers	USD	1.46	0.87
	EUR	0.37	0.30
	GBP	-	0.04
Advance from customers	USD	0.92	0.59
	EUR	0.38	-
Balance in EEFC account	USD	3.62	1.80

Currency Rate	(in ₹)	
	31 st March, 2023	31 st March, 2022
USD	82.2212	75.7416
EUR	89.3463	84.1158
AED	22.3883	20.6240
GBP	101.7334	99.4238
NPR	0.6250	0.6250

Of the above foreign currency exposures, following exposures are not hedged :

Particulars	Currency	(in lakhs)	
		As at 31 st March, 2023	As at 31 st March, 2022
Trade receivables	USD	0.97	2.32
	EUR	0.51	-
Trade payables	USD	0.32	0.32
	EUR	0.02	0.02
	NPR	3.39	-
	AED	-	0.05
Advance to suppliers	USD	1.46	0.87
	EUR	0.37	0.30
	GBP	-	0.04
Advance from customers	USD	0.92	0.59
	EUR	0.38	-
Balance in EEFC account	USD	3.62	1.80

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 Profit	
		before tax 31 st March, 2023	before tax 31 st March, 2022
USD	5%	19.78	15.45
	-5%	(19.78)	(15.45)
EUR	5%	2.14	1.18
	-5%	(2.14)	(1.18)
NPR	5%	0.11	-
	-5%	(0.11)	-
AED	5%	-	(0.05)
	-5%	-	0.05
GBP	5%	-	0.20
	-5%	-	(0.20)

(₹ in lakhs)

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Group at the end of each reporting period.

(ii) Interest Rate Risk :

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below:

Particulars	Change in interest rate	Effect on Profit before	
		tax 31 st March, 2023	tax 31 st March, 2022
Non-current & Current Borrowings	0.50%	(12.67)	(19.78)
	-0.50%	12.67	19.78

(₹ in lakhs)

(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. 19, 24 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.

Note - 43. FINANCIAL INSTRUMENTS*

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's Financial Instruments.

Particulars					(₹ in lakhs)
	Carrying value		Fair value		Fair value measurement using
	As at 31 st March, 23	As at 31 st March, 22	As at 31 st March, 23	As at 31 st March, 22	
Financial Assets					
Financial assets measured at fair value					
Current					
Investments (a)	63,451.81	52,715.60	63,451.81	52,715.60	Level 1
Financial assets measured at amortized cost					
Non-Current					
Investments in Associates	306.00	806.00	306.00	806.00	Level 3
Other Investments	2,520.02	2,675.41	2,520.02	2,675.41	Level 3
Margin Money Deposits held as security against Borrowings with more than 12 months maturity	639.99	19.16	639.99	19.16	Level 3
Security Deposit	180.75	145.39	180.75	145.39	Level 3
Total Non-Current Financial Assets (b)	3,646.76	3,645.96	3,646.76	3,645.96	
Current					
Security Deposit	98.35	150.69	98.35	150.69	Level 3
Trade receivables	18,915.14	16,476.76	18,567.80	15,474.41	Level 3
Cash and cash equivalents	1,128.86	1,389.63	1,128.86	1,389.63	Level 3
Other Balances with Banks	1,490.05	1,036.11	1,490.05	1,036.11	Level 3
Insurance claims receivables	74.95	92.00	74.95	92.00	Level 3
Advances	33.22	45.27	33.22	45.27	Level 3
Interest accrued and receivable	78.17	90.36	78.17	90.36	Level 3
Incentive / Grants receivable from Government (Power & VAT/CST/SGST/Interest Subsidy)	114.81	98.95	114.81	98.95	Level 3
Total Current Financial Assets (c)	21,933.55	19,379.77	21,586.21	18,377.42	
Total Financial Assets [a + b + c]	89,032.12	75,741.33	88,684.78	74,738.98	
Financial Liabilities					
Financial liabilities measured at amortised cost					
Non-Current					
Borrowings	416.80	554.43	416.80	554.43	Level 3
Lease liabilities	2,028.47	1,200.19	2,028.47	1,200.19	Level 3
Deposits by Dealers	2,862.92	2,680.71	2,862.92	2,680.71	Level 3
Other financial liabilities	22.23	22.23	22.23	22.23	Level 3
Total Non-Current Financial Liabilities (a)	5,330.42	4,457.56	5,330.42	4,457.56	
Current					
Borrowings	2,118.03	2,113.58	2,118.03	2,113.58	Level 3
Trade payables	20,693.32	18,928.16	20,693.32	18,928.16	Level 3
Lease liabilities	745.93	652.86	745.93	652.86	Level 3
Unpaid dividends	107.95	103.75	107.95	103.75	Level 3
Retention money payable	243.77	175.16	243.77	175.16	Level 3
Employee related payables	4,128.66	3,841.79	4,128.66	3,841.79	Level 3
Expenses payables	6,493.09	4,200.74	6,493.09	4,200.74	Level 3
Total Current Financial Liabilities (b)	34,530.75	30,016.04	34,530.75	30,016.04	
Total Financial Liabilities [a + b]	39,861.17	34,473.60	39,861.17	34,473.60	

* Excluding Financial Assets classified as held for sale and excluding Financial Liabilities directly associated with the assets classified as held for sale

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 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.
- 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 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 - 44. MOVEMENT IN PROVISIONS

(Refer Note 21 & 28)

Disclosure of Movement in Provisions during the year as per Ind AS- 37, Provisions, Contingent Liabilities and Contingent Assets :

(₹ in lakhs)				
Particulars	Balance as on 1 st April, 2022	Provided / Transferred during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2023
Non-current Provisions				
For Accumulated leaves	571.56	188.52	203.43	556.65
For Gratuity	7.11	0.78	0.14	7.75
Income Tax of earlier years	320.72	36.92	30.36	327.28
Total	899.39	226.22	233.93	891.68
Current Provisions				
For Accumulated leaves	238.36	185.02	238.33	185.05
For Gratuity	0.56	19.42	0.00	19.98
For Bonus / Exgratia	3.94	1.57	1.84	3.67
For Loyalty Program*	-	1100.00	-	1,100.00
Total	242.86	1,306.01	240.17	1,308.70
Grand total	1,142.25	1,532.23	474.10	2,200.38

* 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.

Note - 45. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

(₹ in Lakhs)		
Particulars	31 st March, 2023	31 st March, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount due to micro enterprises and small enterprises	3,794.43	2,998.08
(ii) Interest due on above	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) "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".	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note - 46. COMMITMENTS AND CONTINGENCIES**(a) Leases**

The Group has adopted Ind AS 116, effective from annual reporting period beginning 1st April, 2021 and applied the Standard to its leases, using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1st April, 2019).

(i) Changes in the carrying value of right-of-use assets. (₹ in lakhs)

Particulars	Category of Right-of-use asset	
	Land	Buildings
Balance as at 1 st April, 2021	8.66	1,368.91
Additions during the year	-	1,028.51
Termination during the year	-	(110.13)
Depreciation	(0.60)	(694.30)
Remeasurement of lease liability due to lease modifications	-	(18.25)
Balance as at 31 st March, 2022	8.06	1,574.74
Additions during the year	-	1,727.76
Terminations during the year	-	(85.31)
Depreciation	(0.59)	(716.88)
Remeasurement of lease liability due to lease modifications	-	-
Balance as at 31st March, 2023	7.47	2,500.31

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. 37)

(ii) Movement in Lease Liabilities : (₹ in lakhs)

Particulars	Buildings	
	2022-23	2021-22
Opening Balance	1,853.05	1634.23
Finance cost accrued during the year	247.02	203.02
Additions during the year	1,727.76	1,028.51
Terminations during the year	(94.15)	(140.96)
Payment of lease liabilities	(959.28)	(853.50)
Remeasurement of lease liability due to Lease modifications	-	(18.25)
Closing Balance	2,774.40	1,853.05

(iii) Break-up of current and non-current lease liabilities. (₹ in lakhs)

Particulars	Buildings	
	2022-23	2021-22
Non-current lease liabilities	2,028.47	1,200.19
Current lease liabilities	745.93	652.86
Total	2,774.40	1,853.05

(iv) Contractual maturities of lease liabilities on discounted basis : (₹ in lakhs)

Particulars	31 st March, 2023	31 st March, 2022
Not later than one year	745.93	652.86
Later than one year but not later than five years	1,598.92	1,169.45
Later than five years	429.55	30.74
Total	2,774.40	1,853.05

(₹ in lakhs)

Particulars	31 st March, 2023	31 st March, 2022
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(b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) **3,645.64** 338.45

(c) Contingent Liabilities

Claims against the Company not acknowledged as debts (Net of Payments) **79.92** 765.61
 Dividend on 1% Cumulative Preference Shares - 65.53
 Letters of Credit (Foreign & Inland) opened and guarantees given (Net) **674.86** 1,751.41

Note - 47. DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 :**For Associates**

(₹ in lakhs)

Particulars	Milo Tile LLP	
	As at 31 st March, 2023	As at 31 st March, 2022
Investments		
At the beginning of the year	806.00	806.00
Impairment of Investment	(500.00)	-
At the end of the year	306.00	806.00
Loans & advances*		
At the beginning of the year	87.36	70.80
Addition during the year	-	16.56
Recovered during the year	-	-
At the end of the year	87.36	87.36

*Represents current account balance of the Parent Company in Associate.

Note - 48. DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Dividend on Equity Shares			
(a)	Declared and paid during the year :		
	Final dividend for FY 2021-22 : ₹ 20 per share (FY 2020-21 : ₹ 13 per share)	2,601.17	1,690.76
	Special dividend for FY 2021-22 : ₹ 15 per share (FY 2020-21 : ₹ Nil per share)	1,950.88	-
(b)	Proposed for approval at the ensuing annual general meeting (not recognised as a liability) :		
	Final dividend for FY 2022-23 : ₹ 50 per share (FY 2021-22 : ₹ 20 per share)	6,502.94	2,601.17
	Special dividend for FY 2022-23 : ₹ Nil per share (FY 2021-22 : ₹ 15 per share)	-	1,950.88

Note - 49. RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development expenditure incurred is set out below:

(₹ in lakhs)

Sr. No.	Particulars	2022-23	2021-22
1	Capital expenditure	43.33	1.44
2	Revenue expenditure	145.59	188.94

Note - 50. DEFICIT DUE TO SURRENDER OF EXEMPTION GRANTED TO PF TRUST :

- The Parent Company was granted Exemption for certain employees under Para 27 of the Employees' Provident Fund Scheme, 1952. (EPF Scheme, 1952).
- Because of drastic reduction in rate of return on investments as compared to the rate declared by the Government for employees PF in last 3 to 4 years, the Parent Company had to make additional Contribution / provision for the deficit sustained, as a legal or constructive obligation. Further, credit risk, interest risk, default risk also increased in the recent past in Bond market.
- The Parent Company had therefore submitted application dated 14th February, 2022 for surrender of exemption granted w.e.f. 1st March, 2022 pursuant to resolution passed by the Board of Directors of the Company on 26th October, 2021, followed by resolution passed by the Board of Trustees of Madhusudan Provident Fund Institution (MPFI) on 28th November, 2021.
- By an Order dated 9th March, 2022, the Regional PF Commissioner withdrew the exemption granted under Para 27 of the Employees' Provident Scheme (EPF Scheme) with effect from 1st March, 2022. The Trust was also required to transfer the Corpus in the name of Central Board of Trustees, EPFO and any loss incurred by MPFI was borne by the Company as per the Order of RPFC. The Parent Company was also directed to comply as an un-exempted establishment w.e.f. 1st March, 2022. In this process, the Parent Company incurred loss of ₹ 328.47 lakhs on liquidation of the securities comprised in the Corpus of MPFI which is recognised in Note No. 38.

Note - 51. 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 - 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. 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 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.

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.

NOTE - 54. ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO COMPANIES ACT, 2013 AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Name of the entity	Net Assets i.e. Total assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹	As % of Consolidated Profit or Loss	₹	As % of Consolidated Other Comprehensive Income	₹	As % of Consolidated Total Comprehensive Income	₹
Parent								
Cera Sanitaryware Limited	99.15%	1,16,271.25	100.12%	20,965.58	100.80%	(66.56)	100.12%	20,899.02
Subsidiaries								
Indian								
Packcart Packaging LLP	0.22%	260.35	0.23%	48.03	-1.61%	1.06	0.23%	49.09
Anjani Tiles Limited	0.00%	-	-	-	-	-	-	-
Race Polymer Arts LLP	1.64%	1,905.37	1.37%	287.90	0.05%	(0.03)	1.38%	287.87
Sub Total	1.86%	2,165.72	1.60%	335.93	-1.56%	1.03	1.61%	336.96
Associates (Investment as per Equity method)								
Indian								
Milo Tile LLP	-	-	-	0.00%	0.00	-	-	0.00%
Foreign								
Cera Sanitaryware Limited FZC	-	-	-	-	-	-	-	-
Cera Sanitaryware Trading LLC	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	0.00%	0.00%
Total	101.01%	1,18,436.97	101.72%	21,301.51	99.24%	(65.53)	101.73%	21,235.98
Non-Controlling Interests in Subsidiaries	0.90%	1,061.20	-0.79%	(164.61)	0.76%	(0.50)	-0.79%	(165.11)
Adjustments arising out of consolidation	-1.91%	(2,234.40)	-0.94%	(196.42)	-	-	-0.94%	(196.42)
Total	100.00%	1,17,263.77	100.00%	20,940.48	100.00%	(66.03)	100.00%	20,874.45

Note - 55.

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 : 10th May, 2023

Vikas Kothari
Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala
Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068) Joint Managing Director
Anupam Gupta (DIN:09290890) Executive Director (Technical)
Ayush Bagla (DIN:01211591) Executive Director
Surendra Singh Baid (DIN:02736988) Director
Ravi Bhamidipaty (DIN:00160891) Director
Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries / associate Companies / joint ventures

Part "A" : Subsidiaries

(₹ in Lakhs)

Sr.No.	Particulars	Details	Details
1.	Name of the Subsidiary	PACKCART PACKAGING LLP	RACE POLYMER ARTS LLP
2.	Date since when Subsidiary was acquired	24.06.2016	09.05.2018
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Period ending on 31 st March, 2023	Period ending on 31 st March, 2023
4.	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share Capital	190.03	1,287.90
6.	Reserves & surplus	70.31	617.47
7.	Total Assets	491.96	2,982.53
8.	Total Liabilities (including Sr.no. 5 & 6)	491.96	2,982.53
9.	Investments	Nil	Nil
10.	Turnover	1,627.90	4,628.75
11.	Profit before Taxation	69.88	442.50
12.	Less : Provision for Taxation	21.85	154.60
13.	Profit / (Loss) after Taxation	48.03	287.90
14.	Proposed Dividend	Nil	Nil
15.	Extent of Shareholding (in percentage)	Share 51%	Share 51%

Note:

Pursuant to the Memorandum of Understanding (MOU), Share Purchase Agreement (SPA) and Share Escrow Agreement with Federal Bank Ltd. by and amongst Cera Sanitaryware Limited, Anjani Vishnu Holdings Ltd. (Joint Venture Partner and Acquirer Company) and Anjani Tiles Limited (ATL)(Subsidiary Company) in the financial year 2021-22, the Company has divested its entire stake in equity and preference shares held in ATL. The full consideration as per the MOU has been received by the Company as on 31st March, 2023. Anjani Tiles Limited ceases to be a subsidiary of the Company effective 23rd March, 2023.

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	
1.	Latest Audited Balance Sheet Date	
2.	Date on which the Associates or Joint Venture was associated or acquired	
3.	Shares of Associates / Joint Ventures held by the Company on the year end	
	No.	
	Amount of Investment in Associates / Joint Ventures	
	Extent of Holding (in percentage)	N.A.
4.	Description of how there is significant influence	
5.	Reason why the Associate / Joint Venture is not consolidated	
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	
7.	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

Note: No Associate or joint venture has been liquidated or sold during the year.

Vikas Kothari

Chief Financial Officer
Mem. No. ACA 114368

Hemal Sadiwala

Company Secretary
Mem. No. ACS 20741

Vikram Somany (DIN:00048827) Chairman and Managing Director
Deepshikha Khaitan (DIN:03365068) Joint Managing Director
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Ayush Bagla (DIN:01211591) Executive Director
Surendra Singh Baid (DIN:02736988) Director
Ravi Bhamidipaty (DIN:00160891) Director
Sajan Kumar Pasari (DIN:00370738) Director
Lalit Kumar Bohania (DIN:00235869) Director
Akriti Jain (DIN:08259413) Director

Place : Ahmedabad
Date : 10th May, 2023

NEW ARRIVAL - FAUCETS



B R O O K L Y N

Single lever basin mixer with
450 mm braided connection pipe
(without pop-up)
Cat. No. F1018451FG

R U B Y

Single lever basin mixer with
450 mm braided connection pipe
(without pop-up)
Cat. No. F1005451RG



P E R L A

Single lever basin mixer with
450 mm braided connection pipe
(without pop-up)
Cat. No. F1012451GG






CERA

CERA SANITARYWARE LIMITED

 Registered Office & Works: 9, GIDC Industrial Estate, Kadi 382715, District Mehsana, Gujarat.

 Tel: +91 2764 243000, 242329

 Email: kadi@cera-india.com

 Website: www.cera-india.com

CIN: L26910GJ1998PLC034400