SOMANY

Date: 18th July, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai — 400 001
Scrip Code: 531548

National Stock Exchange of India Ltd. (NSE)
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai — 400 051
Symbol: SOMANYCERA

Dear Sir/Madam,

Subject: Submission of Annual Report and Notice of 58th Annual General Meeting of the Company, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that the 58th Annual General Meeting ("AGM") of the Company is scheduled to be held on Wednesday, 12th August, 2026 at 10:00 A.M. (IST) through video conferencing /other audio visual means in compliance with the applicable regulatory provisions.

In terms of the requirement of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report of the Company along with the Notice of AGM for the Financial Year 2025-26 is enclosed herewith as Annexure A.

The Notice of AGM and Annual Report for FY 2025-26 are being sent by e-mail to the members of the Company who have registered their e-mail address with the Company's RTA/ Depository Participant.

A letter providing the web-link, including the exact path, for accessing the Notice of AGM and Annual Report is being sent to those shareholders who have not registered their email address. A copy of the said letter is enclosed herewith as Annexure B.

The Notice of AGM along with the Annual Report for the Financial Year 2025-26 is also available on the website of the Company viz. https://www.somanyceramics.com/investor-relation/annual-reports.

Further, the Notice of AGM is also available on the website of Central Depository Services (India) Limited at www.evotingindia.com.

This is for your information & records.

Thanking you,

Yours Faithfully,
For Somany Ceramics Limited

ANUJ KALIA
Digitally signed by ANUJ KALIA
Date: 2026.07.18 15:02:57 +05'30'

Anuj Kalia
Company Secretary & Compliance Officer
Membership No.: A31850

Encl: As above

Annexure A

ROOTED. RISING.

Somany Ceramics Limited
Integrated Annual Report 2025-26

ACROSS THE PAGES

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Scan this QR Code to access the Investor Relations page

Disclaimer

This document contains statements about expected future events and financials of Somany Ceramics Limited ('The Company'), which are 'forward-looking'. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Investor Information

Market Capitalisation (as of 31 March, 2026)	₹1,46,436 Lakhs
CIN	L40200WB1968PLC224116
BSE Code	531548
NSE Symbol	SOMANYCERA
Bloomberg Code	SOMC:IN
Interim Dividend Paid	₹4 per Share
Final Dividend Declared	₹2 per Share
AGM Date	12 August, 2026
AGM Mode	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

Theme Introduction

ROOTED. RISING.

The strongest growth stories are built on foundations that are patiently strengthened over time. For Somany Ceramics, 2025-26 represents an important inflection point, where years of disciplined execution, strategic investments, and operational refinement are beginning to translate into sustained momentum.

Over the last several years, the Company has remained focused on reinforcing the fundamentals that drive long-term value creation. Capital has been allocated with discipline, investments have been directed toward strengthening manufacturing capabilities and expanding premium offerings, and operational efficiencies have been systematically embedded across the business. These efforts have resulted in healthier cash flows, improving return ratios, stronger balance sheet resilience, and a more agile operating model capable of responding to evolving market opportunities.

At the same time, Somany has continued to strengthen its market position through innovation, product differentiation, and a growing emphasis on premiumisation.

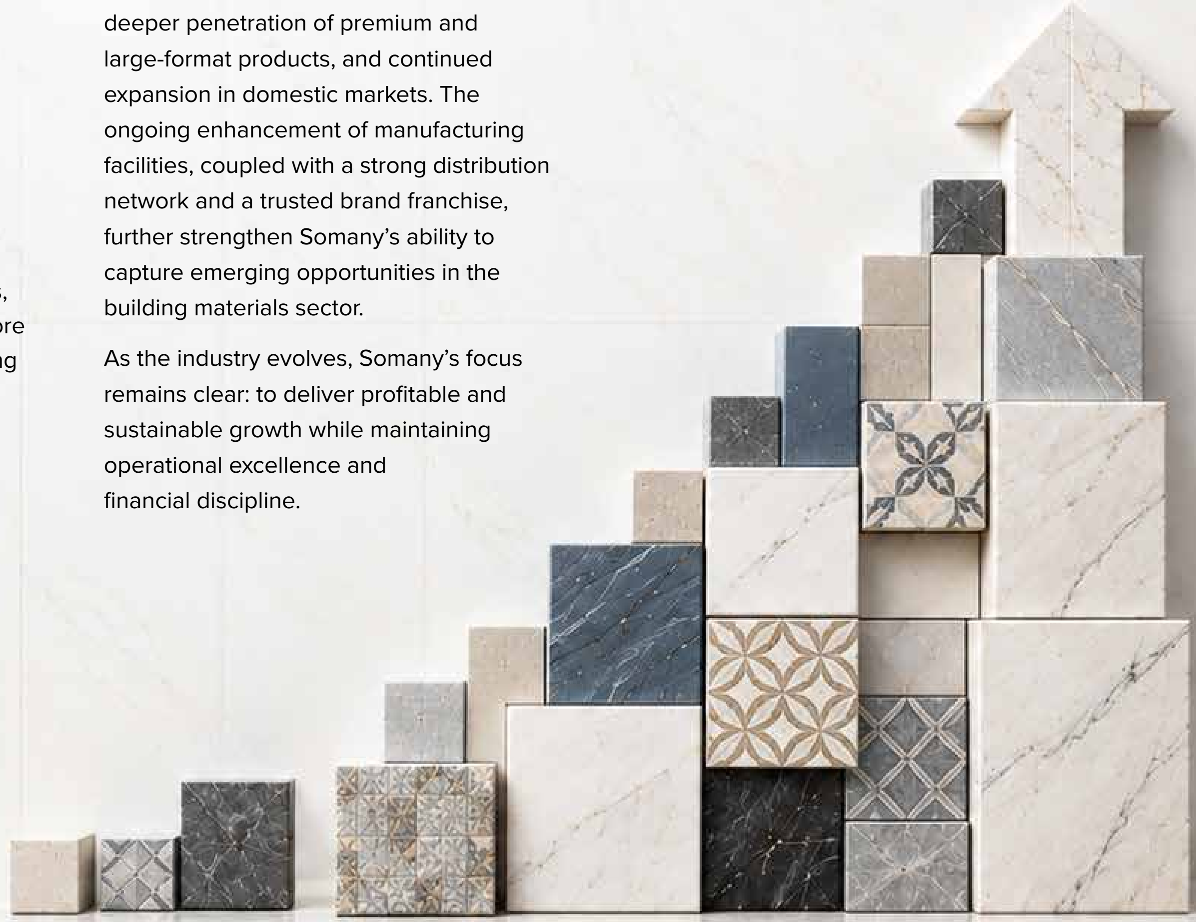
The Company's expanding portfolio of value-added products, coupled with investments in technology, design, and brand building, has enabled it to deepen customer engagement across both residential and commercial segments.

Looking ahead, the Company is well positioned to build on this foundation. Growth is expected to be supported by increasing scale in non-tile categories, deeper penetration of premium and large-format products, and continued expansion in domestic markets. The ongoing enhancement of manufacturing facilities, coupled with a strong distribution network and a trusted brand franchise, further strengthen Somany's ability to capture emerging opportunities in the building materials sector.

As the industry evolves, Somany's focus remains clear: to deliver profitable and sustainable growth while maintaining operational excellence and financial discipline.

The Company is not merely pursuing growth in scale, but growth in quality, strengthening margins, enhancing returns, and creating enduring value for all stakeholders.

Rooted in a legacy of trust and innovation, Somany enters its next phase of growth with confidence, resilience, and a clear visionfor the future.



ABOUT THE REPORT

Reporting Philosophy

This Integrated Annual Report presents a comprehensive view of Somany Ceramics Limited's ('Somany' or 'the Company') financial and non-financial performance, strategic priorities, and progress. It brings together financial results with key insights into the Company's business strategy, operating model, and the economic, social, and environmental factors shaping its journey. More than a compliance document, this Report reflects how the Company creates long-term value for stakeholders by embedding sustainability, responsibility, and resilience into Somany's core decision-making.

Coverage and Scope

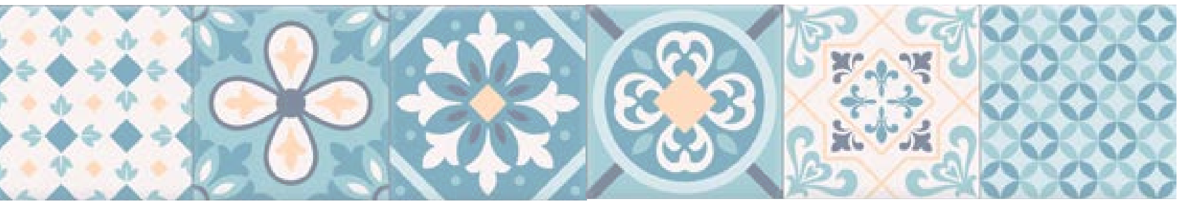
Designed with a holistic lens, this Report captures the Company's performance for the financial year ending 31 March, 2026. It highlights how value is generated across the short, medium, and long term. While the financial and strategic disclosures span the full breadth of Somany's operations, the environmental and social data presented here focus on activities within the Company's defined operational boundaries.

Frameworks and Standards

This report is prepared in alignment with the IFRS Foundation's Integrated Reporting Framework, ensuring a balanced and transparent presentation of the Company's value-creation story. Compliance has been ensured with all applicable NSE and BSE listing requirements, along with SEBI's prescribed guidelines. Disclosures are structured in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and relevant Secretarial Standards. This reporting also integrates statutory disclosures such as the Directors' Report, Management Discussion and Analysis, Corporate Governance Report, and Business Responsibility and Sustainability Report.

Governance and Oversight

The content of this Report has been developed under the stewardship of the Company's leadership team and reviewed by senior management. Strategic direction and governance oversight have been provided by the Managing Director and CEO, with final approval from the Board of Directors. This process ensures the accuracy, integrity, and relevance of the information shared with the Company's stakeholders.



ROOTED IN PURPOSE. RISING FOR ALL.

We are Guided by

Our Vision and Mission
(Read on page 04)

Enabled by

Our Strengths
(Read on page 22)

Strategies
(Read on page 34)

Built on Our Capitals

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social and Relationship Capital
- Natural Capital

(Read on page 36)

With a Continuous Focus on

- Market Dynamics and Growth Opportunities *(Read on page 88)*
- Risk Management *(Read on page 32)*
- Governance *(Read on page 72)*

Creating Value for

- Investors
- Customers
- Employees
- Value Chain Partners
- Communities
- Planet

(Read on page 24)

Contributing to the United Nations Sustainable Development Goals (UN SDGs)

1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17

About Somany Ceramics

BORN IN CERAMICS.
BUILT FOR EVERY SPACE.

Since its inception in 1968, Somany Ceramics Limited ('Somany' or 'the Company') has been shaping how people experience spaces, blending thoughtful design with enduring quality. What started as a founding vision by Late Shri Hiralall Somany Ji has established Somany as a recognized name in the ceramic industry in India and at a global level.

From tiles and sanitaryware to bath fittings, building solutions, and integrated décor solutions, Somany's expanding portfolio reflects its equal command over design and function. The Company's growing presence across adjacent categories signals its ambition to deliver comprehensive, end-to-end solutions for contemporary living and commercial environments.

Vision

Most sought after tile and allied product company in India and be the best employer in the tile industry.

Mission

Achieving customer delight through business innovation and cost effectiveness while pursuing latest fashion trends in ceramics and allied products for creating stakeholder value.

Shareholding Pattern (as of 31 March, 2026)

Category	Holding (%)
Promoters	**55.2**
FII	**1.3**
DII	**21.6**
Others	**21.9**

Manufacturing Facilities

Manufacturing is central to how Somany delivers consistently across categories and markets. With 10 state-of-the-art manufacturing plants across India, the Company produces at scale using advanced technology, with quality built into every stage of the process. These plants collectively produce 56.59 million square meters (msm) of tiles annually, along with 0.48 million pieces of sanitaryware and 1.3 million pieces bath fittings and building solutions each year. Designed for precision and consistent output, these facilities give the Company the flexibility to serve varied customer requirements without compromising on quality or manufacturing discipline.

Tiles Manufacturing Facilities

Company Type	Stake	Unit/Location	Annual Capacity (in msm)
Own	–	Kassar, Haryana	**25.00**
Own	–	Kadi, Gujarat	**6.65**
Subsidiaries/Associates	**100.0%**	Somany Piastrelle Private Limited	**4.50**
	85.7%	Somany Max Private Limited	**4.00**
	60.0%	Sudha Somany Ceramics Private Limited	**8.40**
	50.0%	Vintage Tiles Private Limited	**5.40**
	26.0%	Vicon Ceramics Private Limited	**2.64**

Bathware Manufacturing Facilities

Company Type	Stake	Unit/Location	Annual Capacity (in million pieces)
Subsidiary/ Associate	**100.0%**	Somany Bath Fittings Private Limited	**1.30**
	51.0%	Somany Sanitary Ware Private Limited	**0.48**

Key Highlights of 2025-26

STEADY FOUNDATIONS. STRONGER HORIZONS.

Financial Capital

₹84,238 Lakhs
Net Worth

₹2,77,051 Lakhs
Sales of Goods

₹11,386 Lakhs
Profit Before Exceptional Items and Tax

₹8,119 Lakhs
Profit After Tax (PAT) (Attributable to Owners)

(Read more on page 40)

Manufactured Capital

2nd Largest
in Indian Tile Industry

~1.3 million pieces
per Annum Capacity of Bath Fittings

10
Manufacturing Facilities

62 Countries
Export Presence

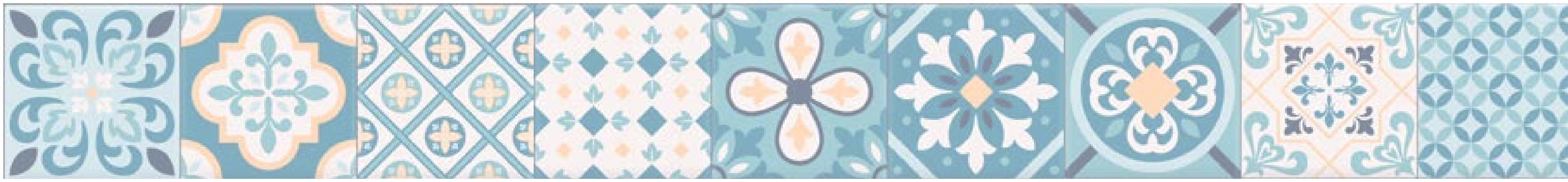
~75 msm
per Annum Access to Capacity of Tiles

533
Showrooms in India

~0.48 million pieces
per Annum Capacity of Sanitaryware

3,061
Active Dealer Network

(Read more on page 46)



Natural Capital*

1,19,775.85
CO_2 Emissions Generated

5,216 MT
Waste Generated

1,96,029 KL
Water Consumed

(Read more on page 52)

Human Capital*

4,363
Workforce Strength

89
Women Employees

(Read more on page 58)

Social and Relationship Capital*

₹249 Lakhs
CSR Expenditure

~1.94 Lakhs
CSR Beneficiaries

(Read more on page 66)

Based on standalone enterprise

Milestones

ONE BEGINNING. DECADES OF PROGRESS.

1968

- Founded by Late Shri Hiralall Somany in partnership with Pilkington Tile Holding (UK), marking the Company's entry into India's ceramic tile industry.

1971

- Commissioned its first manufacturing facility in Kassar, Haryana, establishing the Company's first large-scale production base in India.

1981

- Commissioned a new plant in Kadi, Gujarat.

1994

- Indian promoters acquired Pilkington's shareholding, consolidating domestic ownership and strategic control.

1996

- The Company's R&D facility received Government recognition, establishing early credentials in tile research and development.

1998

- Achieved ISO certification for its Quality Management System, affirming adherence to global quality standards.

2000

- Entered the premium segment by importing European tiles under the Somany Global brand, broadening the Company's product offering.

2005

- Filed a patent for VC Shield, India's most abrasion-resistant tile, a significant development in tile durability for the Indian market.

2007

- Rebranded as Somany Ceramics Limited, marking a formal step in the Company's evolving identity.
- Ventured into the sanitaryware segment, broadening its product scope beyond tiles.

2009

- Secured a landmark patent for VC Shield, a first-of-its-kind innovation in the Indian tile industry.
- Launched the 'Tile Master' program to support mason skill development and improve livelihoods.

2010

- Established its first glazed vitrified tiles manufacturing facility, adding premium manufacturing depth.
- Expanded into the bath fittings segment, extending the Company's product range into an adjacent category.

2011

- Unveiled a refreshed brand identity with a new logo.
- Received the prestigious 'Power Brand' recognition, reinforcing its leadership position.

2023

- Commissioned the Company's first plant with CONTINUA+ technology, representing a significant upgrade in manufacturing technology.
- Launched the Somany Max Coverstone collection, combining advanced manufacturing with design and sustainability credentials.
- Earned Superbrands Status for VC Shield tiles.

2024

- Received the Superbrands Award for VC Shield tiles for the second consecutive year.
- Completed the Company's maiden buyback of ₹125 Crores, highlighting confidence in long-term value creation.

2025

- Acquired a majority stake in Dura Build Care, enabling direct market access to Building Solutions.
- Received the Great Place to Work Certification.
- Received the Superbrands Award for VC Shield tiles for the third consecutive year.
- Received the Superbrands Award for Somany Faucets.

2022

- Commissioned an expansion of 11 msm, the largest capacity addition in the Company's history.

2021

- Recognized as India's Most Desired Tiles Brand.
- Received the ET Iconic Brand Award for excellence and leadership.

2020

- Became a net debt-free company at a standalone level.

2019

- Commissioned the Company's first manufacturing facility in South India.
- Appointed Salman Khan as Brand Ambassador, strengthening consumer connection and recall.

2012

- Awarded the Indian Power Brands Award for the second consecutive year, reaffirming strong brand equity.

2014

- Acquired a subsidiary and commenced in-house manufacturing of sanitaryware, strengthening vertical integration.
- Received the Corporate Technical Achievement Award from the American Ceramic Society (ACerS) for VC Shield.

2017

- Launched a multimedia campaign across digital, radio, and print platforms.

2018

- Celebrated 50 years of industry leadership and innovation.
- Acquired a subsidiary and initiated manufacturing of bath fittings.
- Commenced in-house production of EzyFix adhesive, extending into adhesive and allied categories.

Business Segments

COMPREHENSIVE SOLUTIONS. SEAMLESS EXPERIENCES.

Somany offers a diverse product portfolio spanning premium wall and floor tiles, vitrified and digital tiles, tile adhesives and construction solutions, along with elegant sanitaryware and bath fittings. The portfolio serves both residential and commercial spaces, combining design with performance across every category. Quality, durability, and aesthetic sense run through how each product is designed and built.

Tiles

Tiles are the foundation of Somany's business and the starting point of its design story. The Company's tile collections showcase a wide range of colors, textures, and finishes that give each space its distinct character. Available for residential and commercial applications alike, the range combines design depth with manufacturing precision and lasting quality.

83.8%

Contribution to Revenue in FY 2025-26

72.11 msm

Sales Volume in FY 2025-26, Including Outsource

Ceramic Tiles

Somany's ceramic wall and floor tiles bring together surface quality and structural durability in equal measure. Stain- and water-resistant, they require minimal upkeep while retaining their surface quality. Their lasting strength and timeless charm ensures that these tiles preserve the elegance, vibrancy, and warmth of interiors for years to come.

27.7%
Contribution to Revenue in FY 2025-26

~22.37 msm
per Annum Capacity from 2 Manufacturing Facilities

Glazed Vitrified Tiles

Somany's glazed vitrified tiles are designed to perform as well as they look, suited to the demands of contemporary residential and commercial spaces. With a rich selection of finishes including matte, glossy, and rustic, and an expansive palette of sizes, shades, and patterns, they offer considerable design flexibility. Equally suited to indoor and outdoor applications, they combine design range with the durability required across high-use environments.

Beyond standard tile formats, Somany Coverstone slabs offer large-format surfaces with a distinct design presence. With nature-inspired textures, they reduce visual interruptions while enhancing spatial continuity. Ideal for flooring, wall cladding, custom furniture, and kitchen countertops, these slabs bring material depth and surface quality to every application.

34.1%
Contribution to Revenue in FY 2025-26

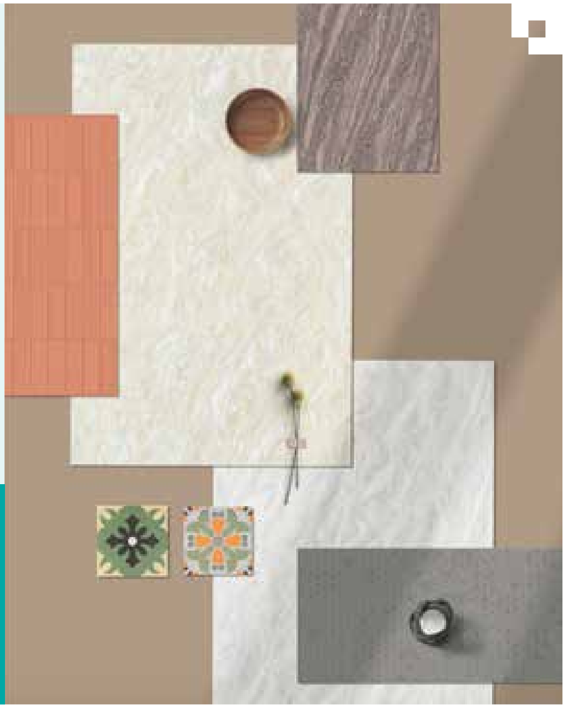
~26.18 msm
per Annum Capacity from 4 Manufacturing Facilities

Polished Vitrified Tiles

Polished vitrified tiles occupy a distinct place in Somany's portfolio, defined above all by the quality of their surface finish. Produced using high-grade materials, they deliver a luminous, mirror-like surface that brings depth and reflected light to any interior. Ideal for both residential and commercial settings, they combine high-gloss visual impact with the structural durability required for sustained performance.

22.0%
Contribution to Revenue in FY 2025-26

~8.04 msm
per Annum Capacity from 2 Manufacturing Facilities



Sanitaryware

Somany's sanitaryware combines considered ergonomic design with strong build quality, suited to the standards of contemporary bathroom spaces. Each piece balances visual presence with practical performance, built to retain its quality and finish over time.

6.2%
Contribution to Revenue in FY 2025-26

~0.48
million pieces
per Annum Capacity from 1 Manufacturing Facility

Bath Fittings

Somany's bath fittings are built for daily use, combining finish quality with consistent mechanical performance. Available in a range of contemporary and classic styles, each piece is engineered for consistent performance, lasting durability, and a finish that holds its quality over time.

5.3%
Contribution to Revenue in FY 2025-26

~1.3 million pieces
per Annum Capacity from 1 Manufacturing Facility

Building Solutions

Somany's Building Solutions portfolio includes Tile Master, Ezy Grout, floor tile adhesives, epoxy grouts, and Ezy Fix providing reliable, end-to-end tiling support across residential and commercial projects.

- Adhesives
- Waterproofing
- Grinding aids
- Epoxy
- Grouts

MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

India's living spaces are undergoing a decisive transformation. Across urban and emerging markets alike, consumers are seeking spaces that combine aesthetics, durability, innovation, and thoughtful design. Homes today increasingly reflect aspiration, individuality and evolving lifestyles.

At Somany Ceramics, we view this shift as a long-term structural evolution that is reshaping the future of the surfaces and building materials industry. Aligned with evolving consumer preferences, we are steadily transitioning from a traditional ceramic tile manufacturer into a surfaces and building solutions Company.

We continue to strengthen our presence across sanitaryware, bathware, adhesives, and building solutions, enabling us to participate more meaningfully in the home-building and interior solutions ecosystem. Having completed key investments in manufacturing capabilities, product innovation, premium offerings and market expansion, we are now entering a new phase in our journey with a stronger operating platform and sharper strategic clarity.

Operating Environment

The global economy continues to show resilience in CY 2026. The recent geopolitical tensions in the Middle-East disrupted global gas supply dynamics, resulting in constrained fuel availability and a sharp increase in gas prices from early March. These developments had a pronounced impact on propane-dependent manufacturing units across the Morbi ceramic cluster. Despite these industry-wide challenges, we successfully maintained stable production levels through our diversified manufacturing footprint, prudent inventory planning, and uninterrupted operations across our North and South manufacturing facilities. While rising fuel costs necessitated calibrated price revisions across the industry, our ability to ensure consistent product availability enabled us to serve customers reliably, strengthen market relationships, and further consolidate our competitive position.

This resilience reflects the strength of our operating model and reinforces our confidence in the long-term opportunities ahead. More importantly, it positions us favorably to capitalize on a multi-decade structural growth cycle unfolding within the Indian ceramic and building materials industry.

India's housing and infrastructure ecosystem is currently benefiting from a powerful convergence of macroeconomic tailwinds. A robust residential real estate up-cycle, supported by government initiatives, infrastructure investments, and Smart City development, is creating sustained demand for ceramic tiles and allied products.

Rising disposable incomes and improving living standards are further accelerating renovation and home modernization activities, providing an additional avenue for growth. At the same time, consumers are increasingly embracing premium, large-format GVT and porcelain slabs that offer superior aesthetics and functionality. This evolving preference is expanding the addressable market for value-added products and creating opportunities for higher-margin growth.

With our diversified product portfolio, manufacturing flexibility, and strong market presence, we are well positioned to align our capabilities with these structural trends. As India continues its rapid urbanization and infrastructure expansion journey, we remain committed to leveraging our operational strengths, enhancing customer value, and translating these long-term opportunities into sustainable and profitable growth for all stakeholders.

Rooted. Rising.

As we transform Somany from a traditional tile manufacturer into a holistic, 360-degree surface and space solutions provider, we are strategically expanding into high-potential adjacencies that complement our core strengths. The acquisition of Durabuild marks a significant milestone in this journey, strengthening our presence in the Building Solutions segment and accelerating our ambition to become a comprehensive home and building solutions company.

Building on this foundation, our non-tile categories continued to demonstrate strong momentum, alongside the continued expansion of our sanitaryware and bath fittings businesses. These segments have emerged as important growth engines, broadening our revenue base, enhancing resilience and diversification, and reducing dependence on any single product category. The acquisition further enhances our ability to participate earlier in the construction value chain through waterproofing, adhesives, and specialized building chemical solutions. These categories create stronger engagement with builders and project developers, opening new avenues for growth while reinforcing our core businesses through integrated solution offerings.

Our strategic focus remains firmly anchored on premiumization. As consumer preferences evolve towards higher-value, design-led solutions, we are strengthening our premium product portfolio and elevating customer experiences across categories. Through continuous investments in brand building, innovation, design, and differentiated offerings, we are positioning Somany to capture a larger share of the premium home and building solutions market.

Equally important is the continued expansion and strengthening of our distribution network. We are deepening our market presence by broadening reach across existing and new channels, while leveraging the combined strengths of our tile, bathware, and building solutions businesses. This growing distribution footprint not only improves accessibility for customers but also creates significant cross-selling opportunities, enabling us to engage with consumers, contractors, builders, and infrastructure stakeholders across multiple stages of the construction lifecycle.

At the same time, we continue to sharpen our focus on operational excellence and capital efficiency. Having completed significant capacity investments over the past few years, we are well positioned to drive future growth through improved capacity utilization, stronger free cash flow generation, and enhanced return ratios. This positions the Company to pursue profitable growth while maintaining a disciplined approach to capital allocation.

These initiatives are steadily transforming Somany into a diversified, future-ready home and building solutions enterprise, supported by a stronger portfolio, wider market reach, improving financial quality, and a clear vision for long-term value creation.

Planet-conscious. People-centric.

Sustainable growth is no longer a peripheral corporate objective; it is a core operational imperative that defines our manufacturing excellence. For 2025-26, our Environmental, Social, and Governance (ESG) blueprint focused on mitigating fuel vulnerabilities and systematically decoupling our volume growth from our carbon footprint by re-engineering our thermal matrices.

The anchor of our decarbonization journey lies in accelerating our transition toward a diversified, green energy mix. Through active strategic partnerships, most notably our joint venture investment in Clean Max Ananta Private Limited, we have successfully ramped up the consumption of open-access solar power across our primary manufacturing facilities. Simultaneously, we have institutionalized advanced waste heat recovery systems (WHRS) across our production lines.

Complementing our green power migration is our uncompromising approach to resource circularity. Our production facilities operate on advanced closed-loop filtration mechanisms to maintain zero liquid discharge (ZLD) milestones, treating and recirculating 100% of process water back into our operations. Furthermore, our raw material sourcing strategy has been heavily optimized to substitute virgin minerals with recycled ceramic scrap.

At the same time, we continued investing in our workforce through robust health and safety practices, capability-building programs and initiatives that foster a culture of engagement, diversity and accountability. By seamlessly aligning environmental stewardship, people-centric growth and operational excellence, Somany is demonstrating that commercial agility and ecological responsibility can coexist, creating a resilient and sustainable foundation for the Indian spaces of tomorrow.

Charting Our Next Chapter of Growth

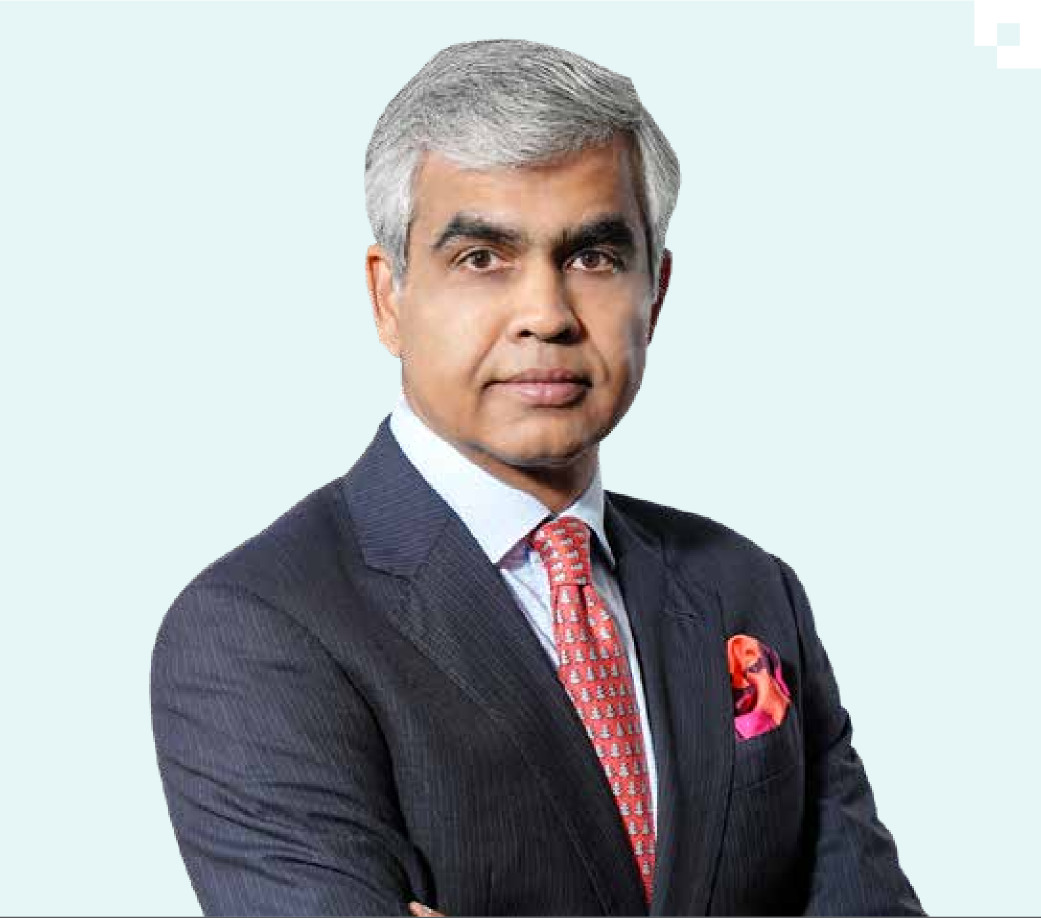
We step into 2026-27 with absolute clarity of purpose and a grounded, strategic optimism. As India's infrastructure expands and lifestyle aspirations rise, Somany is uniquely positioned to harness this growth momentum. By combining an agile design language with responsible manufacturing and an unmatched distribution network, we are building deep institutional value and commercial trust across both domestic and global corridors.

On behalf of the entire board at Somany Ceramics Limited, I want to express my deepest gratitude to our shareholders, partners, patrons, and employees. Your unwavering faith accelerates our pursuit of design excellence, manufacturing innovation, and long-term sustainability. Together, we look forward to shaping the future with confidence and purpose.

With my best wishes,

Shreekant Somany,
Chairman & Managing Director

MESSAGE FROM THE MANAGING DIRECTOR



Dear Stakeholders,

Over the past few years, we have steadily strengthened our foundations through focused investments, operational improvements and sharper strategic execution. Today, we stand at the beginning of a new phase of growth, backed by a cleaner balance sheet, stronger cash flows and a clear roadmap for long-term value creation.

While tiles continue to remain our core business, we are consciously building complementary growth engines that strengthen our portfolio and diversify our revenue streams. Our sanitaryware, bathware and building solutions businesses are emerging as meaningful contributors and continue to grow at healthy double-digit rates. These businesses not only expand our addressable market but also deepen our engagement across the construction and home-building ecosystem.

Navigating a Volatile Market with Agility

In an increasingly volatile global environment shaped by geopolitical tensions, shifting trade alliances, evolving regulations, and a measured consumer outlook, international commerce continues to undergo significant transformation. The restructuring of global energy supply chains, coupled with fluctuating freight costs and changing trade relationships, has created uncertainty across industries dependent on global trade flows. For the tile industry, these developments resulted in a challenging export environment with elevated logistics costs and structural realignments across key international markets contributing to a slowdown in export volumes.

Against this backdrop, India continues to stand out as one of the world's fastest-growing major economies, supported by rapid urbanization, rising disposable incomes, infrastructure development, and growing aspirations for global-quality living. The Indian tile industry, already second largest globally, remains well positioned to benefit from these structural growth drivers. Evolving consumer preferences, increasing emphasis on aesthetics, and rising demand for premium living spaces are accelerating the shift toward high-value, design-led products, particularly in the Slabs and Glazed Vitrified Tiles (GVT) segment.

Amid these broader industry dynamics, our operations also faced temporary domestic challenges during the year. Heavy rainfall and flood-like conditions caused a gas leakage incident in GAIL's Gauna-Bawana pipeline, leading to a temporary disruption in gas supply and a brief halt in production at our Kassar facility in Bahadurgarh, Haryana. However, through proactive planning and robust inventory management, we ensured uninterrupted customer fulfilment during the disruption. GAIL subsequently established an interim supply arrangement, enabling the facility to gradually resume operations and return to full capacity utilization.

Despite external uncertainties and operational disruptions, the strength of domestic demand and our operational resilience enabled us to remain focused on long-term value creation, product mix optimization, and sustainable growth as we continue to navigate an evolving global and industry landscape. We achieved a notable revenue growth of 4.8%, reaching ₹2,65,877 Lakhs in FY 2025-26 compared to the previous year. Our EBITDA stood at ₹25,744 Lakhs compared to ₹22,088 Lakhs in FY 2024-25. Accordingly, our PAT margins for FY 2025-26 increased to 2.93%, and the net profit stood at ₹8,119 Lakhs against the previous year's ₹6,007 Lakhs.

Strategic Expansion into Construction Chemicals

A critical milestone in our transition to a total building solutions provider was our strategic acquisition of a 51% majority stake in Dura Build Care Private Limited ('Durabuild'). This targeted investment marks our definitive, high-impact entry into India's rapidly growing building solutions and advanced waterproofing market, a sector acting as a massive structural multiplier to our core surfaces business.

This integration instantly expands our product universe by adding highly specialized stock-keeping units (SKUs) to our product basket. Durabuild's deep capabilities span across high-performance waterproofing systems, advanced concrete admixtures, specialized tile adhesives, protective architectural coatings, non-shrink grouts, structural sealants, and technical repair mortars. Operating from a dedicated manufacturing base in Bahadurgarh, Haryana, this business has built deep, long-standing institutional trust and a robust client roster across major infrastructure and real estate networks.

With India's domestic waterproofing market alone projected to reach USD 2.0 billion by 2030, and the cement admixtures domain expected to more than double in the coming decade, this acquisition positions us precisely ahead of the market curve. The true power of this transaction lies in the immediate commercial synergies it unlocks. By pairing Durabuild's deep technical heritage and rich product portfolio with Somany's pan-India brand equity, massive marketing engines, and an expansive distribution footprint, we have created the perfect springboard to scale this category nationwide.

We are systematically building category awareness across our active dealer endpoints, enabling our partners to offer comprehensive, end-to-end surface installation and structural health packages to homeowners, architects, and institutional builders alike.

Operational Discipline and Capacity Management

Capacity utilization remains a critical driver of profitability across the ceramic tile sector. Following industry-wide capacity expansions originally intended to capture global markets, players have increasingly realigned their focus toward the domestic market due to sustained, macro-driven export challenges. This shift has influenced manufacturing utilization levels across the sector.

While optimal EBITDA performance across the industry is typically achieved at a higher ~90% threshold, we are exercising rigorous operational discipline to maximize profitability at current levels. A major area of tactical focus has been stabilizing operations at our Somany Max joint-venture facility, where targeted production management successfully halved historical run-rate losses, charting a clear 18-month path toward full operational breakeven. By managing working capital efficiently, we have minimized our consolidated inventory levels and achieved a lean nine-day working capital cycle, aligning our production output precisely with real-time domestic market demand.

Redefining Consumer Engagement

Our market presence continued to strengthen structurally across both domestic and international markets during the year. Internationally, we proudly serve customers across 62 countries spanning six continents, reinforcing our position as a globally recognized Indian brand. Domestically, our distribution network reached a significant milestone with 3,061 active dealers and 533 exclusive franchise showrooms across India.

3,061 Dealers

533 Showrooms

As consumer expectations continue to evolve, engagement today extends far beyond products. It is increasingly shaped by how a brand connects with consumers across every touchpoint, from discovery and purchase to experience and service. Guided by this understanding, we embarked on a comprehensive brand transformation aimed at creating a more contemporary, aspirational, and consumer-centric identity.

As part of this journey, we introduced a refreshed corporate brand identity that reimagines the SOMANY name as an active corporate mnemonic representing Scale, Originality, Momentum, Assurance, New Horizons, and Young. This renewed identity is being systematically rolled out across digital platforms, customer-facing applications, retail environments, and packaging, ensuring a consistent and modern brand experience.

Complementing this transformation, we continued to strengthen our physical presence through strategic investments in experiential retail formats and market expansion initiatives.

Key additions included:

- **Mumbai, Maharashtra**

Launch of the flagship Somany Experience Centre at Dynasty Business Park, Andheri East. Positioned as a strategic design hub for western India, the centre enables leading architects, designers, and real estate developers to engage with Somany's premium concepts in a high-end sensory showroom environment.

- **New Delhi**

Inauguration of the 'Atelier' Showroom at Rajouri Garden, serving as a premier design destination for large-format surfaces and luxury interior applications in the capital market.

- **Other showrooms**

Grande, Yamunanagar, was inaugurated on 15 December, 2025. This flagship showroom, showcases a comprehensive range of tiles, bathware, and adhesives. It not only caters to the Yamunanagar market but also serves retail customers from neighboring cities such as Ambala and Jagadhari.

Saharanpur – Atelier, was inaugurated on 6 February, 2026. This premium-format showroom features a curated selection of high-value products, including Cover 9, Cover 15, Italmarmi, and an extensive range of premium GVT and full-body vitrified tiles. The inauguration event was attended by over 30 architects from Saharanpur, Dehradun, and nearby regions, who commended the presentation and product display.

During FY 2025-26, a total of 47 new showrooms were inaugurated, covering an aggregate area ~92,000 sq. ft. This expansion has significantly strengthened the Company's retail presence and contributed to enhanced brand visibility across India

Scan here to experience our **Mumbai Experience Center**

Scan here to experience our **Rajouri Garden showroom**

Innovating Spaces. Elevating Lifestyles.

During the year, our product development teams intensified focus on high-value, design-led categories aligned with evolving consumer preferences and premium architectural trends.

- SEDIMENTO & PORTO Premium Tile Series introduced deeply rich, rustic textures and inspired aesthetics crafted for contemporary luxury interiors.
- Coverstone Large-Format Slabs strengthened premium surfacing portfolio with solutions designed for grand architectural facades and expansive applications.
- Elita & Senso Series expanded to include luxury surface offerings through a wider spectrum of premium finishes and enhanced design versatility.
- ETERNASTONE & EVERSTONE & HARMONY collection in premium GVT expanded reach in classic and premium segments of GVT.
- Italmarmi Range blended classic Italian artistry with contemporary mosaic accents, creating a distinctive premium interior proposition.
- French Collection Bathware brought a sleek range of luxury bath fittings engineered specifically for modern architecture requirements.

By integrating this strong innovation pipeline with a refreshed brand philosophy and localized luxury showroom experiences, Somany is building a seamless consumer journey that reinforces its leadership in the contemporary Indian home and interior solutions market.

Building a People-driven Organization

At Somany, our continued growth is anchored in the strength, passion, and commitment of our people. Every operational milestone and strategic achievement reflects the collective contribution of our workforce across functions, geographies, and business verticals. As we continue evolving into a comprehensive home solutions brand, we remain deeply committed to building a workplace culture where employees feel valued, empowered, and inspired to grow.

Reinforcing this commitment, Somany has been officially recognized as a Great Place to Work® Certified™ Company in India for 2025-26. This recognition, awarded by the globally respected authority on workplace culture and employee experience, reflects the Company's sustained focus on fostering a high-trust, collaborative, and performance-driven work environment across offices, manufacturing facilities, and retail operations.

Our people practices are strategically aligned to encourage innovation, nurture diverse talent, and create a strong sense of belonging across all organizational levels. Through structured learning initiatives, progressive HR policies, and institutionalized reward and recognition programs, we continue to strengthen a culture built on integrity, agile teamwork, accountability, and leadership excellence.

As one unified team, we remain committed to building a future defined by innovation, high performance, and sustainable growth while ensuring every employee has the opportunity to thrive personally and professionally.

Advancing Forward

The macro-outlook for the Indian tile and surfaces industry is steadily strengthening, supported by the Government's robust infrastructure push, focused affordable housing initiatives, and the continued progression of real estate projects into their finishing stages. At the same time, evolving consumer preferences, driven by a growing inclination toward premiumization and home improvement, are reshaping the industry landscape. This transformation is accelerating demand for innovative, value-added surfaces such as large-format slabs, advanced waterproofing solutions, and sustainable tiling products that seamlessly combine architectural sophistication with long-lasting functionality.

Against this backdrop, Somany is strategically positioned to capitalize on these emerging opportunities. Our growth strategy is centered on delivering sustainable and profitable expansion through continuous product-mix enhancement, with a clear emphasis on increasing the share of premium GVT in our portfolio. Alongside this, we are committed to improving capacity utilization across our manufacturing network while maintaining disciplined working-capital management and strengthening free cash flow generation to preserve a resilient balance sheet. Our financial strategy will favor sharp, disciplined capital deployment. Backed by a lean balance sheet, we are investing purposefully in our retail front-end and scaling our market reach.

I would like to express my sincere gratitude to our investors for their continued trust and confidence in our vision. I also extend my appreciation to our employees, whose dedication, resilience, and high-performance mindset have been instrumental in enhancing our operational capabilities. Finally, I thank our dealers and corporate partners for their enduring support and collaboration. Together, we are shaping a future for Somany that is innovative, financially strong, and built for long-term success.

My Best Wishes,

Abhishek Somany,
Managing Director & CEO

Strengths

BUILT TO ENDURE. POSITIONED TO GROW.

Somany has earned a strong reputation for reliability, quality, and product innovation, establishing it as one of India's most trusted tile and complete décor brands. A pan-India distribution network and a diversified portfolio spanning affordable to premium segments ensure broad market reach. The Company's continued investment in manufacturing technology and process improvement keeps it competitive under evolving market conditions.

Established Market Authority

Somany's track record across decades of operation has established it as a recognized and reliable name in India's ceramic market. Its diverse, innovation-driven product portfolio, backed by patented technologies, serves a broad customer base, with a 'More Value for Money' pricing philosophy supporting the value proposition across price points. This combination of product depth, proprietary technology, and pricing clarity supports long-term customer relationships and consistent revenue generation.

Decades of Proven Expertise

With over five decades of excellence spanning three generations, Somany's growth has been shaped by leadership with deep industry knowledge built over time. As the fourth generation steps into leadership, the combination of institutional values and contemporary thinking drives both product innovation and strategic adaptability. This continuity across generations strengthens the Company's capacity to grow through change.

A Defining Presence

Somany's products reach 62 countries worldwide, and the Company continues to actively explore new markets to extend its international reach. Manufacturing facilities across Gujarat, Punjab, Haryana, and Andhra Pradesh support efficient distribution, reduce supply chain exposure, and maintain production continuity. This geographic spread gives the Company the flexibility to respond to regional demand patterns and manage supply chain variability.

Built on Financial Discipline

Somany's business strategy is anchored in financial discipline, reflected in low short-term liabilities, a conservative long-term debt structure, and healthy cash reserves. Through debt management and a focus on cash flow efficiency, the Company steadily reduces leverage while deploying capital efficiently. This prudent financial framework strengthens long-term stability and supports its capacity for sustained growth.

Manufacturing Strength at Scale

Somany stands as India's second-largest tile manufacturer, operating 7 tiles plants across Haryana (Kassar), Gujarat (Kadi and Morbi), and Andhra Pradesh, with an annual production capacity of nearly 56.59 msm. This manufacturing base is complemented by a well-established dealer and sub-dealer network that ensures efficient distribution, deep market penetration, and consistent product availability.

Technology that Leads

Somany's advanced manufacturing capabilities support consistent product quality and design output. Advanced printing technology within an integrated production process delivers products featuring high-definition detailing, striking 3D effects, and rich textures. This manufacturing capability supports ongoing portfolio expansion and allows the Company to serve a wide range of design preferences across market segments.

Business Model

BUILDING SCALE. DELIVERING VALUE.

(Based on Standalone Financials)

Input Capitals

Financial Capital

- Capital Expenditure: ₹11,435 Lakhs
- Net Worth: ₹89,073 Lakhs
- Net Debt-to-Equity Ratio: (0.14)
- Market Capitalization: ₹1,46,436 Lakhs

Manufactured Capital

- Installed Capacity: 31.65 msm
- Manufacturing Units: 2

Human Capital

- Number of Employees (Permanent): 2,001
- Employee Training on Skill Upgradation, Health, and Safety

Business Drivers, Activities, and Strategies

Business Process

Innovation, Research and Development

Sales and Marketing

Design Engineering

Outputs

Financial Capital

- Revenue from Operations: **₹2,64,030 Lakhs**
- EBITDA: **₹18,390 Lakhs**
- RoCE: **16.74%**

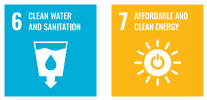
Manufactured Capital

- Capacity Utilization: **77%**

Human Capital

- Workforce Turnover: **10.1%**
- Lost Time Injury Frequency Rate (LTIFR): **0.3**

Value Creation: In the Company's business model, value creation refers to the transformation of resources and inputs into meaningful outputs and outcomes. Through these activities, the Company delivers benefits over the short, medium, and long term to its stakeholders, society, and the environment.

Outcomes		SDGs
• Increased market penetration and sales growth. • Optimized and systematic cost management.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	
• Resource-efficient production processes. • Capacity expansion in line with market demand.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	
• A diverse, skilled workforce. • An inclusive and safe workplace.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	

Value Preservation: Value preservation refers to the Company's commitment to safeguarding the benefits, assets, and interests of stakeholders. It emphasizes ethical and responsible practices that protect against harm, loss, or erosion of value over time.

Input Capitals	Business Drivers, Activities, and Strategies	Outputs
Social and Relationship Capital • CSR Spent: ₹249 Lakhs • Number of Active Dealers: 3,061+ • Brand Spend: 1.8%	Raw Material Extraction	**Social and Relationship Capital** • Beneficiaries : ~1.94 Lakhs
Intellectual Capital • Department of Scientific and Industrial Research (DSIR) • Certified R&D Unit	Manufacturing and Production	**Intellectual Capital** • Trademarks (No.): 180 • IGBC Certification
Natural Capital • Energy Consumption: 22,53,053 GJ • Renewable Energy: 8,12,254 GJ • Water Withdrawal: 1,94,377 KL	Packaging and Distribution	**Natural Capital** • Total GHG Emissions (tCO_2e): 1,19,776 • ZLD Plants

Value Creation: In the Company's business model, value creation refers to the transformation of resources and inputs into meaningful outputs and outcomes. Through these activities, the Company delivers benefits over the short, medium, and long term to its stakeholders, society, and the environment.

	Outcomes		SDGs
	• Community development through initiatives, such as healthcare services, education, skill development, and infrastructure support. • Sustainable supply chain. • Economic transformation and livelihood creation through skill development and vocational training.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	
	• Innovation for sustainable product development.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	
	• Reduction in operational emissions through renewable energy and greener fuels.	Customers Investors/Shareholders Employees Communities/NGOs Government/Regulatory Bodies Business Partners/Suppliers	

Value Preservation: Value preservation refers to the Company's commitment to safeguarding the benefits, assets, and interests of stakeholders. It emphasizes ethical and responsible practices that protect against harm, loss, or erosion of value over time.

Stakeholder Engagement

STRENGTHENING BONDS. INSPIRING PROGRESS.

Stakeholder engagement is central to how Somany builds its business and sustains long-term growth. The Company is committed to long-term relationships with customers, employees, suppliers, investors, and communities, built on trust, transparency, and a shared commitment to responsible conduct. Structured engagement across every stakeholder group ensures that the Company's priorities remain aligned with the people and institutions it serves.

The Company conducts comprehensive materiality assessments supported by regular internal reviews to identify key stakeholders based on their influence on strategic and operational priorities. Purpose-built engagement channels ensure consistent interaction across stakeholder groups. Board-approved policies aligned with all nine principles of the National Guidelines on Responsible Business Conduct govern operations and extend across the value chain.

Stakeholder Group	Mode of Communication	Key Topics
Government and Regulatory Bodies	• Annual Report • Regulatory Filings	• Policy Requirements • BRSR Compliance • Audit and Inspections
Shareholders	• E-mail • Newspaper • Website • Advertisements • Annual Report • Letter	• Business Updates • Financial Updates • Non-Financial Disclosures • Market Developments
Local Communities	• On a Need-Assessment basis for CSR Projects • Communicating through Surveys and Group Discussions	• New CSR Project Selection
Suppliers and Dealers	• E-mail • Phone Calls • Vendor Meets	• Supply Chain Issues • Quality and Pricing Issues • Capacity Development • New Material Development
Employees	• Intranet Portals • Training Programs • Induction Programs • Performance Appraisals	• Employee Well-being, Health, and Safety • Training Requirement • Remuneration
Customers	• Dealer Showrooms • Advertisements • Social Media • Brochures and Catalogues • E-mails and Phone Calls	• Product Details • Product Feedback • Product Pricing • New Product Development

Forward-looking Commitment

Somany remains focused on deepening its stakeholder engagement, making its grievance redressal mechanisms more accessible, and setting measurable targets under its ESG framework. By reviewing engagement practices regularly and incorporating stakeholder feedback into corporate strategy, the Company works to build greater transparency, reinforce accountability, and support responsible, long-term growth.

Materiality Assessment

DEFINING WHAT MATTERS. DRIVING WHAT'S NEXT.

Somany engages with stakeholders to identify and prioritize key ESG matters through its materiality assessment process. These material issues represent the topics most relevant to both the business and its stakeholders, defining the Company's sustainability strategy and informing key business decisions. They also support effective risk management, identify emerging opportunities, and keep the Company's priorities aligned with shifting stakeholder expectations.

As the Company's ESG priorities evolve, it will continue to review and refine these material topics in response to changing business conditions, industry trends, and emerging sustainability challenges.

Material Topics

As part of its ESG strategy, the Company has identified key material topics that closely align with its business objectives and long-term sustainability commitments. Somany also aligns its sustainability strategy with the UN Sustainable Development Goals (SDGs). Established in 2015, the 17 SDGs aim to address global challenges related to poverty, environmental protection, peace, and prosperity by 2030, while balancing the social, economic, and environmental dimensions of development.

Material Topic	Description	Contribution to SDGs
Product Quality and Safety	Somany is committed to delivering high-quality, durable products through responsible manufacturing practices, process optimization, and continuous quality improvement initiatives. It focuses on product reliability, resource efficiency, and sustainable production practices to support long-term customer satisfaction.	9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production
Water Management	The Company places strong emphasis on water conservation, reuse, and ZLD through in-house treatment systems. Its initiatives focus on improving water quality, reducing freshwater consumption, and enhancing operational efficiency to support long-term environmental sustainability.	6 Clean Water and Sanitation; 12 Responsible Consumption and Production; 13 Climate Action

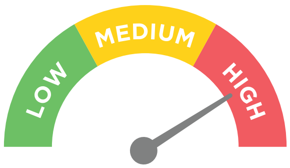
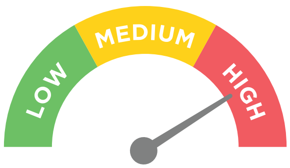
Energy and Emissions Management	Energy and emissions management remains a key focus area for the Company in maintaining efficient and sustainable operations. During 2025-26, Somany strengthened its energy management practices across the Kadi and Kassar plants through renewable energy adoption, energy-efficient upgrades, and process optimization initiatives to reduce environmental impact.	7 AFFORDABLE AND CLEAN ENERGY; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
ESG Aspects in the Supply Chain	Somany integrates sustainability considerations into its procurement and supply chain practices through responsible sourcing, resource efficiency, and supplier accountability. It promotes the use of alternative materials such as biomass fuel and industrial waste, including granite and marble sludge, to reduce environmental impact, conserve natural resources, and support sustainable supply chain practices.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Local Community Development	The Company implements its CSR initiatives through an annual action plan approved by the CSR Committee and the Board. Its community development efforts focus on healthcare, education, sanitation, skill development, environmental sustainability, and overall community well-being. The Company delivers these initiatives through need-based programs in collaboration with NGOs and trusted partner organizations to create long-term positive social impact.	3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES; 11 SUSTAINABLE CITIES AND COMMUNITIES
Compliance and Ethical Business Practices	Somany upholds strong ethical standards and sound compliance practices to ensure transparency, accountability, and trust across its operations. HR policies, including the Code of Conduct, whistleblower mechanism, POSH framework, and human rights safeguards, reinforce a culture of integrity and fairness. Through structured onboarding, continuous training, employee engagement initiatives, and effective grievance redressal mechanisms, the Company promotes responsible behavior and inclusive practices. These efforts, backed by regular audits and governance oversight, contribute to sustainable growth while safeguarding stakeholder interests and the Company's reputation.	8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Employee Well-being	The Company is committed to building a safe, inclusive, and engaging workplace that supports the overall well-being and professional development of its employees. Through structured programs focused on health, safety, wellness, learning, and engagement, Somany aims to enhance employee satisfaction, productivity, and retention. Initiatives such as regular health check-ups, workplace safety measures, wellness sessions, mentorship programs, and recognition platforms help build a positive work culture. Additionally, policies on diversity, equal opportunity, and grievance redressal ensure fairness, inclusion, and respect across the Company.	3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES

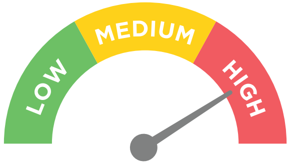
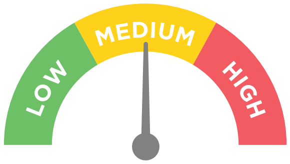
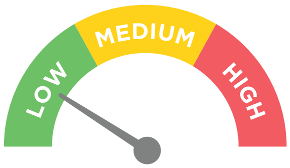
Risk Management

ANTICIPATING RISKS. ADVANCING RESPONSIBLY.

In an increasingly complex and fast-changing business landscape, Somany approaches risk management with foresight to protect its operations and enable sustainable growth. The Company has established an enterprise-wide framework to systematically identify, assess, and manage risks across key areas such as market dynamics, operational exposure, and regulatory compliance.

Through continuous monitoring of internal and external developments, Somany remains responsive to emerging challenges. Risk management practices integrate closely with long-term strategic objectives, ensuring the Company navigates uncertainties with confidence while maintaining business continuity. This structured approach strengthens resilience and adaptability, positioning the Company to create sustained value for all stakeholders.

Key Risk Area	Context	Risk Level	Mitigation Measures
Macro-Economic Factors	In a volatile global and domestic economic environment, shifts in demand, currency fluctuations, and policy changes can directly influence business performance.		• Expanded dealer network across India to stabilize revenue streams amid inflationary pressures. • Improved cost competitiveness through reduced freight costs, despite anti-dumping duties from the US.
Inflationary Pressures	Rising input and operational costs may compress margins, especially when price increases cannot be fully passed on to customers.		• Focus on economies of scale, lean cost structures, and logistics optimization. • Continuous cost rationalization to protect margins while maintaining affordability.
Regulatory and Policy Changes	Rapidly evolving environmental, financial, and operational regulations can impact profitability and disrupt established processes.		• Compliance management systems and continuous regulatory monitoring. • Regular employee training and internal audits to ensure quick adaptation to regulatory changes. • Sustainability-driven initiatives to lower carbon footprint and reinforce responsible operations.

Competitive Intensity	The ceramic industry is becoming increasingly competitive, with organized and unorganized players vying for market share.		• Economies of scale to remain cost-competitive. • Brand equity building through product innovation, distribution expansion, and customer engagement. • Continuous market intelligence and pricing discipline.
Technological Obsolescence	Outdated technologies can impact production efficiency, product quality, and overall competitiveness.		• Ongoing investments in advanced manufacturing systems and automation. • Continuous upgrades in product design, sizes, and formats across plants. • Integration of smart manufacturing practices.
Fraud and Misconduct Risks	Increased digitization and scale of operations elevate the risk of fraud, data misuse, and internal misconduct.		• Whistleblower Policy encouraging anonymous reporting. • Centralized document systems, dual authorization controls, and enhanced financial checks. • Periodic audits and strong internal control frameworks.

Strategies

ANCHORED IN PURPOSE. ADVANCING WITH INTENT.

Somany's growth strategy is centered on operational efficiency, product premiumization, and market expansion. The Company continues to strengthen its distribution network and dealer relationships, enabling deeper market penetration across urban and semi-urban regions. Diversification into adjacent building material categories further extends its customer wallet share and helps create a more resilient revenue stream.

Capacity Optimization

Capacity optimization is central to how the Company protects margins against fluctuating raw material and fuel costs. The focus falls on improving efficiency across manufacturing facilities in North, South, and West India. This includes upgrading production lines, transforming legacy setups into automated high-efficiency systems, and maintaining strong capacity utilization levels.

The Company also balances in-house manufacturing with outsourced vendor partnerships, giving it the flexibility to respond to shifting domestic demand without adding materially to fixed costs. At the same time, locating production facilities closer to key regional markets reduces freight exposure and partially offsets cost pressures from logistics and energy.

Product Premiumization

Product premiumization addresses one of the Company's most persistent competitive challenges, which is, pricing pressure from the unorganized sector and smaller manufacturers concentrated in Morbi. The Company is steadily moving its portfolio up the value chain, reducing exposure to commodity tiles and deepening its presence in higher-value categories with stronger realization potential. This includes expanding in segments such as Large-Format slabs, GVTs, and other specialized products featuring advanced textures, premium finishes, and functional innovations like anti-bacterial coatings.

Beyond tiles, the strategy extends into premium sanitaryware and high-end bath fittings, categories where margins are structurally stronger and brand differentiation carries greater weight. Through focused brand-building initiatives and experiential retail formats, the Company aims to strengthen consumer preference for premium offerings, improve its average selling price (ASP), and reduce the impact of intense price competition on overall gross margins.

Financial Discipline

The Company maintains a healthy balance sheet through prudent working capital management and a measured approach to debt utilization. Tight control over receivables and debtor days across its dealer network safeguards cash flows and limits liquidity pressures.

The Company also approaches capital allocation conservatively, favoring projects that offer faster payback periods, such as brownfield expansions, plant modernization, and automation initiatives, over large, long-gestation investments. At the same time, the Company finances expansion through a balanced mix of internal accruals and cost-efficient borrowing, maintaining a comfortable debt-to-equity profile. This approach supports resilience and stability during periods of slower real estate activity or broader economic uncertainty.

Expansion and Diversification

While the Company already enjoys a strong presence across Tier 1 and 2 cities, it is extending its distribution reach into Tier 3 and 4 markets through a franchise-led dealer model. This enables Somany to capitalize on rising housing and renovation demand in rural and semi-urban regions while maintaining an asset-light expansion approach.

Extending its diversification strategy, the Company has also entered the high-growth construction chemicals and waterproofing segment through the acquisition of a 51% majority stake in Dura Build Care. This acquisition broadens the Company's presence beyond core ceramics and connects it to growing demand for comprehensive building material solutions. By using its tile distribution network to cross-sell complementary products, Somany aims to increase wallet share per retail outlet while building a broader, more diversified revenue base.

Integrating Our Capitals

INTEGRATED CAPITALS. ENDURING VALUE.

Somany creates long-term value by integrating its financial, manufactured, intellectual, natural, human, and social capitals. Investments in manufacturing, design, and digital capabilities drive operational performance, while the Company's people and partnerships support continuous improvement. Its sustained focus on sustainability ensures responsible resource use and builds the resilience needed for consistent, long-term growth.

Capitals	Financial Capital	Manufactured Capital
Financial Capital		Capital investments enable capacity expansion, plant modernization, and new product lines across tiles, sanitaryware, and bath fittings.
Manufactured Capital	Efficient plants and automation improve output, quality, and cost efficiency, strengthening revenue generation.	
Intellectual Capital	Design-led innovation, market insights, and branding drive premiumization and revenue growth.	Smart product engineering and modular designs guide efficient manufacturing and faster go-to-market cycles.

	Intellectual Capital	Natural Capital	Human Capital	Social and Relationship Capital
	Funding supports R&D, digitalization, design innovation, and process automation.	Financial resources accelerate renewable energy adoption, water recycling, and waste reduction initiatives.	Strong financial stability enables continuous training, safety programs, leadership development, and talent retention.	Investments in brand building, dealer networks, customer engagement, and community initiatives enhance trust and long-term value.
	Smart factories, ERP systems, and automated kilns generate data that fuels process optimization and innovation.	Energy-efficient kilns, green buildings, and optimized logistics reduce environmental impact.	Safe, modern work environments and advanced machinery enhance productivity and employee well-being.	High-quality products and reliable supply chains strengthen relationships with dealers, architects, and institutional buyers.
		Data-led energy optimization, material efficiency, and predictive maintenance reduce resource consumption.	Knowledge platforms, SOPs, and continuous learning systems build a future-ready workforce.	Digital tools, virtual showrooms, and omni-channel engagement enhance customer trust and loyalty.

Capitals	Financial Capital	Manufactured Capital
Natural Capital	Lower energy and water costs, ESG-linked funding, and efficiency gains create long-term financial value.	Green plants, renewable power integration, rainwater harvesting, and waste heat recovery reduce environmental impact.
Human Capital	Skilled employees improve service quality, innovation, and sales effectiveness, driving revenue growth.	Trained teams ensure smooth operations, quality control, and plant reliability.
Social and Relationship Capital	Strong investor and lender relationships support expansion, new plants, and technology upgrades.	Dealer, distributor, and contractor partnerships help optimize supply chains and market reach.

	Intellectual Capital	Natural Capital	Human Capital	Social and Relationship Capital
	Sustainability targets drive innovation in green materials, eco-friendly glazes, and low-emission processes.		Cleaner, safer workplaces enhance health, morale, and productivity.	Responsible environmental practices build goodwill with communities, regulators, and sustainability partners.
	Employees co-create product designs, digital solutions, and process improvements.	Workforce-led initiatives in waste segregation, water reuse, and carbon reduction accelerate ESG goals.		Customer-first culture strengthens engagement with dealers, architects, contractors, and end consumers.
	Collaboration with designers, architects, and technology partners strengthens long-term innovation strategy.	Partnerships with sustainability agencies support renewable energy adoption and circular economy goals.	Community engagement supports skill development, employment, and inclusive growth.	

Financial Capital

ROOTED IN STABILITY. RISING IN PERFORMANCE.

Somany pursues a financial strategy that balances growth with profitability, allocating capital toward capacity expansion, manufacturing upgrades, product innovation, and market development. Tight control over costs, working capital, and investment returns supports margin stability and balance sheet strength. Active management of raw material, fuel, and market risks strengthens financial resilience across business cycles.

SDGs Impacted

Stakeholders Impacted

- Investors and Shareholders
- Employees
- Customers
- Suppliers
- Communities
- Regulatory Authorities

FY 2025-26 Snapshot

₹2,77,051 Lakhs
Sales for FY 2025-26

4.0%
3-Year Sales CAGR

4.8%
Growth in Revenue on Annual Basis

₹10,530 Lakhs
Net Debt for FY 2025-26

13.7%
RoCE for FY 2025-26

0.30x
Net Debt-Equity Ratio for FY 2025-26

Five-Year Financials

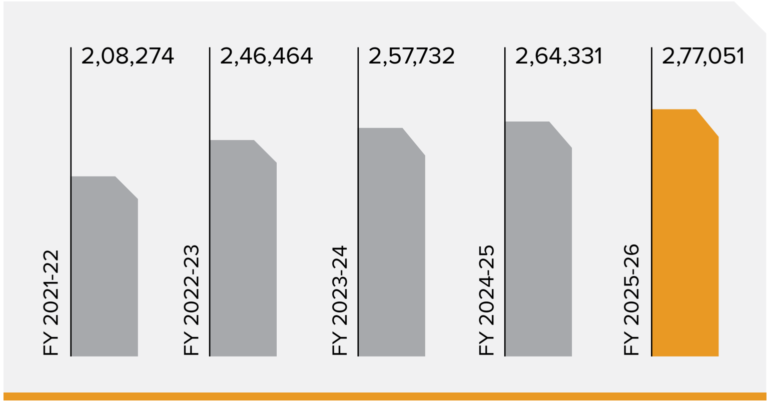
(₹ in Lakhs)

including current maturities of loans
excluding short-term borrowings
*Net worth represents sum total of equity share capital and other equity
** Face value of ₹2/- per share

(Based on Consolidated Financials)					
Particulars	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Sales	2,08,274	2,46,464	2,57,732	2,64,331	2,77,051
EBITDA	20,653	18,871	25,322	22,088	25,744
Other Income	1,342	1,454	1,061	902	1,132
Finance Costs	2,964	4,036	4,646	5,243	4,772
EBDT	19,031	16,289	21,737	17,747	22,134
Depreciation	6,395	6,785	7,251	9,026	10,748
PBT	12,636	9,504	14,486	8,721	11,386
PAT	8,869	7,149	9,689	6,007	8,119
Equity Share Capital	849	849	820	820	820
Other Equity	71,781	77,848	71,194	76,346	83,418
Deferred Tax Liability	3,230	2,433	2,886	2,574	2,277
Loan Funds#	47,655	48,837	33,511	30,194	25,126
Gross Block (including CWIP)	1,23,708	1,35,954	1,43,788	1,45,025	1,56,873
Net Block (including CWIP)	97,147	1,06,242	1,09,212	1,07,368	1,10,281
Current Assets	78,602	89,940	82,145	84,570	85,433
Current Liabilities##	37,358	51,058	69,283	68,115	64,069
Net Current Assets	41,244	38,882	12,862	16,455	21,364
Net Worth*	72,630	78,697	72,014	77,166	84,238
Capital Employed	1,34,277	1,40,724	1,19,693	1,17,192	1,19,392
EPS (₹) **	20.88	16.83	23.01	14.65	19.80
Book Value (₹) **	171.00	185.28	175.63	188.17	205.41
Dividend (₹) **	3.00	3.00	3.00	3.00	6.00
RONW (%)	13.0	9.5	12.9	8.1	10.1
ROCE (%)	12.3	9.9	14.7	11.8	13.7
Debt Equity (times)	0.66	0.62	0.47	0.39	0.30

Sales

(₹ in Lakhs)



Definition

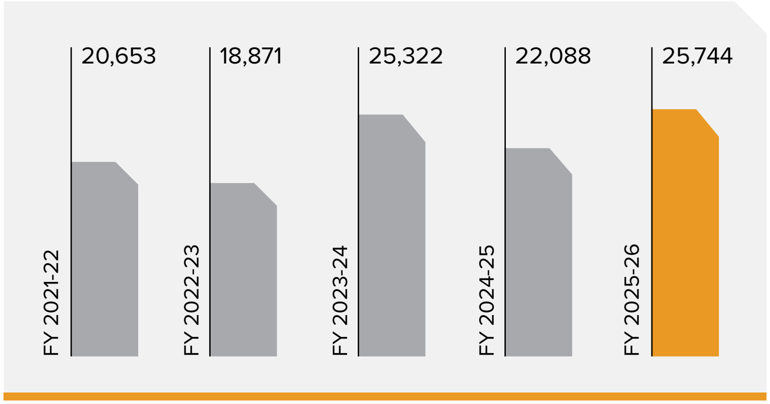
Sales figures net of taxes and S&D expenses.

Sales Performance

Sales grew steadily over the period. Sales value stood at ₹2,64,331 Lakhs in FY 2024-25 and ₹2,77,051 Lakhs in FY 2025-26.

EBITDA

(₹ in Lakhs)



Definition

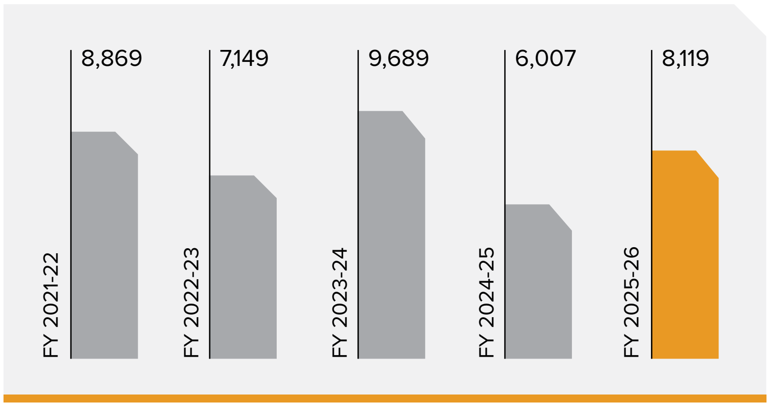
Earnings before deduction of interest, depreciation, extraordinary items, and taxes.

EBITDA Performance

The Company's EBITDA decreased to ₹22,088 Lakhs in FY 2024-25, and increased to ₹25,774 Lakhs in FY 2025-26.

PAT

(₹ in Lakhs)



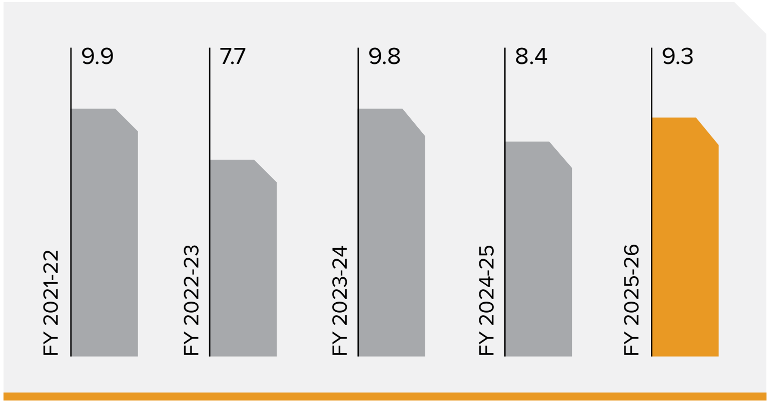
Definition

Net profit recorded during the year after deducting all expenses and provisions.

PAT Performance

The Company's PAT stood at ₹6,007 Lakhs in FY 2024-25 and increased to ₹8,119 Lakhs in FY 2025-26.

EBITDA Margin
(in %)



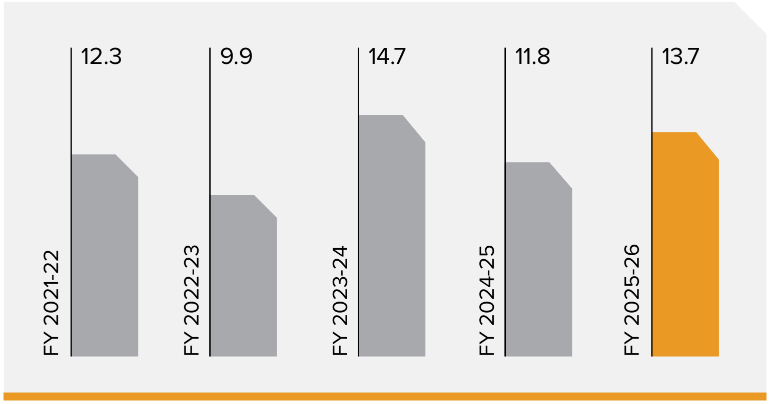
Definition

A profitability ratio that measures the proportion of revenue the Company retains as operating profit before interest, depreciation, and taxes.

EBITDA Margin Performance

The Company's EBITDA margin stood at 8.4% in FY 2024-25, and improved to 9.3% in FY 2025-26.

Return on Capital Employed
(in %)



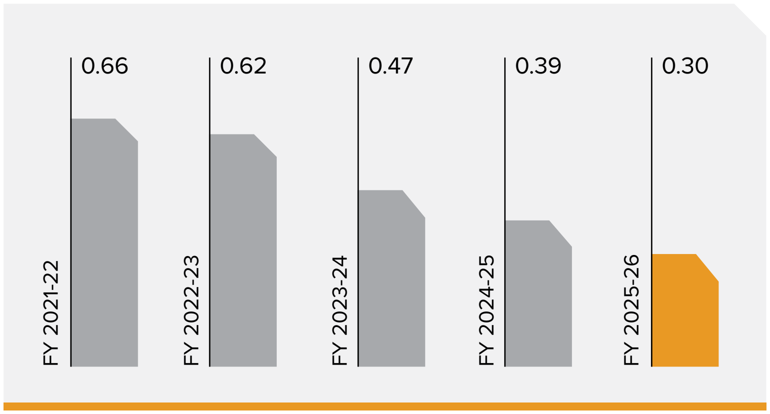
Definition

A financial ratio that measures how efficiently the Company employs its capital to generate profit.

RoCE Performance

The Company's RoCE stood at 11.8% in FY 2024-25 and improved to 13.7% in FY 2025-26 due to increase in PAT.

Debt-Equity Ratio
(x)



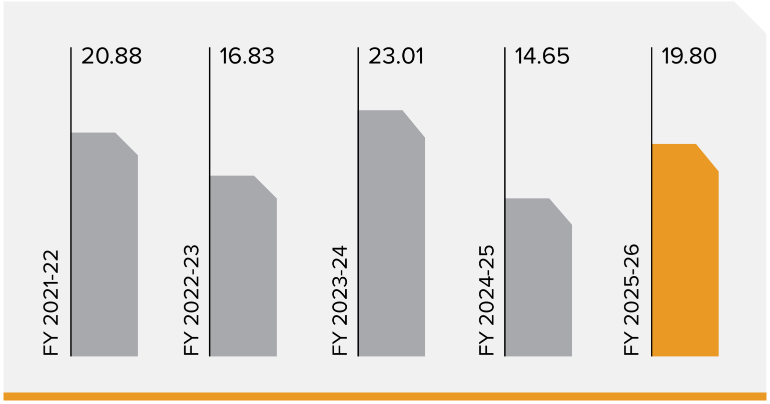
Definition

The ratio of total debt to net worth, excluding revaluation reserves.

Debt-Equity Performance

The Company's debt-equity ratio stood at 0.39x in FY 2024-25, and further improved to 0.30x in FY 2025-26 due to reduction of debt.

Earnings per Share
(in ₹)



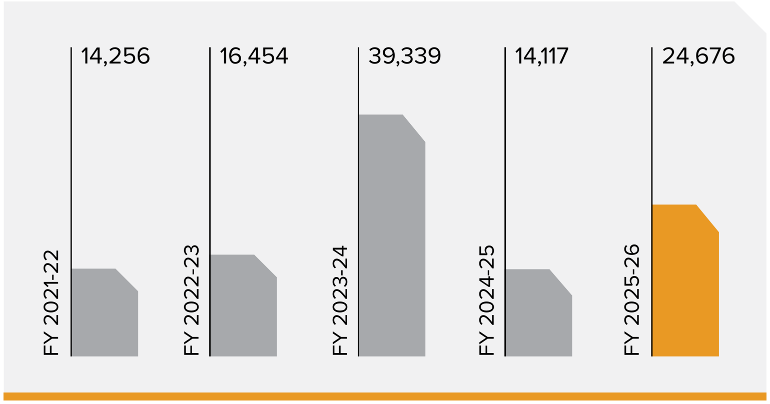
Definition

The net profit attributable to each outstanding equity share of the Company.

EPS Performance

The Company's EPS stood at ₹14.65 in FY 2024-25 and improved to ₹19.80 in FY 2025-26.

Operating Cash Flow
(₹ in Lakhs)



Definition

Net cash generated from the Company's core business operations, before investing and financing activities.

Operating Cash Flow Performance

The Company has been generating operating cash flow of ₹26,785 Lakhs (5-year average). Operating cash flow increased from ₹14,117 Lakhs in FY 2024-25 to ₹24,676 Lakhs in FY 2025-26, primarily due to change in working capital.

Economic Value Distributed

Somany remains committed to sustainable financial growth, managing its capital responsibly to build long-term value. It contributes to the nation's economic development through capital optimization and disciplined financial planning. Somany continues to improve productivity and process efficiency, while safeguarding margins against fuel and raw material cost volatility. This discipline has enabled Somany to sustain growth, consolidate its market position, and maintain a strong balance sheet.

Economic Performance (₹ in Crores)

(Based on Standalone Financials)		
Particulars	**FY 2025-26**	**FY 2024-25**
Direct Economic Value Generated: Revenues	**3,125.48**	3,031.35
Economic Value Distributed	**2,972.19**	2,913.52
Operating Costs*	**2,514.09**	2,494.13
Employee Wages and Benefits	**272.61**	261.98
Payments to Providers of Capital (Dividends)	**23.07**	19.86
Payments to the Government (Taxes)	**159.93**	135.01
Community Investments (CSR)	**2.49**	2.54
Economic Value Retained	**153.29**	117.83

**Includes operating expenses, cost of materials consumed, and changes in inventories of finished goods*

Manufactured Capital

SCALED FOR EFFICIENCY. BUILT FOR QUALITY.

Somany's manufactured capital rests on its manufacturing facilities, production technologies, and logistics network, collectively enabling consistent quality, scale, and operational reliability. Continuous investments in automation, process optimization, and capacity expansion strengthen manufacturing capability and accelerate product development. By embedding smart manufacturing practices and energy-efficient systems across its operations, the Company improves productivity while lowering its environmental impact.

SDGs Impacted

Stakeholders Impacted

- Employees
- Customers
- Communities
- Investors and Shareholders
- Regulatory Authorities
- Suppliers

FY 2025-26 Snapshot

10
Manufacturing Plants

Somany's operating model combines in-house manufacturing capabilities with a network of partners across the value chain. This combination enables access to newer technologies, supports distinctive, design-led product development, and reduces time-to-market. With manufacturing units across Derabassi (Punjab), Bahadurgarh (Haryana), Kadi and Morbi (Gujarat), and Tirupati (Andhra Pradesh), the Company ensures efficient operations and consistent supply coverage across India.

Guided by the Kaizen philosophy, Somany has embedded a culture of continuous improvement across its operations. Through process refinement, innovation, and waste reduction, the Company is strengthening its manufacturing operations for greater productivity, quality consistency, and reduced environmental impact.

56.59
msm per annum
Installed Capacity (Tiles)

1.3 million pieces
Installed Capacity of Bath Fittings

0.48 million pieces
Installed Capacity of Sanitaryware

Advanced and Scalable Manufacturing Infrastructure

Somany's manufacturing infrastructure reflects decades of focused investment in capability building and operational strength. The Company's plants at Kassar in Haryana and Kadi in Gujarat anchor its production network, supporting a wide range of products including glazed vitrified tiles, wall tiles, ceramic floor tiles, and planks. Their locations support efficient logistics and cost optimization. Somany is continuously upgrading the Kassar plant to enhance its flexibility for manufacturing GVT products and larger-size formats.

Established in 1981, the Kadi plant further extends Somany's manufacturing reach through its location near a major port and national highways. This connectivity allows faster access to domestic and export markets while managing transportation costs effectively. Its proximity to a well-developed vendor network ensures a steady supply of raw materials, supporting uninterrupted operations. These advantages translate into higher productivity, lower wastage, and consistent process efficiency, making Kadi a dependable and efficient production center.

Adding scale and technological depth to this network is Somany's 26-acre facility in Morbi, Gujarat, which has an annual production capacity of 4 msm. The plant is equipped with SACMI Italy's maintain consistency solutions, known globally for superior quality, high-speed performance, and improved fuel efficiency. As the Company's first deployment of this technology, the Morbi facility marks a significant step in Somany's manufacturing modernization. Together, these facilities give the Company the capacity, technology, and geographic reach to serve markets across India consistently.

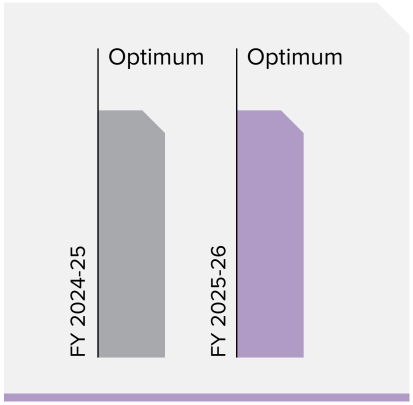
Capacity Utilization

(in %)

Tiles

Sanitaryware

Faucets



Strengths of Somany's Manufacturing Plants

Skilled Workforce

A skilled manufacturing team with deep process knowledge and years of operational experience drives consistency, quality, and efficiency across the Company's plants.

Integrated Supply Chain

Somany's manufacturing plants function as hubs, enabling efficient product movement and timely fulfilment across its distribution network.

Continuous Upgradation

The Company's facilities undergo regular modernization to remain adaptable to new designs, new technologies, and changing process requirements, maintaining long-term relevance and competitiveness.

Product Quality and Safety

Product quality and operational performance remain central priorities for Somany. The Company views both as essential to building customer trust, improving sustainability performance, and sustaining long-term growth. Through innovation in product design, responsible resource management, and robust quality assurance practices, the Company upholds high standards of product quality, reliability, and environmental stewardship.

Product Quality Initiatives in 2025-26

Kassar Plant

- Implemented waste reduction measures through segregation, recycling, and reuse of scrap materials and industrial waste to support circular economy practices.
- Enhanced process efficiency through water recycling systems and reuse of process rejection materials within operations.
- Optimized packaging through the use of lighter, reusable materials.

Kadi Plant

- Optimized material formulations and application parameters to improve resource efficiency and reduce energy consumption.
- Implemented various initiatives for recycling within production processes and reuse of waste materials to support circular economy practices.
- Increased the use of locally sourced raw materials to reduce transportation-related impacts and improve cost efficiency.
- Reduced paper consumption and overall packaging weight through packaging optimization.

Regulatory Compliance and Product Safety Standards

During 2025-26, Somany maintained product quality and regulatory compliance through its ISO 9001:2015 certified Quality Management System.

During the reporting period, no major instances of non-compliance or penalties were reported by regulatory authorities concerning product quality, safety, or environmental standards.

Reinforcing its commitment to responsible environmental management, both the plants obtained certification under the Extended Producer Responsibility (EPR) Action Plan from the pollution control board for the responsible recycling and disposal of plastic packaging waste through authorized recyclers.

Intellectual Capital

INSPIRED BY DESIGN. DRIVEN BY INNOVATION.

Somany draws on its intellectual capital to drive innovation and strengthen its competitive position. This encompasses workforce expertise, design and technology capabilities, and ongoing investment in research, product development, and quality standards. By combining industry knowledge and customer insights, the Company develops value-added products while optimizing resources and maintaining quality.

SDGs Impacted

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Stakeholders Impacted

- Employees
- Customers
- Communities
- Regulatory Authorities
- Suppliers

FY 2025-26 Snapshot

~400

New Products Launched across Multiple Sizes and Manufacturing Units to Cater to Domestic, Project, and Export Markets

Innovations such as large-format tiles, premium surface finishes, standardized design platforms across plants, and resource-efficient products reflect Somany's focus on sustainability and shifting consumer preferences.

Research and Development

Somany continued to strengthen its R&D and innovation capabilities in line with evolving consumer preferences, market trends, and sustainability priorities. Key innovation and optimization initiatives included:

- Thinner, resource-efficient products that reduce glaze material consumption while meeting ISO quality standards.
- Enhanced product design to improve manufacturing efficiency and reduce the consumption of materials, water, energy, and fuel.
- An expanded Large-Format Tiles (LFT) portfolio spanning glazed vitrified digital tiles from 200×200 mm to 800×1600 mm, deepening the Company's presence in the premium segment.

Implemented standardized product designs across multiple manufacturing facilities to enhance operational flexibility, improve efficiency, and reduce resource consumption and emissions.

At the Kassar plant, Somany deployed Double Digital Shapetech technology, enabling textured surface designs with greater precision and visual depth. The deployment also reduced dependency on master and punch inventories, cutting indirect emissions and improving process efficiency.

Product Patents

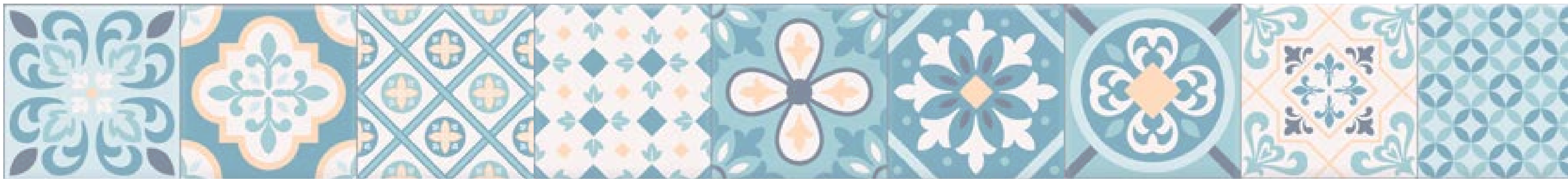
Somany builds its intellectual property portfolio through product patents, trademarks, and sustainability-focused certifications. The Company has developed a patented technology, 'VC Shield,' designed to protect tiles from weather-related damage, scratches, stains, and everyday wear, enhancing their durability and long-term performance.

The Company's intellectual property portfolio includes 180 registered trademarks, supporting brand identity and product differentiation across categories. It has also received multiple eco-certifications, including the Water Efficient Products (WEP-I) Water Rating and the Indian Green Building Council (IGBC) certification.

A sustainability-focused innovation is the Temp-Shield tile range, developed with a Solar Reflective Index (SRI) value of over 90. Key benefits include:

- High sunlight reflectivity, maintaining lower surface temperatures.
- Reduction in the urban heat island effect.
- Improved energy efficiency through lower cooling requirements.
- Contribution toward more sustainable and climate-responsive urban infrastructure.

Through innovations such as Temp-Shield and VC Shield technologies, the Company continues to align product development with current environmental standards and customer expectations.



Natural Capital

PRESERVING RESOURCES. POWERING PROGRESS.

Somany remains committed to responsible environmental management through initiatives in energy efficiency, water conservation, and waste management. The Company continues to strengthen its environmental performance through ISO 14001-aligned Environmental Management Systems (EMS), renewable energy adoption, resource optimization, and regulatory compliance across its operations.

SDGs Impacted

6 CLEAN WATER AND SANITATION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

Stakeholders Impacted

- Communities
- Regulatory Authorities
- Industry Associations
- Suppliers

Waste Management

Somany follows a structured waste management framework aligned with SPCB guidelines and regulatory requirements across its manufacturing facilities.

Waste Intensity	FY 2025-26	FY 2024-25
Waste Intensity per Rupee of Turnover	0.07	0.05
Waste Intensity in Terms of Physical Output	0.0002	0.0001
Waste Intensity per Rupee of Turnover Adjusted for Purchasing Power Parity (PPP)	1.48	1.01

Waste Management Regulations and Certifications

- Dedicated storage and handling areas for hazardous and e-waste across facilities.
- Regular monitoring, documentation, and waste tracking mechanisms.
- Periodic statutory filings with the pollution control board.
- Compliance with the EPR framework for applicable waste streams.

Waste Management Initiatives

- **Recycling and Reuse of Product Waste:** The Company promotes resource efficiency by reintegrating production-stage waste into operations. At the Kadi plant, the Company reuses waste as raw material and recycles broken tiles within the manufacturing cycle.
- **Repurposing and Responsible Disposal:** The Company manages hazardous waste, including ETP sludge, used oil, and plastic barrels, through authorized recyclers and disposal partners. At both the plants, process optimization and material substitution initiatives further support waste reduction and improved resource efficiency.
- **Monitoring and Data Management:** The Company tracks waste-related data through logbooks, statutory documentation, and regulatory reporting mechanisms to ensure traceability and compliance across facilities.
- **Regulatory Compliance:** The Company continues to comply with applicable waste management regulations and regularly reports hazardous waste, e-waste, and battery waste data to the respective Pollution Control Boards.
- **Hazardous Waste Management**
  - Reuse of process scrap within production processes to support circular manufacturing practices and resource conservation.
  - Safe storage and disposal of used oil and other hazardous waste through authorized vendors and recyclers.
  - Continued focus on process control, material optimization, and process efficiency to minimize hazardous waste generation.
  - Limited use of hazardous and toxic chemicals within manufacturing operations to support safer and more sustainable production practices.

Energy and Emissions Management

Somany utilizes a diversified energy mix across its Kadi and Kassar plants, including grid electricity, solar power, diesel, LPG, PNG, coal, briquettes, and gas-based generators to support operational reliability and manufacturing efficiency.

Key energy efficiency and sustainability initiatives include:

- Utilization of rooftop captive solar power and procurement of third-party solar energy.
- Installation of inverter systems and replacement of conventional lighting with LED solutions.
- Upgradation of equipment and process optimization to improve operational efficiency.
- Regular energy audits to identify and implement conservation opportunities.

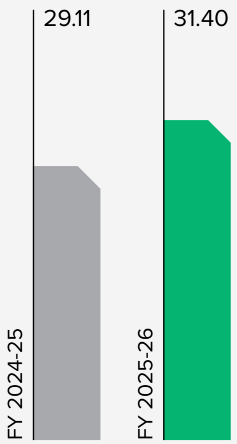
At the Kadi plant, initiatives such as the replacement of various raw materials and increased procurement of third-party solar power contributed to energy savings and improved process efficiency.

At both plants, the Company continues to utilize its 3.50 MWp captive solar power facility while implementing energy-efficient systems to reduce dependence on conventional energy sources and support responsible production practices.

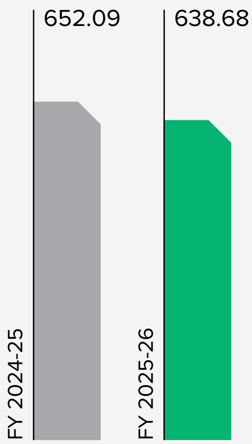
Energy Consumption Progress (in GJ)

Energy Intensity

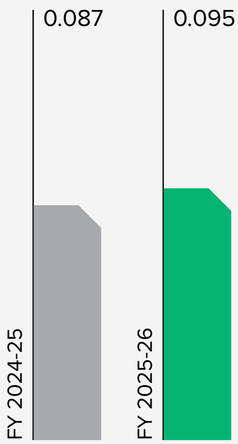
Energy Intensity per Rupee of Turnover (in GJ/Lakhs)



Energy intensity per Rupee of Turnover Adjusted for PPP (in GJ/Lakhs)



Energy Intensity in Terms of Physical Output (in GJ/Square Meter Tiles)



Energy Management

Energy Optimization Initiatives

- **Bi-Fuel Conversion for DG Sets:** Installation of a Bi-Fuel Kit on a Diesel Generator at the Kassar plant enabled operation using a mix of conventional and alternative fuels, reducing diesel dependency and lowering energy consumption.
- Installation of VFD in various machinery to reduce the power consumption resulting the dependence on Grid Electricity.

Renewable Energy Initiatives

Secured an additional 9.9 Mwp of solar power capacity for the Kassar plant through an SPV investment, strengthening long-term energy security and enhancing overall sustainability.

Strategic Energy Management Approach

The Company utilizes a diversified energy mix comprising grid electricity, rooftop solar power, LPG, PNG, biomass, diesel generators, and gas-based generators to support reliable, lower-emission operations. Initiatives such as third-party solar procurement, LED lighting replacement, inverter installations, energy audits, and GHG assessments collectively reduce the Company's environmental impact and improve energy performance across its facilities.

Emissions Management

During 2025-26, the Company implemented measures, including VFD installations, heat recovery upgrades, rooftop and third-party solar power utilization, and process optimization to reduce energy consumption and lower emissions.

Emission Management Progress (in MT)

Air Emissions

Emission Intensity

Emission Intensity	FY 2025-26	FY 2024-25
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (in tCO_2e Lakhs)	1.67	1.43
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for PPP (in tCO_2e Lakhs)	33.95	32.05
Total Scope 1 and Scope 2 emission intensity in terms of physical output (in tCO_2e Lakhs)	0.0051	0.0043

Air Emissions Management Initiatives

Monitoring and Compliance

Somany monitors stack emissions and environmental parameters across its Kadi and Kassar plants, ensuring compliance with environmental regulations and Pollution Control Board requirements. The Kadi plant operates 8 monitored stacks, while the Kassar facility manages multiple process and DG stack systems across spray dryers, kilns, dryers, and generators. Stack monitoring, workplace air quality assessments, and environmental audits together support compliant air emissions management across both facilities.

Renewable Energy and Energy Efficiency Initiatives

- Procurement of third-party solar power at the Kadi plant to support cleaner energy consumption.
- Replacement of various raw materials to improve grinding efficiency and reduce energy usage.
- Installation of VFDs across cooling towers, cutting machines, digital printing machines, spray dryers, and recirculation systems at the Kassar plant.
- Adoption of solar power under the group captive model to enhance renewable energy utilization and reduce emissions.
- Replacement of conventional lighting with LED systems.
- Installation of inverters for cooling fans.
- Replacement of aging equipment with energy-efficient alternatives.
- Installation of high-efficiency dust collector fans for improved suction and optimized energy use.

Water Management

Somany treats water as a finite and essential resource, managing it through reuse, recycling, and conservation across its Kadi and Kassar plants. Both facilities operate with in-house ETPs and STPs, supported by ZLD systems that enable treated wastewater to be reused within operations.

Water Management Progress (in KL)

Water Intensity

Water Intensity	FY 2025-26	FY 2024-25
Water Intensity per Rupee of Turnover (in KL/Lakhs)	2.73	3.57
Water Intensity per Rupee of Turnover Adjusted for PPP (Total Water Consumption/Revenue from Operations Adjusted for PPP) (in KL/Lakhs)	55.57	80.05
Water Intensity in Terms of Physical Output (in KL/Square Meter Tile)	0.0083	0.0106

Water Management Initiatives

Implementation of Zero Liquid Discharge

Both the Kadi and Kassar plants operate under ZLD systems, through which the Company reuses all treated wastewater within operations, with no external effluent discharge. The facilities are supported by in-house STPs and ETPs.

At the Kassar plant, three ETPs are operational and the Company reuses treated effluent within production processes. At the Kadi plant, the Company reuses treated effluent as raw water for manufacturing, supporting water conservation across both facilities.

Water Recycling and Process Improvements

During 2025-26, the Company further strengthened water reuse and recycling practices through efficient treatment systems and process optimization initiatives. The Company continued reusing treated effluent within operations, supporting circular water use and better resource recovery. Both plants focused on reducing freshwater dependency through internal reuse and process improvements.

Responsible Water Sourcing and Compliance

The Company ensures responsible water sourcing and regulatory compliance through:

- Annual Canal Water Agreements.
- NABL-accredited water quality testing.
- Approvals from relevant authorities, including the Central Ground Water Authority (CGWA).
- Regular monitoring and compliance assessments across facilities.

Human Capital

STRENGTHENED BY PEOPLE. DRIVEN BY PURPOSE.

Somany is committed to building an inclusive and supportive workplace that promotes employee growth, engagement, and well-being. People are central to how the Company delivers quality, drives innovation, and sustains its market position. It focuses on attracting, developing, and retaining skilled talent, strengthening workforce capabilities through structured learning and development initiatives, and maintaining a safe and healthy work environment across operations.

SDGs Impacted

3 Good Health and Well-Being, 4 Quality Education, 5 Gender Equality, 8 Decent Work and Economic Growth, 10 Reduced Inequalities

Stakeholders Impacted

Employees

Customers

FY 2025-26 Snapshot

1,739
Employees

2,624
Workers

4,363
Total Workforce

Skill Upgradation Training Coverage across Our Workforce

92.7%
Employees

85.8%
Workers

Great Place to Work® Certification 2025-26

The Company achieved an overall Great Place to Work® (GPTW) score of 97%, reflecting high levels of employee trust, workplace satisfaction, and organizational alignment. The Company also earned the GPTW certification, affirming the quality of its workplace culture and employee relationships.

Workforce Benefits

Category	Benefits Provided
Permanent Employees	• Term Insurance • Medical Insurance • Group Personal Accidental Insurance (GPA) • Employee State Insurance Corporation (ESIC) • Employee Depository Linked Insurance (EDLI) • Workmen Compensation Policy • Provident Fund • Gratuity • Future Service Gratuity (FSG) • Welfare Fund • Suraksha Fund • Empathy Fund • Maternity Benefits • Leave Donation Program • Staff Shuttle Facility at Factory • Subsidized Food Facility at Plant • Occupational Health Centre (OHC) Support • Annual and Periodic Health Check-ups • Wellness and Mental Health Sessions
Contractual Employees	• Employee State Insurance Corporation (ESIC) • Employee Depository Linked Insurance (EDLI) • Provident Fund • Welfare Fund • Workmen Compensation Coverage • Subsidized Food Facility at Plant • Occupational Health Centre (OHC) Support • Periodic Medical Check-ups • 24/7 Ambulance and Emergency Medical Support

Talent Attraction

Somany attracts and integrates talent through structured, inclusive recruitment and onboarding practices designed to align workforce capabilities with business objectives.

Key initiatives include:

- **Recruitment Strategy:** The Company follows a competency-based recruitment approach to attract talent aligned with business requirements, organizational values, and long-term growth priorities.
- **Comprehensive Onboarding:** Through Aagman, Somany introduces new employees to its culture, policies, systems, and operational processes, supporting their integration into the Company.
- **Structured Induction and Policy Awareness:** All new employees undergo induction sessions covering key policies and governance frameworks, including the Code of Conduct, POSH, whistleblower policy, human rights, and grievance redressal mechanisms.
- **Diversity and Inclusion:** Somany promotes a gender-neutral and inclusive workplace that provides equal opportunities across roles while fostering a culture of respect, fairness, and equity.

Talent Management

Employee Benefits and Welfare

The Company provides a range of employee benefits, including insurance coverage, welfare funds, financial assistance schemes, and statutory benefits to support employee well-being and financial security.

New Joiners Connect

Somany conducted monthly ‘New Joiners Connect’ sessions across pan-India locations to support onboarding and early employee integration. Regular interactions with HR Business Partners (HRBPs) enabled timely resolution of concerns, improved feedback collection, and enhanced engagement and retention among new employees.

Employee Feedback and Grievance Redressal

Structured mechanisms such as the whistleblower policy, POSH committee, HR helpdesk, and stay interviews enable continuous feedback, effective grievance resolution, and workplace transparency.

Promoting Diversity and Equality

As part of its Diversity & Inclusion initiatives, the Company conducted programs focused on women’s empowerment, financial literacy, and International Women’s Day celebrations to build a more inclusive and equitable workplace.

Labour Rights and Ethical Standards

The Company upholds fair labor practices, ethical conduct, and responsible workplace policies, strengthening employee welfare initiatives and grievance redressal frameworks to support employee rights and transparency.

Performance Management

The Company follows a structured performance management framework aligned with business objectives and employee development. The process incorporates defined goals, continuous feedback, and data-driven HR practices to support productivity, workforce development, and organizational performance.

Talent Development

The Company's talent development approach focuses on strengthening workforce skills, enhancing leadership capabilities, encouraging knowledge sharing, and building a culture of continuous improvement and open communication.

Sales Excellence Training Program

During 2025-26, the Company conducted the 'Enabling Sales Excellence – Product Training Program' across India to strengthen product knowledge among sales teams. The initiative enhanced employees' ability to communicate product features, technical specifications, and value propositions effectively to customers and channel partners, improving frontline confidence and strengthening brand position.

Company-wide Training and Employee Awareness

The Company continued conducting structured induction and awareness sessions for all new joiners across India covering:

- Code of Conduct
- Whistleblower Policy
- POSH
- Human Rights
- Grievance Redressal Mechanisms

Digital Learning and Knowledge Sharing

To promote continuous learning, the Company launched a Learning & Development Newsletter across India in October 2025 that shares learning highlights, success stories, and upcoming development initiatives, encouraging knowledge sharing and improving employee engagement with learning opportunities.

Training Needs Assessment and Skill Development

Somany follows a structured Training Needs Assessment (TNA) process to identify and address learning requirements across functions. Skill development initiatives focus on technical, behavioral, functional, and role-based competencies to strengthen workforce capabilities and align employee growth with changing business priorities.

Culture of Open Communication

Monthly focus group discussions held across locations provided employees with a platform to share feedback, concerns, and suggestions.

Talent Engagement

The Company promotes engagement through initiatives spanning marathons, celebrations, annual tours, and recognition programs including Long Service Awards (Nishtha), Appreciation Cards, and the 'Moments of Joy' initiative for festivals, birthdays, and work anniversaries.

Annual Tours and Reward and Recognition Initiatives

During 2025-26, the Company organized multiple employee engagement initiatives across India such as cultural events, festival celebrations, Annual Tours, and Reward & Recognition (R&R) programs.

Employee Feedback Mechanisms

Structured platforms such as stay interviews, HR helpdesks, and regular interaction forums provide employees with opportunities to share concerns, feedback, and suggestions.

Innovation and Employee Participation

To encourage innovation, the Company implemented 'The Idea Factory,' a quarterly pan-India initiative inviting employee ideas on business growth, systems improvement, and process development. The program recognizes and rewards creative contributions, building a culture of innovation and participation across the Company.

Technology-enabled Engagement

Digital tools, structured HR systems, and communication platforms support employee engagement, collaboration, learning access, and feedback management across the Company, enabling more connected and responsive workplace interactions.

Strong Leadership

Somany builds leadership capability through continuous learning, mentorship, and structured development initiatives.

Flagship Leadership Programs

- **Mentorship Program**
  The Mentorship Program conducted in June 2025 supported new sales team members through structured guidance from senior leaders. The initiative facilitated effective onboarding, accelerated adaptation to organizational culture and processes, strengthened knowledge transfer, and contributed toward leadership pipeline development and employee retention.
- **Leadership Development Initiatives**
  The Company sponsors leadership development programs for high-potential employees and engages external coaches for senior leaders to strengthen strategic thinking, decision-making, and overall leadership effectiveness.
- **Career Development and Internal Mobility**
  Through internal job postings, cross-functional opportunities, and role expansion initiatives, Somany promotes merit-based career progression while preparing employees for higher responsibilities and leadership roles.
- **Training Needs Assessment and Skill Building**
  A structured Training Need Assessment (TNA) process, with participation from over 95% of employees, helps identify learning requirements across functions. The insights support targeted capability-building programs focused on technical, behavioral, functional, and leadership competencies.

Occupational Health & Safety

Somany prioritizes health and safety across its operations, providing a safe and healthy work environment for employees and workers at all its facilities. The Company's objective is to minimize workplace incidents while building a zero-harm culture supported by structured safety systems and continuous improvement.

Occupational Health and Safety Management System

Somany manages its Occupational Health & Safety (OHS) Management System across all manufacturing units to ensure a safe and healthy working environment for employees and workers. The Company's plants are certified under ISO 45001:2018, with regular internal risk assessments, external audits, and active Safety Committees that oversee workplace safety performance and corrective action.

Its safety management practices across operations include:

- Hazard Identification and Risk Assessment (HIRA).
- Job Safety Analysis (JSA).
- Work Permit Systems.
- Lockout-Tagout (LOTO) procedures.
- Emergency preparedness and response mechanisms.

The Company also conducts regular training programs and mock drills covering fire safety, first aid, workplace hazards, PPE usage, machine safety, and emergency response to strengthen employee awareness and preparedness.

During 2025-26, the Company implemented several plant-level safety improvements, including:

- Installation of machine safety guards.
- Forklift warning lights and blind corner mirrors.
- Safety barricades and emergency signage.
- Safe speed limit signage across facilities.
- Enhanced machine guarding systems.

Health and Safety Assessments

100%

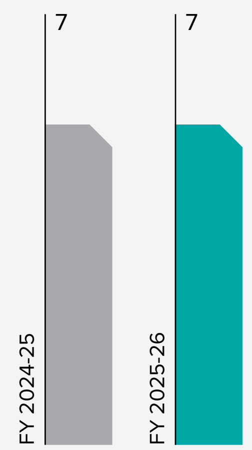
Assessments Conducted across the Company for: Health & Safety Practises Working Conditions

Health and Safety Training Coverage

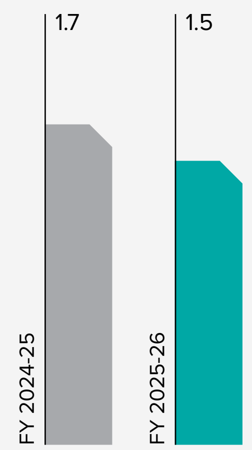
51.2% Employees

71.9% Workers

No. of Loss Time Injury



LTIFR



OHS Initiatives

Somany builds its health, safety, and well-being practices through preventive healthcare initiatives, infrastructure improvements, awareness programs, and risk management measures aimed at building a safe, people-centered workplace culture.

Infrastructure Safety Improvements
During 2025-26, the Company implemented several infrastructure and equipment safety upgrades across its manufacturing facilities including:

- Installation of Ball Mill Hopper Handles and GMPD Ball Mill Safety Guards.
- Safety guards on pulleys across workstations.
- Forklift warning lights and blind-corner safety mirrors.
- Safety barricades, emergency number signboards, and safe-speed signage.
- Driver safety instruction systems to improve vehicle movement safety within plant premises.

System Enhancements and Incident Management
The Company strengthened its safety systems and incident management processes through structured monitoring, risk assessments, and reporting mechanisms. The HSE team reviews all reported observations and escalates them where necessary to ensure timely corrective and preventive action. During 2025-26, Somany addressed and resolved all complaints related to working conditions and occupational health and safety, with no pending cases at the end of the reporting period.

Health and Safety Highlights

Initiative	Description	Purpose
Machine and Equipment Safety Enhancements	Installation of ball mill hopper handles, machine guards, pulley guards, and safety systems across workstations.	To minimize operational hazards and reduce the risk of workplace accidents.
Forklift and Traffic Safety Measures	Installation of forklift warning lights, speed control signage, and driver safety instructions.	To improve movement safety and prevent vehicle-related incidents within plant premises.
Workplace Infrastructure Safety	Installation of blind corner mirrors, barricades, and designated safety pathways.	To enhance visibility, control movement, and ensure safe navigation across plant areas.
Safety Signage and Emergency Systems	Deployment of safety signboards and emergency contact displays across facilities.	To improve awareness and enable quick response during emergencies.
Hazard Identification and Risk Assessment (HIRA)	Systematic identification and assessment of workplace risks through structured processes.	To identify hazards and implement preventive control measures.
Safety Training and Emergency Drills	Regular training on fire safety, first aid, PPE usage, and emergency response protocols.	To build employee awareness, preparedness, and safe working practices.
Work Permit and LOTO Systems	Implementation of permit-to-work systems and LOTO procedures for high-risk tasks.	To ensure controlled execution of hazardous activities and prevent accidents.
Occupational Health Centers (OHC)	On-site health centers with doctors, nursing staff, and periodic medical check-ups.	To ensure employee health monitoring, early diagnosis, and timely medical support.
Incident Reporting and Safety Committees	Structured reporting through suggestion systems and review by safety committees.	To encourage employee participation and ensure timely corrective and preventive actions.

Workforce Wellness

Somany maintains its employee well-being practices through a wellness framework focused on preventive healthcare, occupational safety, mental well-being, and healthcare accessibility across its operations.

Preventive Healthcare and Medical Check-ups

During 2025-26, Somany organized multiple preventive healthcare initiatives across its plants and offices, including:

- General health check-ups and ESI camps.
- Blood tests, dental check-ups, and eye examinations.
- Multi-specialty wellness camps for early diagnosis and health awareness.

The Company also conducted specialized occupational health assessments at Kassar Plant, Bahadurgarh, and Jhajjar locations. These included Pulmonary Function Tests (PFT), audiometry, X-rays for hazard-area employees, and vision screening to monitor job-specific health risks and strengthen workplace safety.

Wellness Letter

Somany promotes wellness awareness through Learning & Development newsletters and internal communication platforms. These regularly highlight wellness initiatives, employee engagement activities, learning opportunities, and organizational updates across locations.

Health Awareness and Wellness Programs

- Chair Yoga sessions promoting flexibility, posture improvement, and stress reduction.
- Health & Nutrition sessions encouraging healthy habits and long-term wellness.
- Stress management programs for children of employees taking board examinations to support emotional well-being and confidence building.

Employee Welfare and Healthcare Accessibility

To improve healthcare accessibility, Somany established a corporate partnership with Tata 1mg, giving employees pan-India direct access to medicines, diagnostics, and healthcare services. The Company also continued providing hygienic and nutritious canteen facilities at its Noida offices to support employee health, comfort, and workplace engagement.

Social and Relationship Capital

BUILDING COMMUNITIES. GROWING TOGETHER.

Somany builds trusted, long-term relationships with its stakeholders, treating these as central to how it grows and creates value. Its dealer network, customer-focused initiatives, and collaborative partnerships enable deeper market reach and lasting customer loyalty. The Company's community development efforts, skill development programs, and inclusive practices contribute to social well-being and shared growth.

SDGs Impacted

3 Good Health and Well-Being; 4 Quality Education; 6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 13 Climate Action

Stakeholders Impacted

Customers

Suppliers

Communities

Branding Initiatives

During 2025-26, Somany Ceramics navigated a dynamic market environment with resilience, agility, and a clear strategic focus. The year was marked by continued investments in brand building, product innovation, digital transformation, channel engagement, and sustainability, further strengthening the Company's position as one of India's leading building materials brands.

A significant highlight of the year was the continued recognition of Somany's innovation and brand strength. The Company's patented **VC Shield Technology** once again earned the prestigious Superbrand title, marking its third consecutive year of recognition. Further strengthening Somany's credentials in the Bathware segment, **Somany Faucets (Taps & Showers)** also secured the coveted Superbrand distinction.

To further enhance brand visibility and customer engagement, the Company adopted an integrated marketing approach spanning digital, traditional, hyperlocal, influencer-led, and experiential platforms. This comprehensive strategy enabled deeper consumer connect, stronger brand recall, and improved market penetration across geographies.

Product Innovation: Expanding Possibilities

Innovation continued to remain central to Somany's growth strategy. In the Tiles segment, the Company introduced premium collections including **Elita, Senso, Spesso, Montaro, and Pavezza**, offering contemporary aesthetics, superior durability, and enhanced functionality tailored to evolving consumer preferences. The Bathware portfolio was further strengthened with the launch of **Smartsense Wall-Hung Solutions, Postura Range, Bellis Faucets, and Downpour Showers**, bringing together design sophistication, technological innovation, and user-centric functionality.

These launches reflect the Company's focus on premiumization and its ability to anticipate emerging design and lifestyle trends.

Accelerating Digital Transformation

The Company continued to advance its digital transformation agenda with a focus on enhancing customer experiences and building a future-ready ecosystem.

A structured influencer engagement programme involving more than **12 creators** amplified brand visibility and enabled authentic consumer engagement across digital platforms.

12+

Influencer Collaborations

Significant investments were made in strengthening digital infrastructure through:

- AI-powered chatbot integration.
- Enhanced CRM capabilities for lead management and conversion tracking.
- Dedicated Bathware WhatsApp service chatbot.
- Upgraded IVR systems for improved customer support.
- Spam-call mitigation initiatives in partnership with telecom operators.

The Company also launched a redesigned digital platform featuring advanced visualisation tools such as:

- 2D Studio
- Panoramic Studio
- Your Space Studio

Strengthening the Channel Ecosystem

Recognizing the critical role of channel partners in long-term growth, Somany continued to deepen engagement across its ecosystem. The Company strengthened existing loyalty programs for plumbers, masons, contractors, and sub-dealers while introducing a dedicated loyalty program for architects, aimed at building stronger relationships with the design community.

53+

Tile Master Programmes and Mason Meets Conducted across India

Digital and Hyperlocal Marketing Excellence

The Company's digital-first marketing strategy continued to deliver strong outcomes through targeted campaigns across Meta and Google ecosystems, supported by always-on social, search, display, and performance marketing initiatives. These efforts enabled efficient lead generation while maintaining quality benchmarks and improving conversion effectiveness. The Bathware business also witnessed increased visibility through focused digital campaigns, resulting in stronger brand recall and enhanced consumer engagement.

110+

Dealer Counters Activated

16

Experience Centers Amplified through Hyperlocal Campaigns

Expanding Retail Presence

Somany continued to strengthen its retail footprint through strategic network expansion. These experience-led retail formats provide customers with immersive spaces to explore the Company's comprehensive portfolio of tiles, sanitaryware, bath fittings, and design solutions. The expansion further strengthens market accessibility while supporting customer-centric growth across regions.

47

Exclusive Stores Added

97

Bathware Shop-in-Shop Zones Established

Showcasing Innovation on Global and National Platforms

The Company maintained a strong presence across premier industry exhibitions and knowledge-sharing platforms, engaging with architects, designers, developers, and industry stakeholders. Key participations during the year included:

- Dialogues Jaipur
- ISH Frankfurt
- Cersaie Italy
- IIID Samagam Lucknow
- CREDAI FAIRPRO Chennai
- CII IGBC Mumbai

Sustainability in Action

Somany's sustainability initiative, **Transforming Broken Tiles into Trendsetting Style,** continued to create meaningful environmental and social impact. The program expanded its footprint through collaborations with more than 45 leading educational institutions, including Amity University, KIIT School of Architecture & Planning, Techno India University, JD Institute of Fashion Technology, Sharda University, and Manipal University. Through these partnerships, over 3,000 architecture and design students have been encouraged to reimagine tile waste as creative installations, murals, and functional design elements, fostering a culture of sustainable innovation.

45+

Design Institutes

3,000+

Students Engaged

12.5 Tons

of Tiles Repurposed

Customers

Somany emphasizes customer engagement, timely grievance resolution, and consistent improvement in service quality through structured communication and feedback systems.

Customer Engagement Systems

The Company has implemented customer engagement and complaint management systems to ensure prompt response and effective resolution of customer concerns. Customers can connect with the Company through multiple channels, including toll-free numbers, emails, WhatsApp, website forms, social media platforms, IVRS systems, and authorized dealers, ensuring consistent and accessible communication.

Customer Complaint Management and Feedback Handling

The Company records all complaints in its CRM platform and assigns unique reference numbers for tracking and monitoring. It acknowledges complaints within 24 hours and prioritizes them based on severity to ensure timely resolution. The Company generally addresses critical concerns within 48 hours and resolves standard issues within 3-7 working days. It also conducts customer feedback surveys and post-resolution follow-ups to evaluate satisfaction levels and identify opportunities for continuous improvement.

Complaint Tracking and Resolution System

The Technical Services team manages all complaints received through CRM, IVRS, calls, emails, website platforms, or dealer networks, coordinating directly with customers to assess and resolve issues. Where possible, the team addresses concerns remotely through phone or email support. For cases requiring detailed evaluation, the team conducts site visits. The team escalates matters requiring further intervention to senior management through a structured framework for timely closure.

Grievance Redressal Mechanism

The Company maintains a robust grievance redressal mechanism to ensure fair and transparent resolutions. Depending on the nature of the concern, resolutions may include technical assistance, product replacement, or compensation. Regular analysis of complaint trends, capability-building initiatives, and process improvements strengthen the grievance management framework and improve customer service quality.

Customer Awareness and Service Reliability

The Company trains employees to identify potential service disruptions and support timely mitigation, maintaining the standard of uninterrupted customer service and long-term customer satisfaction.

Suppliers

Somany manages its supply chain through responsible sourcing, supplier engagement, and ESG-driven governance frameworks. The Company promotes ethical, transparent, and environmentally responsible procurement practices through its Supplier Code of Conduct, which defines key ESG expectations for vendors and business partners.

Supplier Selection and Evaluation

Somany evaluates its value chain partners on key sustainability, ethical, and operational parameters. These include health and safety practices, working conditions, environmental impact management, prevention of sexual harassment and workplace discrimination, prohibition of child and forced labor, and adherence to fair wage practices.

Promoting Responsible Sourcing

Somany promotes sustainable procurement by encouraging the use of alternative fuels, resource-efficient materials, and industrial waste such as granite and marble sludge, supporting circular economy principles and reducing environmental impact.

Supplier Engagement and Compliance

To strengthen ESG compliance across the value chain, the Company conducts regular communication and awareness programs on BRSR Core requirements, supplier code adherence, and responsible business practices. Somany also monitors and verifies compliance with regulatory, labor, and social security requirements while promoting workplace safety, ethical labor practices, and environmental responsibility throughout supplier operations.

Supply Chain Environmental Initiatives

- **Use of Alternative Fuels and Renewable Energy:** The Company advances cleaner energy adoption through renewable energy sources, third-party solar power procurement, and resource-efficient fuel alternatives.
- **Resource Efficiency and Material Optimization:** Somany focuses on responsible sourcing and circular economy practices by utilizing industrial waste and alternative raw materials such as granite and marble sludge.
- **Sustainable Manufacturing Initiatives:** At the Kadi plant, initiatives such as the replacement of agate pebbles with alumina pebbles, installation of inverters, and LED lighting upgrades have contributed to reduced energy consumption. Process optimization and material substitution initiatives at the Kassar plant further support waste minimization and resource conservation efforts.

Communities

Somany drives community engagement through focused CSR initiatives aligned with its CSR Policy and the provisions of the Companies Act, 2013. The Company supports programs across healthcare, sanitation and hygiene, education, skill development, environmental sustainability, and mental well-being.

Ensuring Accessible Healthcare

During 2025-26, Somany, in collaboration with HelpAge India, continued healthcare initiatives through Mobile Healthcare Units across Tirupati, Morbi, and Mehsana. These enhanced access to primary healthcare services for underserved communities through medical consultations, diagnostic support, hygiene and nutrition awareness sessions, and referral services. The program also strengthened preventive healthcare outreach and supported continuity of care through regular community engagement activities.

Swachh Bharat – Sanitation and Hygiene Initiative

The Company partnered with Third Planet to implement sanitation and hygiene programs in the Jhajjar district of Haryana between December 2025 and March 2026. The initiative focused on improving access to sanitation infrastructure, promoting hygiene awareness, and encouraging safe sanitation practices through community participation.

Education and Skill Development Programs

Through education and livelihood initiatives in Tirupati and Mehsana, Somany supported vocational training and employability programs in collaboration with Third Planet. The initiative focused on skill development, assessments, certification, and placement support to improve livelihood opportunities for youth and women.

Environmental Sustainability and Farmer Support

The Company initiated fruit tree plantation programs for small and marginal farmers in the Alwar and Jaipur regions of Rajasthan. The initiative aimed to improve water availability, encourage sustainable agricultural practices, and expand livelihood opportunities while contributing to biodiversity conservation and climate resilience.

Supporting Education Infrastructure

The Company also contributed to infrastructure improvements at Virmani Public School in New Delhi and the HOPE School building in Jalalabad, Uttar Pradesh. The Company undertook these projects to improve learning environments and support access to quality education in underserved communities.

SAARTHAK – Mental Well-being Initiative

Under the SAARTHAK initiative, Somany supported community-based mental health programs focused on elderly populations across Andhra Pradesh, Telangana, Gujarat, and Haryana. The initiative promoted mental health awareness, early identification of mental health concerns, counseling support, and capacity building for caregivers and frontline workers, helping strengthen community-level mental healthcare support systems.

HL Somany Architecture Excellence Scholarship

During 2025-26, the Company launched the Shri HL Somany Architecture Excellence Scholarship to support meritorious and economically disadvantaged students pursuing architectural education across institutions in Mumbai and Kerala.

Governance

STRONG GOVERNANCE. SUSTAINABLE GROWTH.

Corporate governance is central to how Somany conducts its business, creating long-term value while upholding transparency and ethical conduct. An experienced and independent Board leads the Company, providing strategic direction and ensuring accountability across operations. Sound internal controls, compliance mechanisms, and a Code of Conduct guide responsible decision-making at every level.

Code of Conduct

Somany maintains a Code of Conduct built on ethical and responsible governance. All Board members and senior management annually affirm their compliance in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. A declaration signed by the Managing Director & CEO is included in this Report.

The Company ensures regulatory alignment through comprehensive compliance documentation, periodic leadership reviews, and a multi-modal training framework focused on ethical conduct and POSH. A structured grievance redressal mechanism enables stakeholders to raise and resolve concerns effectively.

Strong Governance Practices

The Company's governance framework promotes trust, accountability, and long-term value creation for employees, customers, suppliers, regulators, investors, and society. Somany believes that governance grounded in fairness, transparency, and integrity is essential to sustainable growth.

Board Functions

The Board of Directors guides the Company's strategic direction and long-term vision. It is responsible for defining the Company's core principles and objectives, formulating plans for sustainable growth, and setting clear expectations for ethical conduct across the Company. The Board also ensures compliance with laws and regulations and promotes transparency by keeping stakeholders informed about key developments, progress, and performance.

Strict Adherence to Ethical Practices

Somany promotes ethical conduct across all areas of business operations. The Company's governance framework comprises well-defined systems, policies, and processes designed to build trust, ensure transparency, and enhance accountability. These practices support a culture of integrity, encouraging responsible decision-making and consistent adherence to ethical standards. Through this approach, the Company aligns its operations with the principles of corporate responsibility and responsible business conduct.

Governance Initiatives

Inclusive Workplace and Workforce Management

Somany builds an inclusive, equitable, and responsible workplace. The Company's governance framework is supported by policies that promote transparency, accountability, and ethical behavior. Its governance policies and initiatives include:

- Employee Well-being Policy
- Human Rights Policy
- Board Diversity Policy
- Code for Insider Trading Policy
- Environmental Policy
- Related Party Transactions Policy
- Supplier Code of Conduct Policy
- Cybersecurity Policy
- Product Lifecycle Sustainability and Safety Policy
- Ethics Transparency and Accountability Policy
- Risk Management Policy

- Policy for Determining Materiality of Events
- Corporate Social Responsibility Policy
- Whistle Blower Policy
- Policy on Material Subsidiary
- Records and Archive Management Policy
- Dividend Distribution Policy
- Policy on Customer and Consumer Value
- Policy on Inclusive Growth and Equitable Development
- Policy on Responsibility toward Stakeholders
- Code of Practices and Procedures for UPSI
- Nomination and Remuneration Policy
- Policy on Advocacy

Ethics, Transparency, and Accountability

Somany upholds high standards of integrity and ethical conduct through its Ethics Policy, which promotes transparency in operations and strict adherence to anti-corruption principles. Anonymous reporting channels and confidentiality measures help protect complainants and strengthen organizational trust and accountability.

Business Continuity and Risk Management

The Company has established a robust Business Continuity and Disaster Management framework under the oversight of the Risk Management Committee. Location-specific emergency preparedness plans address incidents such as fire, gas leakage, and natural disasters, enabling business continuity, employee safety, and timely recovery during disruptions.

Policy Alignment and Stakeholder Accountability

The Company's governance practices align with the National Guidelines on Responsible Business Conduct (NGRBC), with policy principles extending across its value chain, including suppliers and business partners. Somany regularly engages with stakeholders through surveys, meetings, and communication platforms to ensure transparency, responsiveness, and continuous dialogue on key concerns and expectations.

Legal and Compliance Functions

The Secretarial & Legal Department ensure compliance with statutory and regulatory requirements, facilitating Board and Committee meetings, maintaining statutory records, and implementing governance decisions. During the year, Somany completed key secretarial compliances, including stock exchange filings, ROC submissions, and annual reporting within prescribed timelines.

Shareholder Grievance Redressal

Somany has established a structured grievance redressal mechanism for shareholders through a SEBI-registered Registrar and Transfer Agent (RTA), ensuring efficient resolution of investor-related queries, requests, and concerns.

Compliance Monitoring System

A digital compliance tracking system supports adherence to regulatory requirements through clearly defined responsibilities, timelines, and monitoring mechanisms. Regular compliance reviews and internal audits further strengthen governance and continuous improvement across the Company.

Governance Committees

Somany has constituted various Board-level committees in line with statutory requirements and established governance practices. Each committee operates under a clearly defined charter, with specific roles and responsibilities that support the Company's strategic direction, ethical standards, and regulatory compliance.

Audit Committee

The Audit Committee oversees the integrity of the Company's financial reporting process. It reviews internal and external audit findings, evaluates the effectiveness of internal controls, and ensures the accuracy and transparency of financial statements.

Risk Management Committee

This Committee identifies, assesses and mitigates risks associated with the Company's operations. It formulates and monitors the risk management framework, ensuring proactive risk mitigation, business continuity planning, and resilience against emerging challenges.

Stakeholders' Relationship Committee

The Committee focuses on addressing the concerns and grievances of shareholders, investors, and other stakeholders. It ensures timely communication, effective redressal mechanisms, and compliance with investor-related regulatory requirements.

Nomination and Remuneration Committee

This Committee oversees the identification, recommendation, and appointment of directors and senior management personnel. It also formulates the remuneration policy, ensuring a fair, transparent, and performance-linked compensation structure aligned with the Company's long-term goals.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee provides strategic direction to the Company's social responsibility initiatives. It ensures compliance with CSR regulations, monitors project implementation, and reviews and recommends the annual CSR action plan to the Board.

Values and Ethics

The Company upholds high standards of ethical conduct and transparency across all its operations. A formal Code of Conduct governs Directors and Senior Management, who affirm their compliance annually. The Company has also adopted an Ethics, Transparency, and Accountability Policy that strictly prohibits bribery and corruption and applies to all individuals associated with its business.

The Company has also implemented a Whistleblower Mechanism through which stakeholders can report concerns in a secure and confidential manner. During the reporting period, the Company received no complaints related to unethical conduct, bribery, or corruption, reflecting the strength of its integrity-driven culture.

Statutory and Regulatory Compliance

Somany operates within a structured framework of economic, environmental, and social regulations, supported by a compliance management system. This system ensures adherence to existing laws and standards while monitoring emerging regulations to keep the Company aligned with changing regulatory and industry expectations.

Ethical and transparent governance lies at the core of Somany's business philosophy. Guided by an experienced Board of Directors, the Company upholds high standards of professionalism, integrity, and accountability across its operations. This leadership enables informed decision-making, effective risk management, and responsible growth, ensuring that the interests of Somany and its stakeholders are well protected.

Data Privacy and Security

Somany treats cyber security and data privacy as integral to its digital governance framework. The Company has implemented a comprehensive Cyber Security Policy underpinned by an ISO 27001:2013 certified framework to strengthen the protection of IT systems, digital infrastructure, and sensitive information. This framework enables continuous monitoring, risk mitigation, and secure business operations while supporting regulatory compliance.

Data Security Initiatives

The Company strengthens digital security, ensures business continuity, and protects customer and employee data through ongoing system upgrades, risk assessments, and technology-driven safeguards.

Disaster Recovery and Business Continuity

During the year, the Company conducted a Disaster Recovery (DR) drill for critical business applications, including SAP systems, to evaluate system resilience, data integrity, and recovery preparedness. The exercise affirmed the Company's ability to respond effectively to potential disruptions.

Employee Awareness and Security Measures

Somany promotes cyber security awareness through regular communication initiatives such as email campaigns, wallpapers, screen savers, and induction-level training programs for new employees. The Company has also implemented advanced security measures, including third-party Security Operations Centers (SOC), cloud-based platforms such as Azure and SaaS solutions, anti-virus protection systems, and USB access restrictions to minimize the risk of unauthorized access and data breaches.

Compliance and Data Privacy

The Company is undertaking detailed IT security assessments and plans to refine policies based on the findings to strengthen its data protection framework. These initiatives support consistent improvement in safeguarding customer and employee information while maintaining alignment with changing regulatory and cyber security requirements.

Board of Directors

GUIDED BY EXPERIENCE. GOVERNED BY INTEGRITY.

Mr. Shreekant Somany

Chairman & Managing Director

Mr. Shreekant Somany has demonstrated exemplary leadership in establishing Somany Ceramics Limited as a prominent household name in India and abroad. Under his astute guidance, the Company has emerged as a leading manufacturer of tiles, sanitaryware, and bath fittings. He pioneered the revolutionary 'VC Shield' technology, significantly enhancing product durability and making Somany the first Indian ceramic tile company to secure a patent under the Indian Patent Act.

His exceptional technical expertise has earned him recognition from prestigious institutions, including the American Ceramic Society, where he received the Corporate Technical Achievement Award. He has contributed extensively to industry bodies, holding esteemed positions such as Founder and Past Chairman of the Confederation of Construction Products and Services (CCPS), Past Chairman of the Indian Council for Ceramic Tiles and Sanitaryware (ICCTAS), and Past Chairman of the Confederation of Indian Industry (CII), Northern Region.

Additionally, he has served as the Past President of the Indian Ceramic Society and is an active member of the CII National Council. He also served as Chairman of the CII National SME Council and currently chairs the CII Centre for Excellence for Competitiveness for SMEs. Under his visionary leadership, Somany Ceramics has continued to excel, driven by innovation and a commitment to excellence.

Mr. Abhishek Somany

Managing Director & CEO

Mr. Abhishek Somany, a third-generation entrepreneur, currently leads Somany Ceramics as Managing Director & CEO, driving the Company's growth and success. He brings with him extensive industry experience, having undergone professional training at Kanoria Chemicals in Uttar Pradesh and Pilkington Tiles in the UK between 1993-1995.

Joining Somany in 1995, he steadily rose through the ranks from Management Trainee to President – Domestic Marketing, before assuming the role of Executive Director and later Managing Director. In his current role, he oversees the Company's day-to-day operations and contributes actively to strategic areas such as product design, sales, and marketing.

He is also deeply involved in the Company's CSR initiatives. Under his leadership, Somany has earned several prestigious awards and global recognition. His exceptional contributions were recognized with his induction into the Power Brand Hall of Fame as a Corporate Leader of the Ceramics Industry (2011-12). His leadership has consistently positioned Somany Ceramics at the forefront of the industry.

Mr. Rameshwar Singh Thakur

Independent Director

Mr. Rameshwar Singh Thakur is a seasoned professional with over 50 years of experience in business planning, product pricing, plant accounts, treasury, taxation, and international business development. He holds a BE degree in Mechanical Engineering, an MBA from XLRI, and is a graduate of the Chartered Institute of Management Accountants (London).

Mr. Thakur is widely recognized for his ability to successfully turn around companies as a CEO. With a sharp strategic mindset and a proven track record, he has revitalized struggling organizations and driven them toward sustainable growth.

His vast expertise, practical insights, and fresh perspective bring significant value to the Board. His contributions in business expansion and international growth have left a lasting impact on the organizations he has served. He continues to inspire with his professionalism, innovation, and dedication to achieving outstanding results.

Mr. Vineet Agarwal

Independent Director

Mr. Vineet Agarwal is the Managing Director of Transport Corporation of India Ltd. (TCI), a US$1.5 billion diversified logistics group delivering integrated supply chain solutions. Under his leadership, TCI enables the movement of cargo equivalent to 2% of India's GDP by value annually, playing a vital role in strengthening the nation's economic infrastructure.

He currently serves as the Vice President of the All India Management Association (AIMA) and on the boards of SRF Ltd., Somany Ceramics Ltd. and the Indian Institute of Health and Management Research (IIHMR).

A well-respected industry leader, Mr. Agarwal has held several prominent leadership positions, including President of ASSOCHAM, National President of the Young Leaders' Council at AIMA, Director on the Global Board of the Young Presidents' Organization (YPO), Board Member of the National Skills Development Corporation (NSDC), and Member of the National Start-up Advisory Council.

Through TCI Foundation, he actively contributes to spreading awareness and driving initiatives in healthcare, environment, skill development, and safety.

Mr. Agarwal holds a Bachelor of Science degree from Carnegie Mellon University and is an alumnus of the Owner/President Management Program at Harvard Business School.

Mr. Ghanshyam Girdharbhai Trivedi

Non-Executive Non-Independent Director

Mr. Ghanshyam Girdharbhai Trivedi is an eminent professional with over 51 years of experience in the ceramics, glass and sanitaryware industry. He holds degrees in M.Sc. and LL.B. and is an Associate Member of The Institute of Cost Accountants of India (ICMAI).

Mr. Trivedi has devoted more than three decades to the ceramics and sanitaryware industry and possesses extensive experience in manufacturing, operations, industry affairs and strategic management. He is the former President of the All-India Pottery Manufacturers' Association (AIPMA) and is a member of the Institute of Directors (IOD). He is also associated with various industry and professional bodies, including the All-India Management Association (AIMA).

His contribution to the industry is reflected through his association with advisory and professional bodies, including his role as a member of the Advisory Committee of the Central Glass and Ceramic Research Institute (CGCRI), Ahmedabad. Mr. Trivedi has actively participated in several national and international conferences and has presented research papers on subjects relevant to the ceramics and sanitaryware industry.

Mr. Trivedi has been associated with the Company since 1987 and continues to contribute significantly through his rich industry knowledge, leadership experience and strategic guidance.

Mr. Manit Rastogi

Independent Director

Mr. Manit Rastogi is an internationally renowned architect and the Founding Partner of Morphogenesis, one of the largest architectural firms in India. A winner of over 250 prestigious awards, he is also a prolific author with numerous publications and journals to his credit.

He is a Fellow of the Indian Institute of Architects, Fellow of the Royal Society of Arts, and a Chartered Member of the Royal Institute of British Architects. For over a decade, his firm has been consistently ranked among the top 100 architectural firms globally.

Mr. Rastogi has worked across diverse sectors including urban design, landscape architecture, interior design, art, and sculpture. His portfolio includes commercial buildings, residential complexes, smart cities, institutional projects, and hotels across India, Bhutan, South Africa, Nepal, Bangladesh, UAE, Sri Lanka, and Afghanistan.

He is a leading speaker on sustainable design, having lectured at numerous reputed universities and conferences worldwide. He is also a founder member of the GRIHA Council, India's premier green rating system, and actively collaborates with urban policymakers to promote environmental sensitivity and socio-cultural sustainability.

Mr. Zubair Ahmed

Independent Director

Mr. Zubair Ahmed is a senior business leader with over 40 years of experience in managing businesses across Asia, the Middle East, and Africa. He began his career with Unilever International in the Middle East Operations.

After 15 years with Unilever across multiple countries, he joined Gillette India Limited as Managing Director and later moved to GSK Consumer Healthcare India Limited as Managing Director. In 2015, he relocated to Singapore as Head of GSK Consumer Healthcare businesses across Asia, the Middle East, and Africa, and subsequently became Chairman of GSK Consumer Health Care India.

Post his retirement in 2018, Mr. Ahmed has been working as an advisor to leading private equity firms and consumer companies in India. He is known for building strategic growth plans that unlock long-term value through deep understanding of markets, organizational structures, culture, and competition.

In addition, he serves as an Independent Director on the Board of Shree Cement Limited.

Ms. Rumjhum Chatterjee

Independent Director

Ms. Rumjhum Chatterjee is a prominent leader in the infrastructure sector, widely recognized for her strategic leadership and deep commitment to human capital management. She co-founded the InfraVision Foundation and played an important role in establishing Feedback Infra Group, where she served as Group Managing Director until 2021.

She was named among the '20 Most Talented HR Leaders in India' by the World HRD Congress in 2013 and was recognized as a global trailblazer in advocacy for women's empowerment. Ms. Chatterjee created history by becoming the first woman Chairperson of the CII Northern Regional Council (2016-17), overseeing operations across nine states. She also served as Chairperson of the CII Women Exemplary Program (2015-17) and continues to contribute as a member of the Selection Committee.

Her advocacy for women's causes extends to national platforms, where she has represented industry perspectives before Indian Parliamentarians and engaged in high-level policy discussions on empowerment.

She brings a wealth of experience to the boards of Somany Ceramics Limited and C&S Electric Limited as an Independent Director. She is also a pivotal voice in governance as a member of the Governing Body of HelpAge India and its Vice Chairperson.

She also serves as Chairperson of the Feedback Foundation, demonstrating her holistic approach to social impact.

Ms. Chatterjee is associated with several other social initiatives including mentoring for girls and preparing them for careers, school education programmes etc. She has also served on the Board of Blue Star Limited as an Independent Director.

With an academic background in Psychology from Calcutta University, she blends scholarly knowledge with hands-on leadership to drive meaningful change in the infrastructure and social sectors.

Committee/Board	Attendance	Members	Meetings
Board	**93.75%**	8	4
Audit Committee	**93.75%**	4	4
Nomination and Remuneration Committee	**93.75%**	4	4
Stakeholders' Relationship Committee	**87.5%**	4	2
Corporate Social Responsibility Committee	**75%**	4	4
Company Administrative Committee	**100%**	4	1
Risk Management Committee	**80%**	5	2

Awards and Recognitions

MERIT RECOGNIZED. TRUST EARNED.

The Company received the following recognitions during the year.

1

Great Place to Work

2

SuperBrand for VC Shield Technology

3

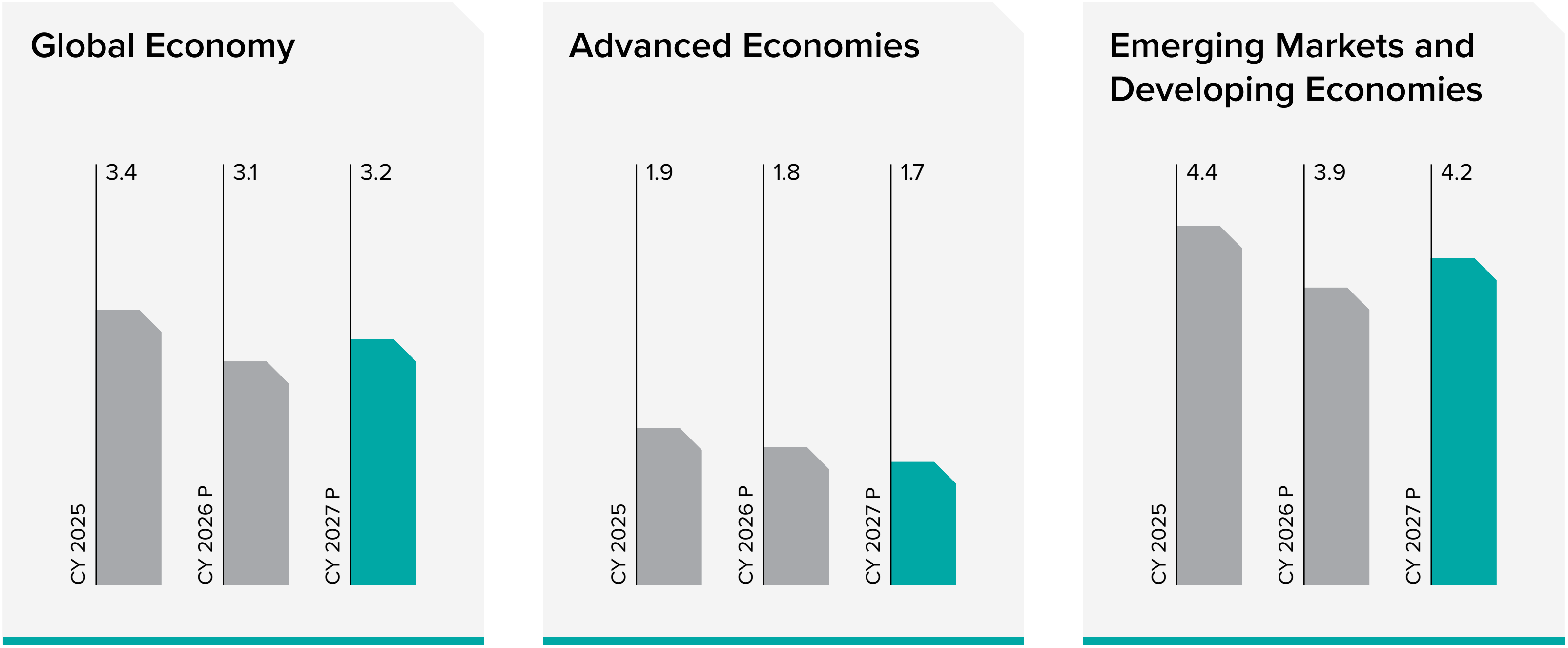
SuperBrand for Somany Faucets

Management Discussion & Analysis

GLOBAL ECONOMY

In CY 2025, the global economy continued to grow at a moderate and steady pace, despite ongoing geopolitical tensions and trade-related uncertainties. The World Economic Outlook Update (April 2026) released by the International Monetary Fund estimated global output growth at approximately 3.1% in CY 2026, reflecting resilient economic performance across key regions.

GDP Growth Projections (in %)



P: Projected

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

However, this resilience is increasingly being tested in CY 2026. Global economic conditions have weakened as geopolitical tensions continue to disrupt the fragile post-pandemic recovery. Conflicts such as the Russia-Ukraine war and the ongoing instability in West Asia have led to downward revisions in growth forecasts. These factors have also undermined trade routes, damaged infrastructure and weighed on investor confidence, leading to uncertainty across markets. Supply disruptions in key energy and agricultural regions have pushed up oil, gas and food prices, reigniting inflationary pressures worldwide.

In response, central banks, including the US Federal Reserve, the European Central Bank (ECB), and the Bank of England have maintained tighter monetary policies, keeping interest rates elevated, resulting in higher borrowing costs. This has moderated consumption and investment, dampening overall economic activity. At the same time, rising military expenditure and crisis response measures are straining public finances, especially in developing economies. Weak trade flows, cautious investment behavior and fiscal constraints are reinforcing these trends. Together, these factors are likely to weigh on both short-term stability and long-term global growth prospects.

(Source: https://www.tribuneindia.com/news/world/global-economy-faces-major-threat-amid-worsening-energy-crisis-iea-chief/)

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Performance of Major Economies

The United States

The United States' economy grew by 2.1% in CY 2025. Looking ahead, growth is projected to improve marginally to 2.3% in CY 2026, before further declining to 2.1% in CY 2027.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Euro Area

After expanding at 1.4% in CY 2025, the Euro Area economy is showing signs of deceleration. Growth is projected to decline to 1.1% in CY 2026 and then grow marginally, reaching 1.2% in CY 2027.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

China

China's economy registered a growth rate of 5.0% in CY 2025. However, projections suggest a measured deceleration, with growth expected to moderate to 4.4% in CY 2026 and further to 4.0% in CY 2027.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Germany

The real GDP of the German economy in CY 2025 showed a growth rate of 0.2%.

However, it is expected to see a rebound in CY 2026, with a projected growth rate of 0.8%. Looking ahead to CY 2027, the economy is anticipated to experience a stronger recovery, with a projected growth rate of 1.2%.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

The UK

The UK economy recorded a modest growth rate of 1.3% in CY 2025. It is projected to decline to 0.8% in CY 2026, followed by a recovery of 1.3% in CY 2027.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Outlook

Building on these near-term pressures, global outlook remains tilted to the downside amid multiple risks and structural vulnerabilities. Elevated public debt, widening fiscal deficits and tighter financial conditions are heightening the risk of market instability, particularly in emerging and developing economies.

At the same time, financial system fragilities, including rising leverage and increased exposure to non-banking institutions, continue to add uncertainty. Volatile capital flows and higher borrowing costs further constrain growth prospects. While technological advancements and potential structural reforms offer some upside, their impact remains uncertain and uneven.

Overall, the trajectory of the global economy will depend on the evolution of geopolitical tensions and how effectively policymakers manage trade-offs between inflation control, financial stability and growth.

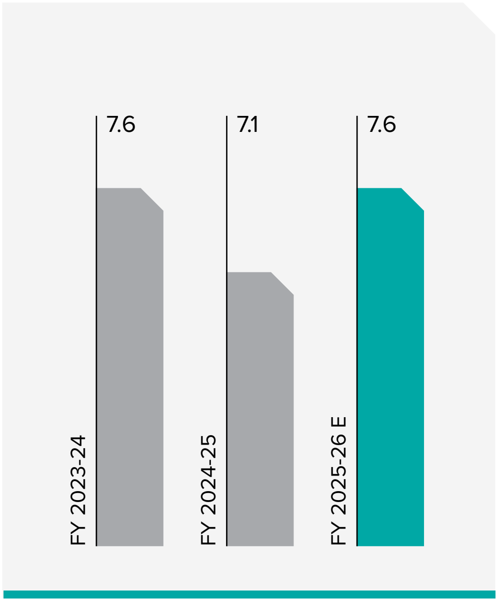
(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

INDIAN ECONOMY

India's economic trajectory in FY 2025-26 reflected sustained growth supported by strong domestic fundamentals and prudent policy management. As per the Second Advance Estimates released by the National Statistics Office (NSO) in February 2026, real GDP was projected to grow by 7.6% during the year. This underscored the resilience of domestic demand and the structural strength of the economy.

Despite a challenging global environment marked by trade frictions and geopolitical tensions, the Indian economy remained stable. Inflation was largely contained, supported by improving labor market dynamics and stronger financial sector buffers. Combined fiscal and monetary measures further reinforced macroeconomic stability, sustaining growth momentum.

GDP Growth Projections (in %)



E: Estimated

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2233792&reg=3&lang=1)

The Indian Government has reaffirmed its commitment to infrastructure-led economic development, creating a conducive environment for the real estate sector. This continued focus on infrastructure, manufacturing, urban development and tourism is expected to generate momentum across residential, commercial, industrial and hospitality real estate segments.

Building on this direction, the ongoing expansion of public capital expenditure continues to support the sector positively. Infrastructure outlay has increased to ₹12.2 Lakh Crores in FY 2026-27 from ₹11.2 Lakh Crores in FY 2025-26. Sustained investments in transportation networks and urban infrastructure are likely to unlock new real estate growth corridors, particularly beyond established metropolitan markets. The targeted focus on Tier-2 and Tier-3 cities with populations exceeding 5 Lakhs recognises their rising economic relevance and is expected to stimulate incremental demand across diverse real estate asset classes in these emerging centers.

Crucially, this infrastructure momentum coincides with a benign inflationary environment, with Consumer Price Index (CPI) at 3.48% in 2025-26. The moderation in price pressures preserve household purchasing power and support favorable financing conditions, thereby reinforcing end-user confidence. In combination with infrastructure-led improvements in connectivity and livability, stable inflation is expected to underpin steady absorption across the market, sustaining broader real estate momentum while maintaining macroeconomic balance.

In this context, the Economic Survey 2025-26 highlights the growing centrality of urban India. Cities are recognized as core economic engines, driving a significant share of national output. By 2030, over 40% of India's population is expected to reside in urban areas, contributing nearly 70% of GDP. This structural shift highlights the importance of sustained urban planning, infrastructure expansion and coordinated policy support in shaping the next phase of real estate growth.

(Source: https://kpmg.com/in/en/blogs/2026/02/union-budget-2026-27-infrastructure-led-growth-to-strengthen-real-estate-sector-outlook.html)

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2260251&reg=3&lang=1)

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219926#:~:text=Nirmala%20Sitharaman.-,Economic%20Survey%202025%2D26%20underlined%20that%20India%20is%20already%20deeply,frameworks%20with%20India's%20development%20trajectory.)

Outlook

India's economic outlook remains optimistic, supported by strong macroeconomic fundamentals and sustained growth momentum. The medium-term trajectory continues to be robust, with the Reserve Bank of India projecting real GDP growth for FY 2026-27 at approximately 6.9%. While this marks a moderation from previous years amid geopolitical tensions and energy supply risks, it underscores the economy's inherent resilience in an increasingly uncertain global environment.

In this context, India currently ranks as the world's sixth-largest economy in nominal terms, following recent currency movements and GDP data recalibrations that have positioned it behind the United Kingdom and Japan. Even so, its status as the fastest-growing-major economy reinforces confidence in its long-term trajectory, with IMF projections indicating a steady strengthening of its global standing as domestic growth drivers remain intact.

Looking ahead, sustaining this momentum will depend on the pace and effectiveness of structural reforms aimed at enhancing productivity, improving competitiveness, and deepening economic resilience. Continued focus on these areas will be crucial for India to consolidate its gains and progress toward securing a place among the world's top three economies by the end of the decade.

(Source: https://bfsi.economictimes.indiatimes.com/articles/rbi-forecasts-69-gdp-growth-for-fy27-amid-geopolitical-tensions/130104460)

CERAMIC TILES INDUSTRY

Global Market Size

The global ceramic tiles market, which was valued at USD 226.41 billion in CY 2025, is projected to reach USD 380.61 billion by CY 2033, registering a CAGR of 6.6% from CY 2026 to CY 2033.

Regionally, Asia-Pacific accounted for the largest revenue share of 68.9% in CY 2025, underscoring its position as the dominant market for ceramic tiles. Major economies such as China, India, and Japan continue to drive demand, supported by significant activity in residential, commercial, and industrial developments. In addition, a growing middle-class population, improving disposable incomes, and sustained infrastructure investments are further strengthening consumption across the region. Consequently, Asia-Pacific is expected to remain the primary growth engine of the global ceramic tiles market over the forecast period.

(Source: https://www.grandviewresearch.com/industry-analysis/ceramic-tiles-market)

Indian Market Size

India's tiles market is projected to grow from approximately ₹53,000 Crores in FY 2025-26 to ₹76,900 Crores by FY 2028-29. This expansion reflects a broader alignment of strong domestic demand, rising urbanization, and continued investments in housing and infrastructure.

(Sources: https://economictimes.indiatimes.com/industry/indl-goods/svs/paper-/-wood-/-glass/-plastic/-marbles/west-asia-war-to-dent-indias-ceramic-tile-revenue-by-12/articleshow/129652334.cms?from=mdr

https://www.tradejini.com/blogs/indias-ceramic-and-tiles-market-future-and-opportunities)

Over the past two years, the Indian ceramic tile industry has further strengthened its global position. It has emerged as the world's second-largest manufacturer, consumer, and exporter after China. However, the growth mix is gradually evolving, with exports facing headwinds due to anti-dumping duties in key markets such as Saudi Arabia, Qatar, and Taiwan. As a result, manufacturers are increasingly recalibrating their focus toward domestic housing, commercial real estate, and infrastructure projects, where demand visibility remains strong.

Growth Drivers

1

Urbanization and Infrastructure Expansion

Rapid urbanization continues to be a key structural force shaping global demographics. The United Nations Population Division projects the world's population to reach around 9.5 billion by 2050. At the same time, the urban population is expected to approach 5 billion by 2030, with urbanization in regions like Asia-Pacific already exceeding the 50% mark. This shift is accelerating construction across residential and commercial sectors, supported by sustained urban infrastructure investments. This, in turn, is driving demand for durable and high-quality flooring solutions such as ceramic tiles.

(Source: https://www.kenresearch.com/industry-reports/global-tiles-market)

2

Industrial Ecosystem Development and Manufacturing Hubs

Infrastructure developments such as the Gujarat Industrial Development Corporation (GIDC) Ceramic Park at Jambudiya-Paneli, spanning over 1,000 acres, are reinforcing India's position as a global ceramic manufacturing hub. Such initiatives enhance production efficiency, logistics integration, and global competitiveness, particularly in the Morbi-Rajkot belt.

(Source: https://www.awazthevoice.in/india-news/morbi-industrial-park-fuels-india-s-ceramic-industry-46983.html)

3

Shifting Consumer Preferences toward Aesthetic Living Spaces

Evolving consumer lifestyles and rising disposable incomes are driving demand for visually refined living spaces. Residential applications remain the primary contributor to tile consumption. Higher spending on home improvement and renovation stems from a growing focus on design, comfort, and modern interiors.

4

Digitalization and Growth of Online Distribution Channels

The rapid expansion of online retail and digital distribution channels is reshaping the market scenario. Direct-to-consumer models are improving accessibility and reach, while also increasing pricing transparency and exerting pressure on traditional distributor margins.

5

Expansion of Design Versatility and Application Scope

The convergence of functionality and aesthetics has significantly broadened the application scope of ceramic tiles. With a wide range of textures, finishes, and formats available, tiles are increasingly used across residential, commercial, and public infrastructure projects, supporting both contemporary and traditional architectural styles.

6

Premiumization and Shift toward Large-Format Surfaces

The market is witnessing a steady shift toward large-format porcelain slabs and premium vitrified tiles, driven by consumer preference for seamless aesthetics and contemporary design. This trend is increasing value realization and expanding the premium segment within the industry.

7

Technological Advancements in Tile Manufacturing

Advancements such as enhanced glazing technologies are transforming the industry by enabling high-quality, customized designs at scale. These technologies allow manufacturers to produce tiles with intricate patterns and finishes, including realistic replicas of wood, stone, and concrete, while improving production efficiency.

8

Sustainability and Circular Manufacturing

A growing focus on sustainability is influencing industry practices. Manufacturers are adopting recycled materials, energy-efficient production processes, and circular approaches such as reuse of manufacturing waste. These initiatives reflect a broader shift toward sustainable and responsible growth beyond regulatory compliance.

SANITARYWARE AND BATH FITTINGS MARKET

Global Market Size

The global sanitaryware market is poised for steady expansion. It is expected to grow from USD 57.62 billion in CY 2025 to USD 61.27 billion in CY 2026. The market is further projected to reach USD 83.35 billion by CY 2031, reflecting a CAGR of 6.34% over CY 2026 to CY 2031.

Regionally, the Middle East and Africa are emerging as high-growth markets, underpinned by approximately USD 1.5 trillion in mega infrastructure and urban development projects. Asia-Pacific continues to command the largest share of global demand, supported by large-scale housing construction and renovation cycles.

In mature markets such as the United States and Western Europe, aging housing stock is fueling renovation-led demand. Homeowners are prioritizing performance upgrades, universal design features, and energy-efficient retrofits over new builds. This momentum is helping stabilize revenue streams amid cyclical fluctuations in new construction.

(Source: https://www.mordorintelligence.com/industry-reports/sanitaryware-market)

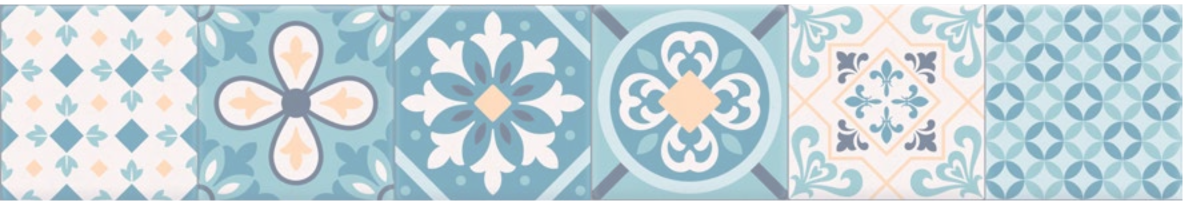
Indian Market Size

The Indian sanitaryware industry market was valued at USD 948.5 million in FY 2024-25, expanding at a CAGR of 7.9% between FY 2023-24 and FY 2028-30.

Within this landscape, the faucets segment is also expected to witness steady expansion. The India faucets market is estimated at USD 1.89 billion in FY 2025-26, rising from USD 1.76 billion in FY 2024-25. It is further projected to reach USD 2.66 billion by CY 2031, reflecting a CAGR of 7.12% over FY 2026-2031.

(Sources: https://www.news18.com/business/budget-2025-sanitaryware-players-seek-duty-rationalisation-boost-to-sustainable-practices-9208170.html)

(Source: https://www.mordorintelligence.com/industry-reports/india-faucet-market)



Growth Drivers

1

Urbanization and Infrastructure Focus

The sanitaryware market is growing fast, fueled by rapid urbanization and the expansion of residential and commercial construction. A sustained shift toward premium bathroom solutions is also boosting the industry, driving both volume expansion and value growth.

2

Growth in Commercial and Institutional Applications

Demand from hotels, hospitals, and corporate spaces is strengthening, particularly in Tier-2 and Tier-3 cities. These commercial segments require durable, hygienic, and high-performance products, including touchless and stainless-steel fixtures. Over the medium term, commercial installations are expected to outpace residential replacement demand.

3

Modular Bathroom Adoption

Structural shifts in construction practices are accelerating the adoption of modular and prefabricated bathroom pods. These factory-built units integrate complete sanitaryware systems, improving quality consistency, minimizing on-site labor, and ensuring precision installation. As industrialized construction scales, manufacturers are aligning product designs with modular specifications and standardized formats.

4

Shift toward Premiumization

A growing preference for premium and luxury bathroom fittings is emerging, particularly among affluent consumers. Demand is rising for products that combine advanced functionality with design sophistication, supported by global trend exposure and accessible consumer financing. This trend aligns with growth in upscale real estate, further strengthening the premium segment.

5

Rising Focus on Water Efficiency, Hygiene and Wellness

Rising awareness of water conservation, hygiene, and wellness is reshaping product innovation. Regulatory tightening of flow-rate standards, combined with consumer preference for sustainable and convenient solutions, is accelerating demand for water-efficient and sensor-based fixtures. Technologies such as antimicrobial glazing, smart monitoring systems, and touchless features are gaining traction, especially in environments where lifecycle cost efficiency is critical.

6

Technological Innovation

Ongoing product innovation is enhancing differentiation within the industry. Manufacturers are incorporating IoT-enabled features, smart sanitaryware, and sensor-based systems into mainstream offerings. Premium smart products remain niche in terms of volume. However, they contribute significantly to margins and reflect the broader transition toward intelligent and connected bathroom ecosystems.

7

Digital Transformation

Digitalization is redefining the marketing and sales landscape for sanitaryware. Online platforms, augmented visualization tools, and direct-to-consumer models are reducing reliance on traditional showrooms. Brands are using e-commerce ecosystems, installation services, and data analytics to enhance customer engagement, improve inventory management, and expand market reach.

8

Regulatory Push for Efficiency

Rising water scarcity concerns are reinforcing demand for low-flow and water-efficient sanitary products. State-level incentives, evolving regulatory frameworks, and potential star-labeling systems are encouraging adoption. Builders and corporations are proactively installing efficient fixtures to meet sustainability targets and avoid future retrofit costs, particularly in water-stressed regions.

GOVERNMENT INITIATIVES FOR TILE AND BATH FITTINGS MARKET

City Economic Regions (CERs)

In the Union Budget 2026-27, the government unveiled City Economic Regions (CERs), designed to cluster multiple urban centers, including Tier-I and Tier-III cities as well as prominent temple towns, into integrated economic ecosystems. Each CER will receive dedicated infrastructure funding of ₹5,000 Crores over a five-year period, to strengthen connectivity, industrial linkages, and urban services.

This initiative aims to promote more balanced regional development by reducing pressure on metropolitan hubs. It is also expected to channel investments into emerging growth corridors. By enhancing infrastructure and economic integration across secondary cities, CERs are likely to unlock new residential and commercial real estate opportunities. This broadens housing demand beyond traditional metro markets.

(*Source: https://www.providenthousing.com/blog/signals-for-indias-housing-market-as-per-budget-2026-27/#:~:text=In%20the%20Union%20Budget%20 2026,beyond%20the%20usual%20metropolitan%20belts.*)

Pradhan Mantri Awas Yojana (Urban) 2.0

In the Union Budget for 2026-27, the government allocated ₹18,625.05 Crores to accelerate the expansion of the Pradhan Mantri Awas Yojana (Urban) 2.0 scheme. This enhanced outlay is intended to reinforce the delivery of affordable housing while sustaining the momentum of the government's mission to provide housing for all.

PMAY has played a pivotal role in addressing India's housing shortage across both urban and rural regions. Through its credit-linked subsidy component, the scheme reduces the effective interest burden on eligible beneficiaries, enabling greater access to formal housing finance. Beyond homeownership, the scheme also supports the development of basic civic amenities, thereby significantly improving living standards and promoting inclusive urban growth.

(*Source: https://www.moneycontrol.com/budget/budget-2026-cuts-pmay-urban-2-0-allocation-by-5-9-affordable-housing-may-take-a-hit-article-13784223.html*)

Infrastructure Risk Guarantee Fund

The introduction of a Partial Credit Guarantee for private developers, backed by a proposed Infrastructure Risk Guarantee Fund, is expected to serve as a significant risk-mitigation mechanism for lenders. By reducing perceived credit risk, the initiative aims to lower the cost of capital and facilitate greater funding flows into long-gestation and urban infrastructure projects.

Its core objective is to enhance confidence among private sector participants, particularly during the development and construction phases where project risks are typically higher. By improving credit assurance and easing financing constraints, the measure is likely to accelerate project execution and deepen private participation in infrastructure creation.

(Source: https://economictimes.indiatimes.com/news/economy/infrastructure/budget-2026-build-india-build-govt-assures-backing-for-infrastructure-developers-credit-guarantee/articleshow/127847209.cms?from=mdr)

Swachh Bharat Mission

India's nationwide sanitation push, spearheaded by initiatives such as the Swachh Bharat Mission, has placed hygiene and cleanliness at the center of public policy. This is particularly evident across underserved urban and rural regions. Large-scale construction of household toilets and community sanitation facilities has significantly expanded the base of basic bathroom infrastructure. These developments create sustained demand for tiles, sanitaryware, and bath fittings.

PROSPECTS IN TILE AND BATHWARE MARKET

Population Growth

1.48 billion
Estimated Population of India in CY 2026

1.7 billion
Estimated Population of India in CY 2064

(Source: https://www.worldometers.info/world-population/india-population/)

Urbanization

36%
Indian Population was Urban in CY 2025

55%
Indian Population that will be Urban in CY 2050

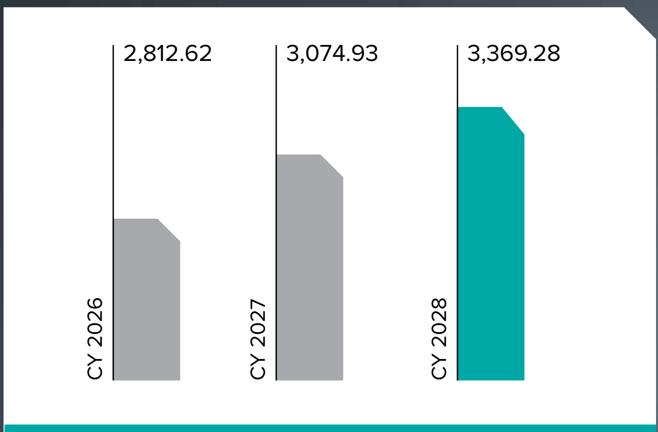
55%
World's Population Lives in Urban Areas

68%
Global Population that will be Urban in CY 2050

(Sources: https://www.newindianexpress.com/nation/2025/Dec/02/india-becomes-the-worlds-largest-contributor-to-urban-growth-says-un-report#:~:text=India%20alone%20will%20contribute%20well,expand%20despite%20granitic%20resource%20constraints.

https://www.un.org/uk/desa/68-world-population-projected-live-urban-areas-2050-says-un)

India's GDP Per Capita Income (in USD)



*Note: These numbers are estimated

(Source: https://www.statista.com/statistics/263776/gross-domestic-product-gdp-per-capita-in-india/?srsltid=AfmBOopnLGtEKIBHfc6UdK5BSj2YVRbKSqhbXpqtniAXUUvYFSzz-H8w)

Threats

Geopolitical Tensions and Supply Chain Disruptions

Increasing geopolitical tensions and evolving trade restrictions are creating uncertainty in global supply chains. Export-import dynamics are becoming more complex, affecting raw material sourcing and finished goods trade. These disruptions add to operational unpredictability and can limit market access for manufacturers dependent on international trade flows.

Rising Energy Costs and Input Costs Volatility

The industry is facing significant cost pressures due to a sharp increase in energy prices, particularly natural gas, which currently constitutes 25% to 30% of total production costs and serves as a key input in kiln-firing processes. Recent 2026 supply disruptions in West Asia and the abrupt shutdown of production by major exporters such as Qatar have led to a nearly 70% spike in spot LNG prices, resulting in a substantial increase in overall production costs.

(Source: https://ieefa.org/resources/war-opens-renewable-energy-pathway)

Shortage of Skilled Labor

Workforce preferences are shifting toward service and technology-oriented sectors, reducing the availability of skilled manufacturing labor and increasing wage costs. As a result, operational efficiency is declining, and maintaining production consistency is becoming more challenging.

Competitive Pressure from Low-cost Imports

Domestic manufacturers are facing intense competition from a growing influx of low-cost imports from countries like China and Vietnam. Despite the presence of anti-dumping measures, these players continue to strategically target Tier-2 and Tier-3 markets with competitive pricing, putting pressure on margins and market share of mid-sized domestic players.

INDIAN REAL ESTATE MARKET

India's real estate market is on a steady growth track, with its value projected to rise from USD 585.09 billion in CY 2026 to USD 926.56 billion by CY 2031, at a CAGR of 9.63%. By asset class, residential real estate accounted for 70.1% of the market in CY 2025, reinforcing its structural dominance. However, the commercial segment is expected to witness a CAGR of 10.79% through CY 2025-2031.

(Source: https://www.mordorintelligence.com/industry-reports/real-estate-industry-in-india)

Growth Drivers

1

Growth in Commercial Real Estate and Office Demand

The commercial real estate segment is witnessing strong momentum, driven by robust office absorption and increasing demand for Grade A workspaces. Expansion in industrial and logistics assets is further supporting growth, with warehousing and distribution centers seeing particularly strong traction. This is being fueled by rising e-commerce penetration, the growth of third-party logistics providers, and increasing export-oriented manufacturing activity.

2

Deepening Institutional Participation and Market Maturity

Institutional participation is playing a key role in enhancing market maturity and stability. Corporate leasing activity remains strong, while ownership through REIT structures continues to expand. The rapid expansion of Global Capability Centers across technology and business services hubs is improving long-term lease visibility. Listed REITs are further strengthening liquidity through portfolio expansion and access to additional debt.

3

Urbanization and Income-driven Residential Demand

Residential real estate demand remains supported by urbanization and rising income. With India's urban population expected to approach 600 million by 2030, housing demand is increasingly concentrated in employment-driven corridors and well-connected suburban areas. Buyer preferences continue to shift toward affordability, accessibility, and proximity to economic hubs.

(Source: https://www.linkedin.com/posts/citizen-consumer-and-civic-action-group_sdg11-act4sdgs-urbanfuture-activity-7374296280547655681-NJTJ)

COMPANY OVERVIEW

Somany Ceramics Limited (also referred to as 'Somany' or 'the Company') continues to elevate its position as a distinguished force in the global ceramics and bath solutions industry. Known for its focus on innovation and premium quality, the Company serves residential and commercial markets with a broad range of ceramic and vitrified tiles, sanitaryware, bath solutions and construction chemicals.

During FY 2025-26, Somany achieved a key strategic milestone with the conclusion of its joint venture with Durabuild Care Private Limited., marking its entry into the construction chemicals and waterproofing segment. This strategic foray is anchored in an IP-led approach, granting access to a wide portfolio of proprietary formulations and a clear pathway to progressively enhance ownership. The segment also offers a structurally stronger margin profile, reinforcing the Company's focus on improving its earnings mix.

The initial focus is on waterproofing solutions, spanning concrete admixtures used during construction, specialized applications for wet areas and crack-resistant wall solutions. By leveraging its established dealer ecosystem and expanding into hardware and paint channels, Somany is well-positioned to scale this vertical efficiently and capture a meaningful share of this high-growth market.

More broadly, the Company remains centered on profitable growth through calibrated improvement in product mix with emphasis on strengthening the GVT and Bathware segments. Supported by sustained government impetus in housing and infrastructure, Somany remains confident in the industry's long-term growth trajectory. It is well prepared to capitalize on emerging opportunities in the second half of the year and beyond.

Product Verticals

Ceramic Tiles

2
Manufacturing Facilities

22.37 msm p.a.
Manufacturing Capacity

Polished Vitrified Tiles

2
Manufacturing Facilities

8.04 msm p.a.
Manufacturing Capacity

Glazed Vitrified Tiles

4
Manufacturing Facilities

26.18 msm p.a.
Manufacturing Capacity

Bathware (Comprises Bath Fittings and Sanitaryware)

Morbi (Gujarat)
Sanitaryware Manufacturing Facility

0.48 million pieces p.a.
Sanitaryware Manufacturing Capacity

Derabassi (Punjab)
Bath Fittings Manufacturing Facility

1.3 million pieces p.a.
Bath Fittings Manufacturing Capacity

STANDALONE FINANCIAL REVIEW

In FY 2025-26, the Company recorded revenue from operations of ₹2,64,030 Lakhs, reflecting a growth of 2.8% compared to ₹2,56,942 Lakhs in the previous financial year. Other income stood at ₹2,697 Lakhs, contributing 9.1% to total revenues, reflecting Somany's continued strategic focus on its core business operations.

Somany's total expenses increased by 1.6% from ₹2,49,088 Lakhs in FY 2024-25 to ₹2,52,959 Lakhs in FY 2025-26, highlighting the Company's growth trajectory.

Material costs, including the purchase of traded goods, accounted for 65.7% of revenue. These costs increased by 2.1%, from ₹1,71,728 Lakhs in FY 2024-25 to ₹1,75,266 Lakhs in FY 2025-26. Over the year, Somany's employee expenses constituted 10.2% of revenue and rose by 4.1%, increasing from ₹26,198 Lakhs in FY 2024-25 to ₹27,261 Lakhs in FY 2025- 26. The Company's power and fuel costs increased by 9.1%, from ₹20,557 Lakhs in 2024-25 to ₹22,437 Lakhs in 2025- 26.

Analysis of the Balance Sheet

Sources of Funds

As of the year ending on 31 March, 2026, Somany's capital employed increased from ₹84,141 Lakhs in FY 2024-25 to ₹93,210 Lakhs in FY 2025-26. The Company's net worth, also increased from ₹80,028 Lakhs to ₹89,073 Lakhs during the same period. At the close of the fiscal year, the Company had 4,10,12,806 equity shares of ₹2/- each.

In addition, the Company has long-term debt of ₹960 Lakhs, representing long-term debt-equity ratio of 0.01 as of 31 March, 2026. Somany also saw an increment in finance costs from ₹756 Lakhs to ₹1,077 Lakhs in FY 2025-26.

Applications of Funds

The Company's gross block, including CWIP, rose by 11.9% from ₹74,841 Lakhs as of 31 March, 2025, to ₹83,773 Lakhs as of 31 March, 2026, primarily on account of capacity balancing equipment. Depreciation and amortization also increased by 17.5%, up from ₹5,312 Lakhs in FY 2024-25 to ₹6,243 Lakhs in FY 2025-26. The long-term loans & advances made by the Company decreased marginally by 0.1% from ₹5,346 Lakhs as of 31 March, 2025, to ₹5,341 Lakhs as of 31 March, 2026.

Investments

The Company's non-current investments grew from ₹32,558 Lakhs as of 31 March, 2025, to ₹38,096 Lakhs as of 31 March, 2026, primarily driven by investment in new subsidiary and existing subsidiaries.

Working Capital Management

As of 31 March, 2026, the Company's current assets increased by 0.1% to ₹65,788 Lakhs from ₹65,753 Lakhs in the previous year. Further, the inventory levels of the Company, which include raw materials, work-in-progress, and finished goods, increased by 12.0% from ₹19,089 Lakhs to ₹21,372 Lakhs in FY 2025-26. The inventory turnover cycle increased to 30 days in FY 2025-26 from 27 days in FY 2024-25. However, the Company's debtors' turnover cycle decreased from 51 days to 38 days, with debtors of ₹27,003 Lakhs in FY 2025-26 compared to ₹35,628 Lakhs in FY 2024-25. On the other hand, the current loans and advances made by the Company remained NIL as of 31 March, 2025 and 31 March, 2026.

Margins

The Company's EBITDA margin increased by 160 basis points, from 5.4% in FY 2024-25 to 7.0% in FY 2025-26. Similarly, the net profit margin also increased by 50 basis points, rising from 3.3% in FY 2024-25 to 3.8% in FY 2025-26.

Key Numbers

Particulars	FY 2025-26	FY 2024-25
Debtors' Cycle (Days)	38	51
Inventory Cycle (Days)	30	27
Interest Coverage Ratio (x)	13.79	14.66
Current Ratio (x)	1.19	1.09
EBITDA/Turnover (%)	7.0	5.4
Debt-Equity Ratio (x)	0.02	0.02
Net Profit Margin (%)	3.8	3.3
Return on Net Worth (%)	11.7	11.2
Book Value per Share (₹)	217.18	195.15
Earnings per Share (₹) (Basic)	24.16	20.89

CONSOLIDATED FINANCIAL REVIEW

In FY 2025-26, Somany recorded a growth in revenue from operations of 4.9%, reaching ₹2,78,984 Lakhs, up from ₹2,65,877 Lakhs in FY 2024-25. Other income stood at ₹1,132 Lakhs, contributing 0.4% to the overall revenue mix, further underlining the Company's strategic focus on strengthening its principal lines of business.

The Company's total expenses increased by 4.1% from ₹2,58,057 Lakhs in FY 2024-25 to ₹2,68,730 Lakhs in FY 2025-26, which was aligned with the Company's growth. Material costs (including purchases of traded goods) which constituted 50.7% of the Company's revenues, increased by 9.1% from ₹1,30,135 Lakhs in FY 2024-25 to ₹1,41,991 Lakhs in FY 2025-26. The Company's employees' expenses, accounting for 12.9% of the revenues, increased by 1.6% from ₹35,474 Lakhs in FY 2024-25 to ₹36,056 Lakhs in FY 2025-26. Additionally, the Company's power and fuel costs reduced by 6.3% from ₹50,225 Lakhs in FY 2024-25 to ₹47,079 Lakhs in FY 2025-26.

Analysis of the Balance Sheet

Sources of Funds

As of year, ending on 31 March, 2026, the Company's capital employed increased from ₹1,17,193 Lakhs in FY 2024-25 to ₹1,19,392 Lakhs in FY 2025-26. Additionally, the Company's net worth increased from ₹77,166 Lakhs to ₹84,238 Lakhs in the same period. The Company's long- term debt decreased by 23.1% to ₹11,451 Lakhs on 31 March, 2026. The long-term debt-equity ratio reached 0.14x in FY 2025-26. Additionally, the Company's finance cost decreased by 9.0%, from ₹5,243 Lakhs to ₹4,772 Lakhs in FY 2025-26.

Application of Funds

As of 31 March, 2026, the Company's gross block, inclusive of CWIP, increased by 8.2% to ₹1,56,873 Lakhs, compared to ₹1,45,025 Lakhs a year earlier primarily on account of capacity balancing equipment. Depreciation and amortization saw an upward movement, rising 19.1% year-on-year from ₹9,026 Lakhs to ₹10,748 Lakhs mainly because of increase in block of assets. The loans and advances made by the Company decreased from ₹389 Lakhs in FY 2024-25 to ₹255 Lakhs in FY 2025-26.

Working Capital Management

As of 31 March, 2026, the Company's current assets increased by 1.0% to ₹85,433 Lakhs, up from ₹84,570 Lakhs in the previous year. Further, the Company's inventory, comprising raw materials, work-in-progress, and finished goods, increased by 4.3% from ₹33,786 Lakhs to ₹35,227 Lakhs in FY 2025-26. The inventory turnover cycle reduced to 46 days in FY 2025-26 from 47 days in FY 2024-25. Further, the Company's debtors' turnover cycle decreased from 51 days to 40 days, with debtors of ₹30,076 Lakhs in FY 2025-26 compared to ₹36,882 Lakhs in FY 2024-25.

Margins

A continued focus on operational excellence helped Somany contain the margin impact. The EBITDA margin increase by 90 basis points to 9.3% in FY 2025-26, up from 8.4% in the previous year. Net profit margins followed suit, registering an increase of 60 basis points to reach 2.9%, compared to 2.3% in FY 2024-25.

Key Numbers

Particulars	FY 2025-26	FY 2024-25
Debtors' Cycle (Days)	40	51
Inventory Cycle (Days)	46	47
Interest Coverage Ratio (x)	3.39	2.66
Current Ratio (x)	1.10	1.01
EBITDA/Turnover (%)	9.3	8.4
Debt-Equity Ratio (x)	0.30	0.39
Net Profit Margin (%)	2.9	2.3
Return on Net Worth (%)	10.1	8.1
Book Value per Share (₹)	205.39	188.17
Earnings per Share (₹) (Basic)	19.80	14.65

HUMAN RESOURCES

Somany Ceramics continues to focus on creating an engaging and enriching workplace experience for its employees.

The Company promotes a culture of learning, collaboration, innovation, and mutual respect, enabling employees to achieve both personal and professional growth. Through robust development initiatives, transparent communication, and a strong recognition-driven culture, Somany ensures that its workforce feels empowered, appreciated, and aligned with the organization's vision.

During this financial year, the Company introduced an AI-Enabled Recruitment platform to streamline hiring processes and enhance candidate experience. Initiatives such as Focus Group Discussions, New Joiners Connect and a structured Mentorship Program were implemented to support smooth onboarding, employee engagement, and career development. The Company focused on employee wellbeing and environmental responsibility through initiatives such as Environment Day celebrations, tree plantation drives, International Yoga Day activities, and wellness sessions. These initiatives encouraged employees to adopt healthier lifestyles while fostering awareness toward sustainability and community wellbeing. The Company also strengthened its commitment toward nurturing young talent through the NAPS Apprentice Program, providing hands-on industry exposure and learning opportunities. Additionally, sessions on Women Empowerment and Financial Literacy were organized to promote awareness, inclusivity, and employee wellbeing. These initiatives collectively reflect Somany's dedication toward building a progressive, inclusive, and future-ready workplace.

As of 31 March, 2026, the Company had 2,001 employees on its payroll.

Audit Discipline

Somany has established a forward-looking risk governance framework designed to anticipate challenges rather than merely respond to them. Anchored in strong internal controls and clearly defined accountability, this framework reflects a culture rooted in precision, preparedness, and disciplined execution.

At its center is a distinguished Internal Audit Committee comprising eminent Independent Directors. Their role extends beyond statutory oversight. Through structured reviews and open dialogue, they identify emerging risks, evaluate critical findings, and present comprehensive insights to the Board every quarter. This consistent evaluation strengthens strategic clarity and empowers leadership to make timely, well-informed decisions in an evolving business landscape.

This oversight is reinforced by regular leadership forums, where senior executives collectively assess market shifts, forecast potential exposures, and design proactive mitigation strategies. Such ongoing engagement enhances organizational agility, ensures regulatory alignment, and strengthens the Company's ability to respond swiftly to evolving challenges.

For Somany, risk is viewed not as a limitation but as a catalyst for sharper thinking and better choices. Integrity, transparency, and accountability define its governance approach, enabling the Company to act with foresight and confidence. Guided by principled leadership and strategic vigilance, the Company continues to navigate uncertainty with clarity while fostering enduring stakeholder trust.

Cautionary Statement

The section comprises statements that indicate the Company's aims, projections, expectations, and estimations. These statements may be considered 'forward-looking' according to securities laws and regulations, and there is a possibility that the actual results may differ significantly from what is expressed or implied. Various factors such as economic conditions affecting supply and demand, fluctuations in raw material costs, alterations in Government rules and tax laws, economic developments, and other unanticipated factors could severely affect the Company's operations.

Board's Report

Dear Members,

The Directors of your Company have the pleasure to present the 58th Board's Report together with the Annual Audited Financial Statements of Somany Ceramics Limited ("the Company") for the financial year ("FY") ended 31 March, 2026.

In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Board's Report is prepared based on the standalone financial statements of the Company for the year under review.

FINANCIAL HIGHLIGHTS AND STATE OF AFFAIRS

The summary of the Company's financial statements, both on a standalone and consolidated basis, for FY 2025-26 as compared to the previous FY i.e. 2024-25 is given below:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Revenue from Operations	2,64,029.86	2,56,942.13	2,78,983.85	2,65,876.76
Other Income	2,696.82	2,470.90	1,132.31	901.58
Expenses (except Depreciation, Finance Cost)	2,45,639.90	2,43,020.32	2,53,209.55	2,43,788.27
Profit before Depreciation, Interest and Taxes (before Exceptional item)	21,086.78	16,392.71	26,906.61	22,997.09
Profit before Tax (after Exceptional item)	13,258.62	11,267.17	10,863.78	8,521.35
Tax Expenses	3,349.24	2,698.41	3,457.73	2,723.23
Profit After Tax	9,909.38	8,568.76	7,406.05	5,798.12
Profit After Tax (Attributable to Controlling Interest)	9,909.38	8,568.76	8,119.12	6,006.76
Profit After Tax (Non - Controlling Interest)	-	-	(713.07)	(208.63)

FINANCIAL REVIEW

(The financial discussion is based on Standalone Financial Statements)

Your Company continued to face a challenging business environment during the year, marked by subdued market demand. Nevertheless, despite weak demand conditions, especially in the first half of the FY, the Company recorded an increase in revenue by 2.8% to ₹ 2,64,029.86 Lakhs from ₹ 2,56,942.13 Lakhs in the previous FY. The Profit before Depreciation, Interest, Tax and Exceptional items, Profit before Tax after Exceptional items and Profit after Tax for the year under review were ₹ 21,086.78 Lakhs, ₹ 13,258.62 Lakhs and ₹ 9,909.38 Lakhs respectively.

On the balance sheet front, your Company's net worth increased to ₹ 89,073.42 Lakhs in FY 2025-26 as compared to ₹ 80,028.36 Lakhs in FY 2024-25. The Company's total debt increased to ₹ 1,410.62 Lakhs in FY 2025-26 as compared to ₹ 1,367.61 Lakhs during FY 2024-25 on account of increase in car loan. The Net Block (including capital work-in-progress) of your Company increased to ₹ 53,594.27 Lakhs during FY 2025-26 as compared to ₹ 49,115.20 Lakhs during FY 2024-25. The long-term investment of your Company increased to ₹ 38,095.89 Lakhs in FY 2025-26 from ₹ 32,557.99 Lakhs in FY 2024-25 primarily due to additional investments in equity shares of Somany Max Private Limited and Dura Build Care Private Limited, subsidiary companies.

There was an increase in net current assets to ₹ 10,399.63 Lakhs during FY 2025-26 from ₹ 5,232.45 Lakhs during FY 2024-25, primarily on account of the increase in cash & cash equivalents.

Despite challenging market conditions, the Company demonstrated resilience through its diversified product portfolio, strong brand equity, extensive distribution network and focus on operational efficiency. The Company remains well-positioned to capitalize on opportunities arising from urbanization, infrastructure development and increasing demand for premium building materials.

CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 33 of Listing Regulations, the consolidated financial statements have been prepared in accordance with applicable Accounting Standards. The audited consolidated financial statements together with the Auditors' Report form part of this Annual Report.

The consolidated net profit - attributable to controlling interest of your Company was ₹ 8,119.12 Lakhs for the year under review compared to ₹ 6,006.76 Lakhs in the previous year.

CORPORATE HIGHLIGHTS

Access to Capacity

During the year under review, your Company's access to tile capacity remained at ~75 msm comprising 31.65 msm from its own plants, 25 msm from subsidiaries and associates and ~18 msm through other outsourcing arrangements. In the Bathware segment, your Company, through its subsidiaries, had a manufacturing capacity of 0.48 million pieces per annum of sanitaryware and 1.30 million pieces per annum of bath fitting items.

Capital Expenditure

Your Company continued to invest in the expansion and upgradation of its manufacturing facilities, plant and machinery and infrastructure. On a consolidated basis, the gross block of fixed assets (including capital work-in-progress) increased by ₹14,967.17 Lakhs during the FY under review as compared to an increase of ₹11,134.38 Lakhs during the FY 2024-25, on account of additions to fixed assets.

INDIAN ECONOMY AND INDUSTRY SCENARIO AND OUTLOOK

Economy

India's economy maintained strong growth momentum in FY 2025–26, with real GDP projected to grow by 7.6%, supported by resilient domestic demand, prudent policy measures and stable macroeconomic conditions. Despite global geopolitical and trade-related challenges, inflation remained under control due to improving labor markets, stronger financial sector resilience and coordinated fiscal and monetary support.

The Government's continued emphasis on infrastructure-led development, manufacturing, urbanization and tourism is expected to support growth across residential, commercial, industrial and hospitality real estate. Infrastructure spending is set to increase from ₹11.2 lakh crore to ₹12.2 lakh crore in FY 2026–27, and sustained investment in transport and urban infrastructure is likely to create new real estate growth corridors, especially in Tier-2 and Tier-3 cities.

With CPI inflation at 2.75%, stable prices are supporting household purchasing power, favorable financing conditions, and end-user confidence. Improved connectivity and urban liveability are expected to sustain demand across the real estate sector. The Economic Survey for the FY 2025-26 also underscores the growing importance of urban India, noting that over 40% of the population is expected to live in cities by 2030 and contribute nearly 70% of GDP, highlighting the need for continued urban planning and infrastructure development.

India's economic outlook remains positive, backed by strong macroeconomic fundamentals and resilient growth momentum. The International Monetary Fund (IMF) and the Reserve Bank of India project real GDP growth of around 6.5% for FY 2026–27. Although this reflects some moderation due to geopolitical uncertainties and energy-related risks, it highlights the resilience of the Indian economy amid a challenging global environment.

India is currently the world's sixth-largest economy in nominal terms and continues to remain the fastest-growing major economy globally, reinforcing confidence in its long-term growth potential. IMF projections also indicate a gradual strengthening of India's position in the global economy as domestic growth drivers remain strong.

Industry

India's tile market is expected to expand from approximately ₹53,100 Crores in FY 2025–26 to ₹76,900 Crores by FY 2028–29, registering a CAGR of 9.7% during the period. This growth is being driven by strong domestic demand, rapid urbanization, and sustained investments in housing and infrastructure development.

Over the last two years, the Indian ceramic tile industry has further consolidated its global standing, emerging as the world's second-largest manufacturer, consumer and exporter after China. However, the industry's growth dynamics are gradually shifting, as exports face challenges from anti-dumping duties imposed by key markets such as Saudi Arabia, Qatar and Taiwan. Consequently, manufacturers are increasingly focusing on domestic opportunities across housing, commercial real estate and infrastructure projects, where demand prospects remain robust.

From a regional perspective, West India continues to dominate production, primarily led by Morbi's vast manufacturing ecosystem comprising more than 800 units that collectively contribute nearly 70% of the country's total tile output. Meanwhile, South India is experiencing the fastest growth in demand, supported by IT-driven urbanization, expanding residential projects and the development of new industrial corridors.

BRANDING

Pioneering Innovation, Sustainability, and Engagement in FY 2025–26

During FY 2025–26, the Company navigated a dynamic and evolving market landscape with resilience, agility and a forward-looking vision. Building on its legacy of innovation, the Company continued to strengthen its strategic focus on brand leadership, customer engagement and operational excellence.

A key highlight of the year was the continued recognition of your Company's patented VC Shield Technology, along with Somany Faucets (taps and showers), both of which secured the Superbrand title. VC Shield Technology achieved this recognition for the third consecutive year, while the inclusion of Somany Faucets further reinforced the Company's growing strength in the Bathware segment. These accolades underscore the products' superior performance, innovative edge and the strong trust they command among consumers, further consolidating the Company's leadership position in the industry.

The Company adopted a comprehensive and integrated branding approach, leveraging a strategic mix of digital and traditional platforms. Campaigns across digital media, outdoor activations, hyperlocal initiatives, influencer collaborations and strategic partnerships significantly enhanced brand visibility, drove engagement and strengthened market penetration.

New Launches: Elevating Standards

The Company expanded its product portfolio with the introduction of new tile collections including Elita, Senso, Spesso, Montaro, and Pavezza, each embodying contemporary design aesthetics combined with durability and high performance. In the Bathware segment, new offerings such as Smartsense wall-hung solutions, Postura range, Bellis faucets and Downpour showers were introduced, reflecting a seamless blend of advanced functionality and refined design, aligned with evolving consumer aspirations.

Digital Transformation: Strengthening Consumer Engagement & Ecosystem Efficiency

The Company continued to accelerate its digital transformation initiatives with a focus on enhancing consumer experience and building a future-ready ecosystem. A structured influencer engagement program was executed, collaborating with over 12 creators to expand digital reach and drive authentic engagement across platforms. Significant advancements were made in digital infrastructure through the integration of AI-powered chatbot solutions and strengthened CRM capabilities, enabling improved lead management, tracking and conversion efficiency. A dedicated Bathware WhatsApp service chatbot was also introduced to provide seamless and responsive customer support.

Customer experience was further enhanced through upgrades to IVR systems and effective mitigation of spam call challenges in collaboration with telecom partners, ensuring reliable communication channels. Additionally, the Company launched a new, feature-rich website designed to cater to evolving consumer and business needs. Advanced Tile Visualizer tools — including 2D Studio, Panoramic Studio and Your Space Studio — were introduced to enable immersive product discovery and personalized space visualization.

Engagement with Influencers and Channel Partners

Building on earlier initiatives, the Company further strengthened its channel engagement ecosystem during FY 2025–26 through the continued rollout of structured loyalty programs for plumbers, masons, sub-dealers and contractors. In addition, the Company introduced a dedicated loyalty program for architects during the year, aimed at fostering deeper relationships with the design community and enhancing long-term collaboration. Reinforcing its commitment to capability building and skill development, the Company conducted over 53 Tile Master training programs and mason meets across India. These initiatives played a pivotal role in driving engagement, upskilling stakeholders, and strengthening the overall ecosystem aligned with the Company's growth ambitions.

Digital and Social Campaigns

The Company's digital strategy delivered strong outcomes through precision targeting across Meta and Google platforms, supported by always-on campaigns across social, search, and display channels. These efforts resulted in increased lead generation while maintaining quality benchmarks. Hyperlocal marketing initiatives were further expanded to over 110 dealer counters and 16 Experience Centres, strengthening localized reach and customer engagement. The Bathware segment continued to gain strong visibility through high-impact digital campaigns, contributing to enhanced brand recall and market presence.

Expanding Footprints

The Company continued to expand its retail footprint by strengthening its network of exclusive stores and display centres across key markets. These experience-led spaces are designed to provide customers with an immersive environment to explore the Company's diverse portfolio of tiles, sanitaryware, and bath fittings. During FY 2025–26, the Company established 47 exclusive Somany Tiles and Bathware stores and added 97 Bathware Shop-in-Shop (SIS) zones, reinforcing its commitment to accessibility and customer-centric growth.

Exhibitions and Events

The Company sustained a strong presence across prominent industry platforms, actively engaging with architects, designers, and key stakeholders. Notable participations included Dialogues Jaipur, ISH Frankfurt, Cersaie Italy, IIID Samagam Lucknow, CREDAI FAIRPRO Chennai, and CII IGBC Mumbai. These platforms provided valuable opportunities to showcase the Company's innovations, deepen industry relationships, and further strengthen brand visibility within the design and construction ecosystem.

Sustainability in Focus: Transforming Broken Tiles into Trendsetting Style

The Company's sustainability initiative, "Transforming Broken Tiles into Trendsetting Style," continued to create meaningful impact, building on efforts initiated in previous years. Since its inception, the initiative has expanded through collaborations with over 45 leading design institutions, including Amity University, KIIT School of Architecture and Planning, Techno India University, JD Institute of Fashion Technology, Sharda University and Manipal University, engaging over 3,000 architecture and design students. The program promotes the creative reuse of tile waste into murals, installations and functional art, fostering eco-conscious design practices. Cumulatively, 12.5 tons of tiles have been repurposed, preventing approximately 5.02 tons of CO_2 emissions. The initiative has also achieved a digital reach of over 3.5 million people and was recognized at the BW Businessworld Marketing Excellence Awards 2025, further validating the Company's sustainability-led innovation approach.

Conclusion

FY 2025–26 underscores the Company's sustained commitment to innovation, integrated brand building, and ecosystem-driven growth. Through a well-balanced focus on product excellence, digital transformation, enhanced consumer engagement and expanded channel partnerships, Somany Ceramics has continued to strengthen its competitive positioning in a dynamic market environment. Backed by a robust foundation and a clear strategic direction, the Company remains focused on delivering customer-centric solutions, driving innovation across categories, and leveraging digital capabilities to enhance efficiency and reach. With these priorities at the core, Somany Ceramics is well-equipped to accelerate growth momentum and create enduring value for all stakeholders.

HUMAN RESOURCES

At Somany Ceramics Limited, our people remain at the heart of everything we do. Building on the strong foundation of our employee-centric practices, this year was focused on deepening engagement, enhancing well-being and fostering a culture of continuous growth and inclusivity. Our commitment to being the 'best employer in the tile industry' continues to guide every initiative and decision. The Company firmly believes that its employees are its most valuable asset and a key driver of long-term growth and business success. The Company's people strategy focuses on attracting, developing and retaining talent, fostering an inclusive and high-performance culture and providing opportunities for continuous learning and professional development.

Strengthening a Culture of Growth

This year marked the launch of our Mentorship Program, a significant step towards nurturing internal talent and enabling knowledge sharing across levels. The program has created meaningful mentor-mentee partnerships, helping employees gain practical insights, strengthen leadership capabilities, and accelerate their professional development. In addition, we continued to focus on building awareness and capability through targeted learning interventions, ensuring alignment with evolving business and employee needs.

Advancing Employee Well-being

Employee well-being remained a key priority, reflected through a series of thoughtfully designed initiatives. Your Company conducted nutrition awareness sessions to promote healthier lifestyles and enable employees to make informed dietary choices. In April 2025, a canteen facility was introduced at our Head Office, significantly enhancing everyday convenience for employees by providing easy access to hygienic, nutritious and well-balanced meals within the workplace. Designed with a focus on nutritional value and a balanced diet, the curated menu supports healthier eating habits. The facility has been particularly beneficial for employees residing in PG accommodations or away from home, reducing their dependence on external food options while offering meals at economical rates. Beyond convenience, it has also fostered greater interaction and collaboration among employees.

In line with our commitment to holistic wellness, International Yoga Day was also celebrated, creating awareness about physical and mental well-being and encouraging employees to adopt healthier routines.

Further strengthening the wellness ecosystem, a corporate tie-up with Tata 1mg was undertaken, enabling employees to access healthcare services and products with greater ease and convenience, reinforcing our focus on preventive care.

Fostering Engagement & Belonging

The focus on employee engagement continued through vibrant celebrations and inclusive initiatives that brought employees and their families together. Festivals such as Holi and Diwali were celebrated with enthusiasm across locations, reinforcing a spirit of togetherness and cultural connect within the organization.

Kalakriti, our Children's Day celebration, was also hosted and witnessed enthusiastic participation from employees' families, with 238 children taking part across locations. The event provided a creative platform for young minds to express themselves through art, while strengthening the bond between the organization and employees' families. Such initiatives continue to enhance workplace warmth and foster a sense of belonging beyond professional boundaries.

Empowering Through Inclusion & Awareness

The Company took a meaningful step towards financial empowerment by conducting our first-ever Financial Literacy Session for Women Employees. This initiative was aimed at enhancing financial awareness, encouraging informed decision-making and supporting long-term financial well-being.

Recognizing Commitment & Performance

Recognition continues to be an integral part of the culture. This year, 149 employees were honored with Long Service Awards, celebrating their dedication and invaluable contribution to the organization's journey.

Rewards & Recognition framework was also strengthened, ensuring that performance, commitment, and exemplary contributions across functions are acknowledged in a timely and meaningful manner. These initiatives continue to inspire employees and reinforce a high-performance culture.

A Workplace of Choice

Your Company is proud to have been certified as a Great Place to Work® for the year 2025-26. This recognition reflects the trust the employees place in the Company and stands as a testament to the inclusive, transparent, and growth-oriented work environment.

Looking Ahead

As we move forward, the focus remains on creating a workplace where employees feel valued, empowered and inspired to perform at their best. By continuously listening, evolving and innovating, we aim to further strengthen our people practices and reinforce our position as an employer of choice.

DIVIDEND

The Board of Directors of the Company, after considering the Company's financial performance and keeping in view the Dividend Distribution Policy of the Company, has recommended a final dividend @ 100% i.e. ₹ 2 per equity share of face value of ₹ 2 each for the FY ended 31 March, 2026. The recommended final dividend is subject to the approval of the Members at the ensuing Annual General Meeting of the Company. The record date fixed for determining the entitlement of Members for payment of final dividend, if approved by the Members, is Wednesday, 5 August, 2026. Further, for the year under review, the Board of Directors, at its meeting held on 04 May, 2026, declared an interim dividend @ 200% i.e. ₹ 4 per equity share of face value of ₹ 2 each.

Accordingly, the total dividend for FY 2025-26 aggregates to ₹ 6 per equity share of face value of ₹ 2 each (300%), as compared to the total dividend of ₹ 3 per equity share of face value of ₹ 2 each (150%) declared for FY 2024-25.

This represents a payout ratio of 24.83% as against 14.36% in the previous year.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of Listing Regulations, the Dividend Distribution Policy is available on the website of the Company at Dividend Distribution Policy.

RESERVES

During the year under review, no amount has been transferred to any reserve.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

ALTERATION OF MEMORANDUM OF ASSOCIATION

During the year under review, the Members of the Company, by way of a Special Resolution passed at the Annual General Meeting held on 18 September, 2025, approved the alteration of the Object Clause of the Memorandum of Association ("MOA") of the Company by altering the existing Clause 3(b) by adding a new sub-clause (xxxiii) of the MOA. The amendment to the MOA was carried out to align with the Company's strategic vision to enhance sustainability and energy efficiency. By enabling captive power generation through renewable sources such as solar energy, the Company aims to secure a stable, cost-effective power supply for its manufacturing facilities, improve operational resilience and promote responsible energy consumption.

SHARE CAPITAL

As on 31 March, 2026, the Authorized Share Capital of the Company stood at ₹ 32,30,00,000/- divided into 16,15,00,000 equity shares of ₹ 2/- each. The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on 31 March, 2026 was ₹ 8,20,25,612/- divided into 4,10,12,806 equity shares of ₹ 2/- each.

During the year under review, 3,201 equity shares of face value of ₹ 2/- each were allotted by Nomination and Remuneration Committee on 13 August, 2025 pursuant to exercise of Employee Stock Options under the ESOP Plan 2023. Consequently, the Issued, Subscribed and Paid-up Equity Share Capital of the Company increased from ₹ 8,20,19,210/- to ₹ 8,20,25,612/-.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

The Board of Directors periodically reviews the performance, operations and key business developments of the Company's subsidiaries and associate companies. In accordance with the provisions of Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company have been prepared and presented in this Annual Report, incorporating the financial statements of its subsidiaries and associate companies.

The Company does not have any material subsidiary within the meaning of the Listing Regulations. A Policy for Determining Material Subsidiaries has been adopted by the Board and is available on the website of the Company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the audited standalone and consolidated financial statements of the Company together with the audited financial statements of its subsidiaries are available on the website of the Company at www.somanyceramics.com. These documents shall also be available for inspection by the Members at the Registered Office of the Company from 03:00 PM to 05:00 PM on all working days up to the date of the ensuing Annual General Meeting.

A statement containing the salient features of the financial statements of the Company's subsidiaries and associate companies in Form AOC-1, prepared in accordance with Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure – 1**.

Investments during the Year

Dura Build Care Private Limited

During the year under review, the Company invested ₹ 1,030 Lakhs in M/s Dura Build Care Private Limited (DBCPL), towards acquisition of 51% equity shares on 15 July, 2025. Post acquisition, DBCPL became the subsidiary of the Company.

Somany Max Private Limited

During the year under review, the Company further invested ₹ 3,000 Lakhs in M/s Somany Max Private Limited ("SMPL"), a subsidiary of the Company, towards subscription to the equity shares issued on a rights basis on 15 September, 2025. Consequently, the Company's investment in equity share capital of SMPL increased from ₹ 6,000 Lakhs to ₹ 9,000 Lakhs and its equity shareholding increased from 80.00% to 85.71%.

The Company also continues to hold an investment of ₹ 2,800 Lakhs in 11% Cumulative Redeemable Preference Shares of SMPL.

Sudha Somany Ceramics Private Limited

During the year under review, the Company further invested ₹ 300 Lakhs in M/s Sudha Somany Ceramics Private Limited ("SSCPL"), a subsidiary of the Company, towards subscription to the equity shares issued on a rights basis on 28 October, 2025. Consequently, the Company's investment in the equity share capital of SSCPL increased from ₹ 3,757.50 Lakhs to ₹ 4,057.50 Lakhs.

The Company also continues to hold an investment of ₹ 1,020 Lakhs in 11% Cumulative Redeemable Preference Shares of SSCPL.

Companies that have ceased to be Subsidiaries, Joint Ventures, or Associates during the year under review:

There were no companies that ceased to be subsidiaries, joint ventures, or associates during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered into by the Company during FY 2025-26 with related parties were on an arm's length basis and in the ordinary course of business. The approval of the Audit Committee was sought for all related party transactions. Certain transactions which were repetitive in nature were approved through omnibus route.

During FY 2025-26, the aggregate value of transactions entered into between the Company and M/s Sudha Somany Ceramics Private Limited ("SSCPL"), an unlisted subsidiary of the Company, exceeded the materiality threshold prescribed under Regulation 23(1) of the Listing Regulations. Accordingly, pursuant to the approval of the Audit Committee and the Board of Directors, the Members of the Company approved the material related party transaction(s) with SSCPL by way of an Ordinary Resolution passed at the 57^{th} Annual General Meeting held on 18 September, 2025.

All related party transactions were in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. Details with respect to transaction(s) with the Related Party(ies) entered into by the Company during the reporting period are disclosed in the accompanying Financial Statements and the details pursuant to clause (h) of Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 which is annexed as **Annexure – 2**.

The attention of the members is drawn to the financial statements, which contain the related party disclosures.

Pursuant to the amendments to the Listing Regulations, the Company has revised its existing "Related Party Transactions Policy" to align it with the requirements of the said Listing Regulations. The updated Related Party Transactions Policy of the Company as approved by the Board has been uploaded on the Company's website at the weblink: Related Party Transactions Policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The disclosure pursuant to Section 134(3)(g) of the Companies Act, 2013 regarding Particulars of Loans, Guarantees and Investments covered under Section 186 of the Act is provided in the notes to Financial Statements (Standalone) forming part of this Annual Report.

SCHEME OF AMALGAMATION

During the year under review, the Board of Directors at its meeting held on 07 November, 2025 approved the Scheme of Amalgamation of Somany Bathware Limited, Somany Excel Vitrified Private Limited and SR Continental Limited (hereinafter collectively referred to as the "Transferor Companies"), all being wholly-owned subsidiaries of the Company, with and into Somany Ceramics Limited ("Transferee Company") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 ("Scheme") and other applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the applicable provisions of the Listing Regulations.

Pursuant to the aforesaid Scheme, the Company filed an application with the Hon'ble National Company Law Tribunal, Kolkata Bench on 23 March, 2026. Subsequently, the Hon'ble NCLT, Kolkata Bench, vide its First Motion Order dated 09 April, 2026, directed the Company to convene meetings of the equity shareholders and unsecured creditors for obtaining their approval to the Scheme.

The Scheme is subject to the requisite approvals of statutory and regulatory authorities, shareholders and creditors and shall become effective upon fulfillment of the conditions specified therein.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to Investor Education and Protection Fund.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to Unpaid Dividend Account shall also be transferred to the demat account of IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interests of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividend in order to avoid transfer of dividends/shares to IEPF Authority. During the year under review, notice in this regard was also published in the newspapers. The details of unclaimed dividend and the list of shareholders whose shares are liable for transfer to the IEPF Authority are uploaded on the Company's website. Shareholders may claim the transferred shares/dividend from the IEPF Authority by making an application in the prescribed Form IEPF-5.

In light of the aforesaid provisions, the unpaid/ unclaimed dividend declared for the FY 2018-19 is due for transfer to IEPF on or after 24 September, 2026.

During the year under review, the Company transferred 2,400 Equity Shares of ₹ 2/- each in respect of the dividend declared for the FY 2017-18, which remained unclaimed for a period of seven consecutive years, to Investor Education and Protection Fund pursuant to Section 124(6) of the Companies Act, 2013 within the scheduled time.

Further, a dividend amount of ₹ 5,58,414 which remained unclaimed in respect of the dividend declared for the FY 2017-18, was transferred to IEPF pursuant to Section 124 of the Companies Act, 2013 within the scheduled time.

COMPLIANCE MANAGEMENT FRAMEWORK

The Company has established a compliance management framework to monitor compliance with applicable laws, regulations, industry standards and internal policies. The framework is supported by defined processes, periodic compliance certifications and regular reviews by the Management. Compliance reports covering key regulatory and statutory requirements are periodically placed before the Board for review. The Company continues to strengthen its compliance culture through ongoing monitoring, awareness initiatives and implementation of appropriate controls to ensure adherence to applicable legal and regulatory requirements.

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

Your Directors state that they have devised proper systems to ensure compliance with the provisions of applicable Secretarial Standards i.e. Secretarial Standard on Meetings of the Board of Directors ("SS-1") and on General Meetings ("SS-2") as issued and amended, from time to time by the Institute of Company Secretaries of India ("ICSI") in terms of Section 118(10) of the Act and that such systems are adequate and operating effectively.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in pursuance of Section 134(3)(c) read with Section 134 (5) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the year ended 31 March, 2026, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;

b) They have selected such accounting policies, applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2026 and of the profit of the Company for the year ended on that date;

c) 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;

d) The annual accounts have been prepared on a going concern basis;

e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board comprises an optimum combination of Executive, Non-Executive and Independent Directors possessing diverse skills, expertise and experience across finance, management, strategy, governance and legal functions. Details of the skills, expertise and core competencies of the Directors are provided in the Corporate Governance Report forming part of this Annual Report. The list of Directors and Key Managerial Personnel at the end of the FY under review is as under:

Name	Designation
Mr. Shreekant Somany (DIN: 00021423)	Chairman & Managing Director
Mr. Abhishek Somany (DIN: 00021448)	Managing Director & CEO
Mr. Rameshwar Singh Thakur (DIN: 00020126)	Non-Executive Independent Director
Mrs. Rumjhum Chatterjee (DIN: 00283824)	Non-Executive Independent Director
Mr. Vineet Agarwal (DIN: 00380300)	Non-Executive Independent Director
Mr. Manit Rastogi (DIN: 00370998)	Non-Executive Independent Director
Mr. Zubair Ahmed (DIN: 00182990)	Non-Executive Independent Director
Mr. Ghanshyam Girdharbhai Trivedi (DIN: 00021470)	Non-Executive Non-Independent Director
Mr. Amit Sahai	Chief Executive Officer – Tile Business
Mr. Sailesh Raj Kedawat	Chief Financial Officer
Mr. Anuj Kalia	Company Secretary and Compliance Officer

The Members of the Company at the 57th Annual General Meeting held on 18 September, 2025 approved the re-appointment of Mr. Abhishek Somany (DIN: 00021448) as Managing Director & Chief Executive Officer of the Company for a further period of three years with effect from 01 June, 2026.

During the year under review, Mr. Ambrish Julka ceased to hold the position of Company Secretary & Compliance Officer of the Company with effect from 07 May, 2025 and Mr. Anuj Kalia was appointed as Company Secretary & Compliance Officer of the Company with effect from 08 May, 2025.

Further, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ghanshyam Girdharbhai Trivedi (DIN: 00021470), Non-Executive Non-Independent Director of the Company, shall retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, has offered himself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended his re-appointment to the Members at the ensuing AGM.

The disclosure required pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2") is provided in the Notice convening the 58th AGM.

DECLARATION OF INDEPENDENCE

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of Directors and Senior Managerial Personnel. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Directors have also confirmed that they are not debarred from holding the office of director by any order of SEBI or any other authority. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Independent Directors of the Company have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

FAMILIARISATION PROGRAMME

The Company familiarises its Independent Directors with the business, operations, industry developments, regulatory environment and strategic priorities of the Company through presentations and interactions with the senior management team. Details of the familiarisation programs imparted to Independent Directors are available on the website of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board, the Nomination and Remuneration Committee ("NRC") and the Independent Directors carry out an annual evaluation of the performance of the Board, its Committees and Individual Directors, including Independent Directors. The Company has devised a structured evaluation framework for assessing the effectiveness of the Board and its Committees and the contribution of individual Directors. The evaluation process is conducted annually and serves as an important mechanism for enhancing Board effectiveness, governance standards and overall organizational performance.

During the year, the Board has carried out an annual evaluation of its own performance, individual Directors including Independent Directors (excluding the Director being evaluated) and its Committees. Board evaluation was carried out on the basis of a questionnaire, prepared after considering various inputs received from the Directors, covering various aspects relating to the effectiveness of the Board's functioning such as development of suitable strategies and business plans, size, structure and expertise of the Board and their efforts to learn about the Company and its business, obligations and governance.

Performance evaluation of every Director was carried out by the Board and Nomination and Remuneration Committee on parameters such as appropriateness of qualification, knowledge, skills and experience, time devoted to Board deliberations and participation in Board functioning, extent of diversity in the knowledge and related industry expertise, attendance and participation in the meetings and workings thereof and initiative to maintain high level of integrity and ethics.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman was evaluated.

The performances of Committees were evaluated on parameters such as whether the Committees of the Board are appropriately constituted, Committees have an appropriate number of meetings each year to accomplish all of their responsibilities, Committee Members maintain the confidentiality of their discussions and decisions. Committee conducts a self-evaluation at least annually and makes reports to the Board along with its suggestions and recommendations.

Performance evaluation of Independent Directors was carried out on parameters such as Director upholds ethical standards of integrity, the ability of the Director to exercise objective and independent judgment in the best interest of the Company, the level of confidentiality maintained. The Directors expressed their satisfaction with the evaluation process.

NOMINATION AND REMUNERATION POLICY

Your Company has formulated the Nomination and Remuneration Policy ("NRC Policy") for its Directors, Key Managerial Personnel (KMP), Senior Managerial Personnel and other employees of the Company. This Policy sets out the guiding principles for the Nomination and Remuneration Committee of the Company for recommending to the

Board the appointment and remuneration of the Directors, KMP, Senior Management and other employees of the Company.

The Policy also includes the criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee identifies and ascertains the integrity, qualification, positive attributes, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommends their appointment to the Board based upon the requirement of the Company. For additional details, please refer to the section titled “Nomination and Remuneration Committee” forming part of the Corporate Governance Report.

The NRC Policy is available for the stakeholders on the website of the Company and the same is accessible at the web link- Nomination and Remuneration Policy.

MEETINGS OF THE BOARD

During the year under review, Four meetings of the Board of Directors were held on 07 May, 2025, 13 August, 2025, 07 November, 2025 and 28 January, 2026. For additional details, please refer to the Corporate Governance Report, which forms part of this Annual Report.

COMMITTEES OF THE BOARD

As on 31 March, 2026, the Board had constituted Seven Committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders’ Relationship Committee, Share Transfer Committee and Company Administrative Committee.

During the year under review, all recommendations made by the Committees were accepted by the Board of Directors. A note on the composition of the Board and its Committees, including details of the terms of reference of various Committees, number of meetings held, attendance of members during FY 2025-26 and other requisite details, is provided in the Report on Corporate Governance forming part of this Annual Report. The composition and terms of reference of all the Committees of the Board are in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.

AUDITORS

Statutory Auditor

M/s Singhi & Co., Chartered Accountants (Firm Registration No. 302049E), were re-appointed as Statutory Auditors of the Company at the 54th Annual General Meeting (“AGM”) held on 23 September, 2022, for the second term of 5 (five) consecutive years commencing from the conclusion of the 54th AGM till the conclusion of the 59th AGM to be held in the year 2027.

The observations of the Statutory Auditors, wherever applicable, are explained in the appropriate notes to the standalone and consolidated financial statements. The Statutory Auditors’ Report for FY 2025-26 does not contain any qualification, reservation, adverse remark or disclaimer, which would be required to be dealt with in the Boards Report.

Further, pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any instance of fraud during the year under review.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder and Regulation 24A of the Listing Regulations, M/s Pinchaa & Co., Company Secretaries (Firm Registration No. P2016RJ051800), were appointed as the Secretarial Auditors of the Company by the Members at the 57th Annual General Meeting held on 18 September, 2025, to conduct the Secretarial Audit of the Company for a term of 5 (five) consecutive years commencing from 01 April, 2025 till 31 March, 2030.

The Secretarial Audit Report for FY 2025-26 is annexed to this Report as **Annexure-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, pursuant to the provisions of Section 143(12) of the Act, the Secretarial Auditor has not reported any instance of fraud during the year under review.

Internal Auditors

The Board of Directors of the Company had appointed M/s Grant Thornton Bharat LLP (LLPIN: AAA-7677) as the Internal Auditors of the Company for FY 2025-26, pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, to conduct the internal audit of the Company for the FY ended 31 March, 2026.

Further, based on the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s Grant Thornton Bharat LLP (LLPIN: AAA-7677) as the Internal Auditors of the Company for FY 2026-27.

ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the draft Annual Return of the Company as on 31 March, 2026 has been placed on the website of the Company at the weblink: Annual Return.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has in place a Corporate Social Responsibility Policy ("CSR Policy") in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as recommended by the Corporate Social Responsibility Committee ("CSR Committee") and approved by the Board of Directors of the Company.

The Company undertakes CSR activities in accordance with its CSR Policy under the guidance and oversight of the CSR Committee. The CSR Policy is aligned with the Company's vision and focuses on creating sustainable value for communities through initiatives in identified focus areas. The CSR Policy is available on the website of the Company at www.somanyceramics.com at the web link: CSR Policy.

During the year under review, the amount required to be spent towards Corporate Social Responsibility ("CSR") activities, being 2% of the average net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013, was ₹ 248.76 Lakhs, against which the Company spent ₹ 248.81 Lakhs on CSR activities during FY 2025-26. The Annual Report on CSR activities is annexed to this Report as **Annexure-4**.

INTERNAL CONTROL SYSTEM

The Company has established an adequate and effective internal control system commensurate with the nature, size, scale and complexity of its operations. The internal control framework is supported by well-defined policies, standard operating procedures, guidelines and processes designed to ensure orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The effectiveness of the internal control system is regularly reviewed through a comprehensive internal audit programme, management reviews and oversight by the Audit Committee. The Internal Audit function independently evaluates the adequacy and effectiveness of internal financial controls, risk management processes, governance mechanisms and compliance with applicable laws, policies and procedures across the Company's operations. The Internal Audit function also undertakes periodic reviews of key business processes and significant transactions and submits its observations and recommendations to the Audit Committee for review and appropriate action.

INTERNAL FINANCIAL CONTROLS

The Company has established adequate internal financial controls commensurate with the size, scale and complexity of its operations in accordance with the provisions of Section 134(5)(e) of the Companies Act, 2013. The internal financial control framework is designed to ensure the orderly and efficient conduct of business, adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The effectiveness of the internal financial controls is periodically reviewed through a risk-based assessment framework by the Management, Internal Auditors and wherever considered necessary, external consultants. The Audit Committee is regularly apprised of the internal audit findings, status of implementation of corrective actions and significant control enhancements. Based on such reviews, the Company continues to strengthen its control environment through process improvements, refinement of standard operating procedures and implementation of appropriate control measures, wherever required.

RISK MANAGEMENT

The Company has a structured Risk Management framework in place in accordance with Section 134(3)(n) of the Companies Act, 2013. The Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan for your Company. Risk Management Policy of the Company is also formulated and necessary controls have been reviewed and put in place from time to time to strengthen it further.

The Risk Management system is quite elaborate and is established to identify, assess and prioritize risks that need to be minimized, monitored and mitigated. These measures help in reducing and controlling the impact of adverse events and maximize the opportunities of realization. Major risks are identified systematically and mitigated on a continuous basis.

Given the energy-intensive nature of the ceramic industry, the Company continues to closely monitor energy costs, particularly natural gas prices, which constitute a significant component of manufacturing costs. The Company undertakes appropriate operational, procurement and efficiency improvement measures to mitigate the impact of fluctuations in energy prices and ensure sustainable business operations.

The Risk Management Policy as approved by the Board has been uploaded on the Company's website at the weblink: Risk Management Policy

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism / Whistle Blower Policy in accordance with Regulation 22 of the Listing Regulations and Section 177(9) of the Companies Act, 2013. The Policy provides a mechanism to the stakeholders of the Company, including Directors and employees, to report concerns relating to unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.

The Policy provides adequate safeguards against victimization of whistle blowers and enables direct access to the Chairman of the Audit Committee in exceptional cases. The protected disclosures, if any, received under the said mechanism are appropriately and expeditiously investigated. Further details of the Vigil Mechanism / Whistle Blower Policy are provided in the Corporate Governance Report forming part of this Annual Report. The Policy is also available on the website of the Company at: Vigil Mechanism Policy.

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

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are provided in **Annexure – 5** forming part of this Board's Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided at **Annexure – 6**.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits prescribed under the said Rules are provided at **Annexure - 7**.

EMPLOYEE STOCK OPTION

Somany Ceramics Employee Stock Option Plan 2021

The Somany Ceramics Employee Stock Option Plan 2021, providing for the grant of up to 4,23,794 stock options, was approved by the shareholders of the Company through Postal Ballot on 7 April, 2022. In accordance with the terms of the Plan, options that lapse or are forfeited upon cessation of employment or otherwise become available for reissue are added back to the option pool and may be re-granted. Accordingly, out of the said option pool, 3,50,102 options were granted to 33 eligible employees on 29 April, 2022 under Grant 1 and 1,01,107 options were granted to 13 eligible employees on 07 February, 2023 under Grant 2.

During the year under review, due to resignation of a few eligible employees, 18,156 options lapsed/forfeited from Grant 1 and 25,102 options lapsed/ forfeited from Grant 2 under the Somany Ceramics Employee Stock Option Plan 2021. Accordingly, a total of 43,258 stock options lapsed / forfeited during the year under Somany Ceramics Employee Stock Option Plan 2021.

Somany Ceramics Employee Stock Option Plan 2023

Somany Ceramics Employee Stock Option Plan 2023 was approved by the shareholders of the Company at the 55th Annual General Meeting held on 25 August, 2023 for grant of 12,74,226 Options. In accordance with the terms of the Plan, options that lapse or are forfeited upon cessation of employment or otherwise become available for reissue are added back to the option pool and may be re-granted. Out of the said total options, 1,36,576 options were granted to 26 eligible employees on 08 November, 2023 in Grant 1, 2 & 3 and 3,201 options were granted to 6 eligible employees on 29 May, 2024 in Grant 4 and 1,03,420 options were granted to 24 eligible employees on 06 February, 2025 in Grant 5 & 6 and 1,59,000 options were granted to 19 eligible employees on 28 March, 2026 in Grant 7 under the Somany Ceramics Employee Stock Option Plan 2023.

During the year under review, due to resignation of a few eligible employees, total 2,467 options lapsed /forfeited from Grant 5 and 3,043 options lapsed /forfeited from Grant 6 under the Somany Ceramics Employee Stock Option Plan 2023. Accordingly, a total of 5,510 stock options lapsed / forfeited during the year under Somany Ceramics Employee Stock Option Plan 2023.

The certificate received from the Secretarial Auditor of the Company certifying that the ESOP Plans have been implemented in accordance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the Members of the Company shall be placed before the Members at the ensuing Annual General Meeting in compliance with the applicable provisions of the said Regulations.

With regard to the aforesaid ESOP Plans, the disclosures as stipulated under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Companies Act, 2013 as on 31 March, 2026 are provided in **Annexure – 8** to this report. The details are also available on the website of the Company at the weblink : ESOP Disclosure FY 2025-26.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the requirements of Regulation 34 read with Schedule V of the Listing Regulations, the Management Discussion and Analysis Report for FY 2025-26, covering, inter alia, the industry structure and developments, opportunities and threats, outlook, risks and concerns, internal control systems and financial and operational performance of the Company, forms part of this Annual Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, a certificate obtained from the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance prescribed under the Listing Regulations and a report on Corporate Governance form part of this Report as **Annexure – 9**.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company remains committed to conduct its business in a responsible and sustainable manner while creating long-term value for all stakeholders. Sustainability considerations are increasingly being integrated into the Company's business strategies, operational processes and decision-making framework with focus on resource efficiency, environmental stewardship, employee well-being and responsible business conduct. In compliance with the Listing Regulations, the Company has prepared a Business Responsibility and Sustainability Report ("BRSR") for FY 2025-26, which contains disclosures from an Environmental, Social and Governance ("ESG") perspective. The BRSR has been prepared in accordance with the requirements prescribed under the Listing Regulations and is based on the nine (9) principles of the National Guidelines on Responsible Business Conduct ("NGRBC"). The BRSR forms part of this Annual Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT,2013

Your Company has a robust Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" ("POSH Act"). The Company has complied with the provision relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company periodically conducts training / awareness sessions for the employees to build the awareness about the Policy and provisions of the POSH Act, the redressal mechanism and the role of Internal Committee. For additional details, please refer to the Corporate Governance Report, which forms part of this Annual Report.

During the period under review, the Company has not received any complaint of sexual harassment.

OTHER DISCLOSURES

I. There were no significant material orders passed by the Regulators / Tribunals / Courts during FY 2025-26 which would impact the going concern status of the Company and its future operations.

II. There were no material changes and commitments in terms of Section 134(3)(l) of the Companies Act, 2013, affecting the financial position of the Company.

III. The maintenance of cost records as specified by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company.

IV. There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

V. There has been no change in the nature of business of the Company.

VI. There was no instance of one-time settlement with any Bank or Financial Institution.

VII. The Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees.

For and on behalf of the Board
SOMANY CERAMICS LIMITED

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Place: Noida
Date: 15 May, 2026

Annexure – 1

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint ventures

PART-A: SUBSIDIARIES

(₹ In Lakhs)

Name of the Subsidiary	SR Continental Limited	Somany Bathware Limited	Somany Sanitary Ware Private Limited	Somany Excel Vitrified Private Limited	Sudha Somany Ceramics Private Limited	Somany Bath Fittings Private Limited	Somany Piastrelle Private Limited	SRCL Buildwell Private Limited*	Somany Max Private Limited	Dura Build Care Private Limited***
Reporting period for the subsidiary concern, if different from the holding company's reporting Period	Not Applicable									
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable									
Date since when subsidiary was acquired	25 June, 1979	26 December, 2006	01 June, 2015	30 October, 2015	20 September, 2017	01 May, 2018	18 February, 2021	09 November, 2021	24 February, 2022	15 July, 2025
Share Capital**	268.50	50.00	990.00	351.00	6,762.50	185.91	5,000.00	251.00	10,500	216.64
Reserves & surplus / (Accumulated Losses)	221.47	60.86	391.20	124.22	(279.04)	975.48	(1,498.59)	(42.57)	(4,705.67)	254.77
Total assets	514.57	111.50	3,672.65	631.77	21,100.35	2,487.53	16,005.70	332.53	27,269.29	851.36
Total liabilities (Excluding Share Capital & Reserves)	24.60	0.64	2,291.45	156.55	14,616.89	1,326.14	12,504.30	124.10	21,474.96	379.95
Investments	251.00	-	-	-	-	-	-	-	-	-
Turnover including other income	103.89	7.69	4,986.43	778.22	24,374.71	6,531.74	13,575.89	529.41	14,920.64	1,156.37
Profit / (Loss) before taxation	27.70	5.40	2.28	67.13	524.78	125.83	283.52	(33.90)	(2,128.58)	(121.20)
Provision for taxation	5.54	1.40	27.04	16.90	508.73	32.17	183.81	(7.77)	(292.76)	(44.83)
Profit / (Loss) after taxation	22.16	4.00	(24.76)	50.23	16.05	93.66	99.71	(26.13)	(1,835.82)	(76.37)
Other Comprehensive Income	-	-	0.44	-	0.89	0.06	10.11	-	5.63	(2.85)
Proposed Dividend	-	-	-	-	-	-	533.61	-	-	-
% of shareholding	100%	100%	51%	100%	60%	100%	100%	100%	85.71%	51%

** SRCL Buildwell Private Limited is a subsidiary of SR Continental Limited.*

*** As per IND AS Share Capital includes only issued equity share capital.*

**** During the financial year 2025-26, Dura Build Care Private Limited became a subsidiary of the Company upon acquisition of 51% of its equity shares on 15 July, 2025.*

- *Name of the Subsidiary which is yet to commence operations - None*
- *Name of the Subsidiary which has been liquidated or has ceased to be a Subsidiary during the year. –None*

PART B: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ In Lakhs)

Name of the Associates/Joint Ventures	Vicon Ceramic Private Limited$	Vintage Tiles Private Limited$	Clean Max Ananta Private Limited	Acer Granito Private Limited
Latest audited Balance Sheet date	31 March, 2026	31 March, 2026	31 March, 2025	31 March, 2025
Date on which the Associate or Joint Venture was associated or acquired	26 November, 2013	13 January, 2012	12 March, 2024	08 March, 2014
Number of shares of Associate/ Joint Venture held by the Company at the year end	25,35,000	45,00,000	36,340	14,60,000
Amount of investment in Associate/ Joint Venture	253.50	1,399.50	376.20	511.00
Extent of Holding (%)	26.00%	50.00%	49.00%	26.05%
Description of how there is significant influence	Section 2(6)	Section 2(6)	Section 2(6)	Section 2(6)
Reason why the Associate/ Joint Venture is not consolidated	NA	NA	*	**
Net worth attributable to Shareholding as per latest audited Balance Sheet	351.09	639.38	*	**
Profit/ Loss for the year				
a) Considered in Consolidation	11.03	(783.62)	-	**
b) Not considered in consolidation	-	-	(19.90)*	-

$ Considered as Subsidiary as per Ind AS 110.

* *Figures are considered on the basis of management accounts of Clean Max Ananta Private Limited. The Company has entered into various agreements with other shareholder of Clean Max Ananta Private Limited ("CMAPL") which restricts the Company to participate in the financial and operating policy decisions of CMAPL. Therefore, CMAPL is not considered as an associate company under IND AS.*

** *During the previous year 2024-25, the Board of Directors of the Company, at their meeting held on 15 January, 2025, approved the sale of the Company's entire equity stake in Acer Granito Private Limited ("AGPL"), an associate company. The Company entered into a Share Purchase Agreement dated 04 February, 2025 ("SPA") to sell its entire shareholding in AGPL. However, in terms of the applicable provisions of Indian Accounting Standards, the Company does not exercise significant influence or control on decisions of the AGPL with effect from 01 December, 2024. The original timeline of 15 (fifteen) months for completion of the said sale expired on 03 May, 2026. Subsequent to the end of the financial year, both parties have mutually agreed to extend the timeline for completion of the sale by a further period of 9 (nine) months, i.e., up to 03 February, 2027.*

- Name of the Associates or Joint Venture which are yet to commence operations - None
- Name of the Associates or Joint Venture which have been liquidated or have ceased to be associate or joint venture during the year - None
- There is no Associate or Joint Venture Company other than those mentioned above.

For and on behalf of the Board

Shreekant Somany
Chairman & Managing Director
(DIN: 00021423)

Abhishek Somany
Managing Director & CEO
(DIN: 00021448)

Amit Sahai
Chief Executive Officer - Tile Business

Sailesh Raj Kedawat
Chief Financial Officer

Anuj Kalia
Company Secretary

Place: Noida
Date: 15 May, 2026

Annexure – 2

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NIL

SL No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts/arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	NA
e)	Justification for entering into such contracts or arrangements or transactions.	NA
f)	Date of approval by the Board.	NA
g)	Amount paid as advances, if any.	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188.	NA

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS: NIL

SL No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts/arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	NA
e)	Date(s) of approval by the Board, if any	NA
f)	Amount paid as advances, if any.	NA

For and on behalf of the Board

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Place: Noida
Date: 15 May, 2026

Annexure – 3

Form No.: MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2026

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

To,
The Members,
Somany Ceramics Limited
2, Red Cross Place,
Kolkata, West Bengal, India, 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices followed by **Somany Ceramics 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 **Somany Ceramics Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March , 2026 ('Audit Period') 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 Somany Ceramics Limited ("the Company")for the financial year ended on 31st March, 2026 ("period under review") according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the period under review)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulation 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the period under review)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the reporting period under review)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the period under review)** and

(vi) As confirmed and certified by the management, there is no sectoral law specifically applicable to the Company based on their Sector/ Business.

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

(i) Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that, during the period under review:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per the Companies Act, 2013 ("the Act"). The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings in accordance with the provisions of the Act, agenda and detailed notes on agenda were sent at least seven days in advance, except in cases where meetings were convened at a shorter notice. The Company has followed the provisions of the Act for convening meeting at the shorter notice. 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.

Majority decision is carried through and there was no instance of any director expressing any dissenting views as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

a) The Company has allotted 3,201 equity shares of face value of Rs. 2/- each on 13 August , 2025 pursuant to exercise of Employee Stock Options under the ESOP Plan 2023 as per the applicable regulations.

b) The Members of the Company, by way of a Special Resolution passed at the Annual General Meeting held on 18.09.2025, approved the modification of the Object Clause of the Memorandum of Association ("MOA") of the Company by altering the existing Clause 3(b) by adding of a new sub-clause after the existing sub-clauses.

c) The Board of Directors of Somany Ceramics Limited ("Company"), in its meeting held on 7 November, 2025 considered and approved the Draft Scheme of Amalgamation of Somany Bathware Limited ("SBL" / "Transferor Company 1") Somany Excel Vitrified Private Limited ("SEVPL" / "Transferor Company 2") and SR Continental Limited ("SRCL" / "Transferor Company 3") (Transferor Company 1, Transferor Company 2 and Transferor Company 3 are hereinafter collectively referred to as the "Transferor Companies") with Somany Ceramics Limited ("SCL"/ "Company"/ "Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and the rules and regulations made thereunder and other relevant provisions of the Listing Regulations.

For Pinchaa & Co.
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 7133/2025

Akshit Kr. Jangid
Partner
M. No. : FCS 11285
C. P. No.:16300

UDIN: F011285H000371084
Dated: 15th May, 2026
Place: Jaipur

(This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report.)

"Annexure-A"

To
The Members,
Somany Ceramics Limited
2, Red Cross Place,
Kolkata, West Bengal, India, 700001

The above report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed 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. We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to 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 management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial and operational controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the audit process.
7. 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 Pinchaa & Co.
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 7133/2025

Akshit Kr. Jangid
Partner
M. No. : FCS 11285
C. P. No.:16300

UDIN: F011285H000371084
Dated: 15th May, 2026
Place: Jaipur

Annexure – 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES OF THE COMPANY FOR FINANCIAL YEAR 2025-26
[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

   Your Company is committed to working towards improving healthcare, education, skill and livelihood development, women empowerment, environmental sustainability, sanitation and strengthening social sector ecosystems and has been pursuing Corporate Social Responsibility (“CSR”) initiatives even before they were mandated by law.

   Your Company strongly believes in the principles of empowerment and upliftment of communities by giving preference to the local areas around its business operations. Our vision is to contribute meaningfully towards nation building, sustainable development, inclusive growth and social equity through our CSR initiatives. The CSR Policy and activities of the Company are primarily designed to address the needs of marginalized, disadvantaged and underprivileged sections of society. The Company integrates its business values and operations with its CSR initiatives to create sustainable value for its stakeholders and the communities in which it operates.

   In accordance with the CSR Policy, the CSR Committee identifies and prioritises CSR projects after considering various factors such as need assessment, budgetary allocation and expected social impact. During the year under review, the Company implemented its CSR initiatives through H. L. Somany Foundation, a company registered under Section 8 of the Companies Act, 2013, in the areas of healthcare, education, skill development, environmental sustainability and other activities covered under the CSR Policy.

   The CSR initiatives of the Company are aligned with the requirements of Schedule VII of the Companies Act, 2013 and are undertaken with a focus on creating sustainable and measurable social impact.

2. Composition of the CSR Committee

SL. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Abhishek Somany	Chairman of CSR Committee and Managing Director & CEO	4	3
2.	Mr. Ghanshyam Girdharbhai Trivedi	Member of CSR Committee and Non-Executive Non-Independent Director	4	3
3.	Mrs. Rumjhum Chatterjee	Member of CSR Committee and Independent Director	4	4
4.	Mr. Manit Rastogi	Member of CSR Committee and Independent Director	4	2

3. Weblink(s) for Composition of CSR Committee, CSR Policy and CSR projects/activities approved by the Board are disclosed on the website of the Company.

   - The detail of composition of CSR Committee is available on the website at the weblink: CSR Committee
   - The contents of the CSR Policy are available on the website at the weblink: CSR Policy
   - The CSR projects/activities are available on the website at the weblink: CSR Activities.

4. Executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: For the year under review, Impact Assessment is not applicable to the Company.

5. a) Average net profit of the Company as per section 135(5): ₹ 12,437.98 Lakhs

   b) Two percent of average net profit of the Company as per section 135(5): ₹ 248.76 Lakhs

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

   d) Amount required to be set-off for the financial year, if any: Nil

   e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 248.76 Lakhs

6. a) Amount spent on CSR Projects (other than Ongoing Project): ₹ 248.81 Lakhs

   b) Amount spent in Administrative Overheads: Nil

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

   d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 248.81 Lakhs

   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
248.81	Nil	-	-	Nil	-

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

Sl. No.	Particulars	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	248.76
(ii)	Total amount spent for the financial year	248.81
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.05
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.05

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

1	2	3	4	5	6		7	8
Sl. No.	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 as 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		
				Nil				

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

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

For and on behalf of the Board

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO and
Chairman, CSR Committee
DIN: 00021448

Place: Noida
Date: 15 May, 2026

Annexure – 5

Information on conservation of energy, research and development (R&D), technology absorption, foreign exchange earnings and outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

Conservation of Energy in manufacturing operations is an ongoing process and a serious commitment of all concerned in the Company.

(a) Energy conservation measures taken by the Company includes steps taken by the Company for utilizing alternate source of energy and the capital investment on energy conservation equipment:

I. The Company continued to use advanced ultrasonic technology and Shock Pulse Method ("SPM") technology for predictive maintenance of machinery, thereby reducing downtime and idle running of equipment and improving overall plant efficiency.

II. Waste heat generated from kilns was recovered and utilised in horizontal dryers through insulated heat-recovery ducts, resulting in savings in natural gas consumption.

III. Heat-recovery ducts in the kiln and dryer areas were insulated after identifying heat-loss points through thermal imaging, thereby minimising thermal losses.

IV. Bureau of Energy Efficiency ("BEE") certified high-efficacy, energy-efficient LED lighting systems were used to reduce electricity consumption.

V. Variable Frequency Drives ("VFDs") were installed in slip pumps, fans, blowers, kiln water pumps and cooling-tower pumps. These were integrated with temperature sensors, pressure sensors and ultrasonic water-level controllers to optimise operations, reduce power consumption and improve process stability.

VI. BEE-certified, energy-efficient IE3 motors were used in kilns and horizontal dryers to reduce electrical power consumption.

VII. Low-loss capacitors equipped with Automatic Power Factor Correction ("APFC") relays were used to maintain the power factor close to unity at the load end, thereby reducing voltage drops and distribution losses.

VIII. Higher-capacity motors were replaced with appropriately sized motors following load analysis through load-management systems. VFDs were also used to meet variable load requirements, resulting in electricity savings.

IX. Measures were undertaken to avoid idle running of equipment, and motion sensors were installed for lighting in identified areas.

X. The rooftop solar power plants installed at the Kassar and Kadi facilities generated approximately 37.65 lakh units of renewable energy during the year. This contributed to a reduction in greenhouse gas emissions and will continue to provide recurring environmental and energy benefits over the operating life of the plants.

XI. The Company also procured approximately 15.65 lakh units of solar power under the group captive model for the Kadi Plant.

XII. Transparent roofing sheets were installed in various plant areas to maximise the use of natural daylight and reduce electricity consumption during daytime operations.

XIII. The implementation of various energy-saving projects resulted in estimated annual energy savings of approximately 2.92 lakh kWh.

XIV. The Company continues to maintain an Energy Management System ("EMS") software platform, which provides real-time energy-consumption data and facilitates continuous monitoring, analysis and identification of opportunities for further reduction in power consumption.

(b) Impact of measures (a) above for reduction of energy consumption consequent impact on cost of production of goods.

The energy conservation initiatives undertaken by the Company have resulted in reduced electricity and fuel consumption, lower operating costs, improved process efficiency and a reduction in greenhouse gas emissions. These measures are expected to continue contributing to greater energy efficiency and optimisation of the cost of production.

(B) TECHNOLOGY ABSORPTION

A. Research and Development;

I. Specified areas of R&D

Your Company has continued to advance its leading position in ceramic manufacturing through sustained investment in research and development, innovative product design, and operational efficiencies.

Manufacturing Excellence: As a pioneer in ceramic tiles, the Company manufactures pressed ceramic products across all classes, compliant with IS 15622:2017, including Ceramic, GVT, PVT, and DC variants for wall and floor applications. The combined capacity now stands at ~ 75 million square metres per annum.

Recognized R&D Facility: The Company's in-house R&D facility has been recognized by the Government of India since 1996 and has been regularly renewed, reflecting ongoing commitment to innovation and product development.

Technological Advances:

The Company has incorporated tile thickness of 12 mm GVT which is a strategic advancement for high-traffic zones, allowing the tiles to withstand heavy and frequent movement without surface stress or structural cracking.

The Company has also successfully commissioned a polishing and squaring line with a massive 20,000 m^2 area to cater the market focussing on high-speed precision and industrial-scale consistency of polished products.

Digital Printing Innovation: A state-of-the-art digital printing machine from System, Italy, has been recently installed in synchronization with the existing digital machine, which can produce structured effect on the tile surface which otherwise would have been only possible through structured punch. This gives a huge competitive edge as any structured effect can be produced within a short notice without keeping inventory of punches. This also eliminated the traditional punch change and improved throughput and serviceability.

Sustainability and Resource Optimization: Incorporation of New Striker series at MTP plant with reduction in tile thickness size from 8.6 mm to 7.4 mm enhancing sustainability and production efficiency by reducing raw material usage, lowering energy consumption for firing.

The Company has replaced virgin paper with Semi-krafft paper and also introduced 3 ply Corrugated boxes from previously used 5 ply redesigning packaging, using lightweight materials, and encouraging refillable or reusable options. The Company has also re-engineered the cartons to achieve cost-efficiency and material optimization enabling decrease in paper consumption, reduce weight, and lower production costs while meeting specific, intended logistical requirements.

Stabilization of 800X1600 large format tile size significantly enhances our presence in high valued products. The cheaper raw material was introduced without affecting any quality parameters which reduces the production cost. Integrating an Automatic Packing Machine for packing significantly drives sustainability by cutting down dependency on manual labor and optimizing the logistics chain.

All process waste, including water, is fully recycled. Continuous cost-optimization projects are going on, such as, developing alternative frits to offset rising costs of critical raw materials like zinc and zircon, partnering with alternative vendors for clays and frits to improve cost efficiency and consistency, reducing body costs by incorporating granite sludge—a byproduct of the marble industry— into the tile body, decreasing reliance and dependency on raw materials, introducing low- maturing body formulations to cut kiln cycle times and specific fuel consumption, thereby improving productivity.

Alternative Fuels and Energy Efficiency: Recognizing the importance of energy diversification, your Company has successfully implemented various biofuel alternatives for spray dryers—including wood scrap, mustard turi husk, and groundnut husk, guar husk—which offer significant cost savings and helps to achieve energy independence offering sustainable energy and renewable source. The chain stoves have been replaced with fluidized beds, enhancing flexibility in fuel use. Additionally, Variable Frequency Drives have been installed on major energy-consuming equipment, while captive solar power has been deployed on the roofs of our manufacturing facilities. Waste heat from kilns is reused to preheat combustion air and support drying processes.

II Benefits derived as a result of above R&D Development

Introduction of new sizes is also an area of your Company's priority. In recent past, the Company has introduced 800X1600 GVT in Kassar plant apart from larger format tiles from the Company's green field Max plant.

The Company has the large number of designs giving a wide choice to its customers to choose from apart from tiles, the adhesive section is also growing fast through development of new high end adhesive products which are suitable for larger format tile fixing. Epoxy based grout was also developed through the in house R&D facility.

III Future R & D Plans

The research and development division of the Company has always engaged themselves for development of new designs and variety of products to meet the high expectations of the customers. It endeavors to develop new products which are different in design, effects and sizes with cost optimization.

Many innovative steps are being taken to improve the fuel efficiency.

Your Company is taking steps for Substituting Marble Sludge in place of Marble Powder which will be beneficial for waste utilization and turn industrial waste into profit offering sustainable management.

Your Company is exploring locally available raw materials in the ceramic tile body that will decrease raw material costs including reduced transportation costs and also looking for Reducing body costs by incorporating ETP Sludge that is generated from cutting/polishing improving cost-effectiveness.

IV Expenditure on R & D

There was no major expenditure incurred to carry out the R&D when compared with the size of the turnover of the Company. The Company is dedicated to delivering innovative solutions that protect the environment and promote customer well-being. Environmental and social factors are embedded in its research and development activities as well as its capital investment decisions. Through technological advancements that optimize processes and reduce raw material consumption, the Company aims to further enhance the environmental and social performance of its products and operations.

B. Technology absorption, adaptation and innovation

The Company continues to fully adopt and keeps its R&D and technical staff fully abreast with the latest technologies and products globally. Employees attended various seminars, conferences to keep them updated and identify opportunities. The Company has not imported any technology during the last three years.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(i) Foreign Exchange Earnings ₹ 5,606.74 Lakhs

(ii) Foreign Exchange Outgo ₹ 2,020.01 Lakhs

For and on behalf of the Board

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Place: Noida
Date: 15 May, 2026

Annexure – 6

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.]

The percentage change in remuneration of each Director during FY 2025-26 and ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2025-26

Name of the Director	Title	% increase of remuneration in 2026 as compared to 2025	Ratio of remuneration of each Director to MRE (inc. WTDs)
Mr. Shreekant Somany	Chairman & Managing Director	0.85%	93.71
Mr. Abhishek Somany	Managing Director & CEO	26.79%	117.82
Mr. Ghanshyam Girdharbhai Trivedi	Non-Executive Non-Independent Director	36.26%	1.11
Mr. Rameshwar Singh Thakur	Non-Executive Independent Director	31.91%	1.11
Mrs. Rumjhum Chatterjee	Non-Executive Independent Director	53.95%	1.05
Mr. Vineet Agarwal	Non-Executive Independent Director	59.21%	1.09
Mr. Manit Rastogi	Non-Executive Independent Director	73.53%	1.06
Mr. Zubair Ahmed	Non-Executive Independent Director	65.22%	1.02

MRE: Median Remuneration of Employees

The percentage change in remuneration of Key Managerial Personnel (other than Executive Directors) during FY 2025-26

Name of the KMP	Title	% increase of remuneration in 2026 as compared to 2025
Mr. Amit Sahai	Chief Executive Officer – Tile Business	12.71%
Mr. Sailesh Raj Kedawat	Chief Financial Officer	11.07%
Mr. Anuj Kalia*	Company Secretary and Compliance Officer	Not applicable

** Appointed as Company Secretary and Compliance Officer with effect from 08 May, 2025. Since the remuneration received is only for part of FY 2025-26. Hence, percentage change in remuneration is not comparable.*

The Median Remuneration of Employees excluding Whole-time Directors (WTDs) was ₹ 5,55,372/- and ₹ 5,02,396/- in FY 2025-26 and FY 2024-25 respectively. The increase in MRE (excluding WTDs) in FY 2025-26 as compared to FY 2024-25 is 10.54%.

The Median Remuneration of Employees including Whole-time Directors was ₹ 5,57,556/- and ₹ 5,03,123/- in FY 2025-26 and FY 2024-25 respectively. The increase in MRE (including WTDs) in FY 2025-26 as compared to FY 2024-25 is 10.82%.

The number of permanent employees on the rolls of the Company as of 31 March, 2026 and 31 March, 2025 were 2,001 and 2,000 respectively.

The aggregate remuneration of employees excluding WTDs increased by 3.53% over the previous financial year. The aggregate increase in salary for WTDs and other KMPs was 11.76% (on annualized basis) in FY 2025-26 over FY 2024-25. This was based on the recommendation of the Nomination and Remuneration Committee to revise the remuneration as per industry benchmark.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Place: Noida
Date: 15 May, 2026

Annexure – 7

Top ten employees in terms of Remuneration drawn including the employees who were in receipt of remuneration exceeding ₹ 1.02 Crores per annum and were employed throughout the FY 2025-26 and employees who were employed for a part of the financial year and were in receipt of remuneration not less than ₹ 8.50 Lakhs per month;

[Information as per Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The names and other particulars of top ten employees of the Company in terms of remuneration (CTC) in the below-mentioned format;

For the financial year 2025-26 or for part of the year

	Employee -1	Employee -2	Employee -3	Employee -4	Employee -5	Employee -6	Employee -7	Employee -8	Employee -9	Employee -10	Employee -11	Employee-12
Employee Name	Shreekant Somany	Abhishek Somany	Amit Sahai	Rahul Sharma	Sujit Kumar Mohanthy	Sailesh Raj Kedawat	Ashavani Kumar Mani	Vishal Kakkar	Devendra Pal Singh	Sanjeev Ranjan	Navneet JP Gaurh	Amit Bhatnagar
Age (years)	77	54	59	51	50	52	51	49	54	55	49	49
Designation	Chairman & Managing Director	Managing Director & CEO	CEO- Tile Business	Joint President	Joint President	Chief Financial Officer	Senior Vice President	Vice President	Vice President	Senior Vice President	Assistant Vice President	Vice President
Remuneration Received (₹ In Lakhs)	522.47	656.89	318.67^	175.53^	166.86^	154.80^	99.43^	94.14	93.26^	90.45	87.01	84.12
Qualifications	B. Sc	B.B.A.	M.B.A.	PGDM Marketing	M.B.A.	C.A.	B. Tech	M.B.A.	PGDBM	M.B.A.	M.B.A.	M.B.A
Experience (in years)	55	31	37	29	25	29	31	26	32	30	26	28
Date of Commencement of Employment	01 September, 1992	09 March, 2001	06 July, 2018	03 May, 2019	14 February, 2001	26 September, 2022	28 January, 2011	18 September, 2020	01 July, 2016	19 January, 2004	20 February, 2006	07 July, 2010
Name of last Employment	Hindustan Sanitaryware & Industries Ltd	Not Applicable	Snowcem Paints Private Ltd	Asian Granito India Ltd	Sika Qualcrete Ltd	Mirc Electronics Ltd	Oracle Granito Ltd	HSIL	Asian Granito India Ltd	Kajaria Ceramics Ltd	Kajaria Ceramics Ltd	Havells India Limited
Position Held in Last Employment	President	Not Applicable	CEO	Vice President	Sales Officer	Chief Financial Officer	General Manager	Assistant Vice President	General Manager	Manager	General Manager	Manager

Remuneration includes Gross Earning Salary + Perquisite +PF

^remuneration also includes perquisite on account of exercise of options under ESOP Plan 2023.

During FY 2025-26, no employee was in receipt of remuneration exceeding the remuneration drawn by the Managing Directors of the Company.

All above mentioned employees are on the rolls of the Company and nature of employment is as per the appointment letter given by the Company nor holds 2% or more of the paid-up share capital of the Company.

Mr. Shreekant Somany is the father of Mr. Abhishek Somany. Except this no employee as mentioned in above list, is relative of any Director of the Company.

Annexure – 8

DETAILS OF EMPLOYEE STOCK OPTION PLANS FOR THE FY 2025-26 AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013 & SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

A. **Relevant disclosures in terms of the Accounting Standards (Ind-AS) 102 –** The disclosure on 'Share Based Payments' has been made in Note No. 47 read with note no. 2.11 of the Notes to the Standalone Financial Statements, forming part of this Annual Report for the financial year 2025-26.

B. **Diluted Earnings Per Share ('EPS') pursuant to the issue of shares on exercise of options calculated in accordance with Indian Accounting Standards (Ind-AS) 33 –** Diluted Earnings Per Share is ₹ 24.11.

C. **Details related to ESOP Scheme(s):**

(i) **The description of the ESOP(s) existed during the year, including the general terms and conditions of such ESOP(s):**

Sl. No	Particulars	Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021)	Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023)
(a)	Date of shareholders' approval	07 April, 2022	25 August, 2023
(b)	Total number of options approved under the scheme	4,23,794 (Four lakhs twenty three thousand seven hundred ninety four only) Options	12,74,226 (Twelve Lakhs Seventy Four Thousand Two Hundred and Twenty Six) Options
(c)	Vesting requirements	Vesting of the options shall take place over a maximum period of 7 years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organizational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest. The minimum vesting period will be at least One year from the date of grant. Further in the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.	Vesting of the options shall take place over a maximum period of 7 years from the date of grant. The Nomination & Remuneration Committee at the time of grant may specify certain criteria linked to the individual and/or organizational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest. The minimum vesting period will be at least One year from the date of grant. Further in the event of death or permanent incapacity of an employee, the minimum vesting period of one year shall not be applicable.
(d)	Exercise price or pricing formula	The exercise price shall be decided by the Nomination & Remuneration Committee in line with the SEBI Regulations. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be below the Face Value of the share.	The exercise price shall be decided by the Nomination & Remuneration Committee in line with the SEBI Regulations. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be below the Face Value of the share.
(e)	Maximum term of options granted	Vesting of the options shall take place over a maximum period of 7 years from the date of grant.	Vesting of the options shall take place over a maximum period of 7 years from the date of grant.
(f)	Source of shares (primary, secondary or combination)	The Plan will involve issue of new shares by the Company and will not involve any secondary acquisition.	The Plan will involve issue of new shares by the Company and will not involve any secondary acquisition.

(g)	Variation in terms of options	The Board of Directors in their absolute discretion may from time to time amend, alter or terminate the Plan or any Grant or the terms and conditions thereof provided, that no amendment, alteration or termination in any Grant previously made may be carried out, to the extent possible, which would impair or prejudice the rights of the Employee without the consent of the concerned Employee. The notice for passing a special resolution for variation of terms of the Plan shall disclose full details of the variation, the rationale therefore and the details of the Employees who are beneficiaries of such variation. Without prejudice to the above, the Board of Directors, may without any reference to or consent of the Employee concerned, amend the Plan or Grant or any Agreement to comply with any laws, regulations or guidelines, which is or may hereinafter, become applicable to this Plan. During the year, no amendment/ modification/ variation has been introduced in terms of options.	The Board of Directors in their absolute discretion may from time to time amend, alter or terminate the Plan or any Grant or the terms and conditions thereof provided, that no amendment, alteration or termination in any Grant previously made may be carried out, to the extent possible, which would impair or prejudice the rights of the Employee without the consent of the concerned Employee. The notice for passing a special resolution for variation of terms of the Plan shall disclose full details of the variation, the rationale therefore and the details of the Employees who are beneficiaries of such variation. Without prejudice to the above, the Board of Directors, may without any reference to or consent of the Employee concerned, amend the Plan or Grant or any Agreement to comply with any laws, regulations or guidelines, which is or may hereinafter, become applicable to this Plan. During the year, no amendment/ modification/ variation has been introduced in terms of options.

(ii) Method used to account for ESOP - Intrinsic or fair value: **Fair Value**

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

(iv) Options movement during the year (For each ESOP):

Sr. No.	Particulars	Somany Ceramics Employee Stock Option Plan 2021		Somany Ceramics Employee Stock Option Plan 2023						
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
a)	Number of Options outstanding at the beginning of the year i.e. 01 April, 2025	2,49,647	86,104	90,572	26,395	10,000	3,201	52,454	50,966	NIL
b)	Number of Options granted during the year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1,59,000
c)	Number of Options forfeited / lapsed during the year	18,156	25,102	NIL	NIL	NIL	NIL	2,467	3,043	NIL
d)	Number of Options vested during the year	63,433	15,250	22,643	7,074	NIL	3,201	NIL	11,981	NIL
e)	Number of Options exercised during the Year	Nil	Nil	Nil	Nil	Nil	3,201	Nil	Nil	Nil
f)	Number of shares arising as a result of exercise of options	Nil	Nil	Nil	Nil	Nil	3,201	Nil	Nil	Nil
g)	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Nil	Nil	Nil	Nil	Nil	6,402	Nil	Nil	Nil
h)	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
i)	Number of Options outstanding at the end of the Year i.e. 31 March, 2026	2,31,491	61,002	90,572	26,395	10,000	Nil	49,987	47,923	1,59,000
j)	Number of Options exercisable at the end of the year i.e. 31 March, 2026	1,15,745	30,501	22,643	12,246	10,000	NIL	NIL	11,981	NIL
k)	Exercise price per option (Amount in Rupees)	647.85	536.05	647.85	493.46	493.46	2.00	514.95	493.46	190.38

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. Details are covered under Note no. 47 (c) of the Notes to the Standalone Financial Statements.

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

(a) senior managerial personnel as defined under Regulation 16(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Sr. No.	Name and Designation	Number of Option granted (ESOP 2021)		Number of Option granted (ESOP 2023)						
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
1.	Mr. Amit Sahai (CEO-Tile Business)	-	-	-	-	-	-	-	-	26,000
2.	Mr. Sailesh Raj Kedawat (Chief Financial Officer)	-	-	-	-	-	-	-	-	15,000
3.	Mr. Biju Sebastian (Head - HR)	-	-	-	-	-	-	-	-	8,000

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and

Sr. No.	Name and Designation	Number of Option granted (ESOP 2021)		Number of Option granted (ESOP 2023)						
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
1.	Mr. Rahul Sharma (Joint President)	-	-	-	-	-	-	-	-	15,000
2.	Mr. Sujit Kumar Mohanthy (Joint President)	-	-	-	-	-	-	-	-	15,000
3.	Mr. Ashavani Kumar Mani (Senior Vice President)	-	-	-	-	-	-	-	-	15,000
4.	Mr. Vishal Kakkar (Vice President)	-	-	-	-	-	-	-	-	9,000
5.	Mr. Devendra Pal Singh (Vice President)	-	-	-	-	-	-	-	-	9,000
6.	Mr. Vikas Mechu (Assistant Vice President)	-	-	-	-	-	-	-	-	8,000
7.	Mr. Sachin Jain (Assistant Vice President)	-	-	-	-	-	-	-	-	8,000

The aforesaid stock options were granted under Grant - 7 of the Somany Ceramics ESOP, 2023 at an exercise price of ₹190.38 per option.

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: Nil

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

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. Details for which are as under:

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Grant Date	Apr 29, 2022	Feb 07, 2023	Nov 08, 2023	Nov 08, 2023	Nov 08, 2023	May 29, 2024	Feb 06, 2025	Feb 06, 2025	Mar 28, 2026
Exercise price	647.85	536.05	647.85	493.46	493.46	2.00	514.95	493.46	190.38
Weighted Average Fair value	329.74	270.33	350.98	381.85	357.33	708.99	268.35	256.25	244.80
Risk-free interest rate	6.73%-7.15%	7.19%-7.25%	7.20%-7.23%	7.20%-7.23%	7.20%	6.93%	6.53%-6.63%	6.51%-6.59%	6.43%-6.72%
Expected life	5.5-8.5 years	5.5-8.5 years	5.5-8.5 years	4.5-7.5 years	4.5 years	4.5 years	5.5-8.5 years	4.5-7.5 years	4.5-6.5 years
Expected volatility	41.01%-43.24%	39.36%-40.92%	41.03%-46.37%	41.56%-46.37%	46.37%	44.13%	42.87%	42.87%	36.14%
Expected dividends	0.88%	0.85%	0.65%	0.65%	0.65%	0.65%	0.63%	0.63%	0.63%
The price of the underlying shares in market at the time of Option grant	647.85	536.05	657.95	657.95	657.95	731.65	514.95	514.95	380.75

(b) the method used and the assumptions made to incorporate the effects of expected early exercise;

Black Scholes Option Pricing Model (refer Note number 47 of the notes to Standalone Financial Statements).

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;

The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

Please refer Note number 47 of the notes to Standalone Financial Statements.

Disclosures in respect of grants made in three years prior to IPO under each SAR scheme:

Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options: Not Applicable

D. Details related to ESPS: Not Applicable

E. Details related to SAR: Not Applicable

F. Details related to GEBS/RBS: Not Applicable

G. Details related to Trust: Not Applicable

Annexure – 9

Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of Somany Ceramics Limited
2, Red Cross Place,
Kolkata - 700001

1. The Corporate Governance Report prepared by Somany Ceramics Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the SEBI (LODR) Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended 31 March, 2026. This Certificate is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the SEBI (LODR) Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the SEBI (LODR) Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

OPINION

7. Based on the procedures performed by us and according to the information and explanations given to us, that we are of the opinion that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, as applicable for the year ended 31 March, 2026, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

8. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

9. This certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI (LODR) Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration Number: 302049E

Shubham Dutta
Partner
Membership Number: 500580
UDIN:26500580GCQBLX5155

Place: Noida (Delhi-NCR)
Date: 15 May, 2026

Corporate Governance Report

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that sound Corporate Governance practices are essential for achieving sustainable growth, enhancing stakeholder confidence and creating long-term value. Corporate Governance at the Company is guided by the principles of integrity, transparency, accountability, fairness and ethical business conduct.

The Company is committed to maintaining the highest standards of Corporate Governance through responsible business practices, timely and transparent disclosures, effective risk management and compliance with applicable laws and regulations. The Board of Directors and the Management strive to protect the interests of shareholders and other stakeholders while ensuring sustainable growth and responsible corporate citizenship.

The Company has complied with the Corporate Governance requirements set out in Regulations 17 to 27, as well as Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable.

Fairness | **Accountability** | **Transparency** | **Integrity** | **Ethical Business Conduct**

8 Total Directors

2 Executive Directors who are Managing Directors

5 Non-Executive Independent Directors

1 Non-Executive Non-Independent Director

2. BOARD OF DIRECTORS

Composition of the Board

The composition of the Board is in compliance with the provisions of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and Regulation 17 of the Listing Regulations. The Board comprises an optimum combination of Executive and Non-Executive Directors, including a Woman Director and Independent Directors, possessing diverse professional expertise, experience and skills.

As on 31 March, 2026, the Board of Directors comprised Eight Directors, consisting of Two Executive Directors, Five Non-Executive Independent Directors (including One Woman Director) and One Non-Executive Non-Independent Director.

None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company, other than the payment of sitting fees and commission, as applicable.

MEETINGS OF THE BOARD OF DIRECTORS

During FY 2025-26, Four meetings of the Board of Directors were held on 07 May, 2025, 13 August, 2025, 07 November, 2025 and 28 January, 2026. The maximum interval between any two board meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. To ensure well-informed decision-making, the agenda and related documents were provided to the Directors in advance. The minutes of all Board and Committee meetings were also circulated to all Directors and their comments were taken into account before finalization. The Board convenes at least once every quarter to evaluate the Company's financial results and performance. Only in case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board/ Committee meetings at a shorter notice, in accordance with the applicable law.

Category and Attendance of Directors

✓ - Yes ✗ - No

Name of Director and DIN	Category	No. of Board Meetings held	No. of Board Meetings attended	Attended last AGM held on 18 September, 2025	Number of Directorships in other Companies ($)	No. of Committee positions held in other Companies@		No. of Shares held
						Chairperson	Member	
Mr. Shreekant Somany (DIN: 00021423)	Chairman & Managing Director	4	4	✓	2	-	-	1,41,625
Mr. Abhishek Somany (DIN: 00021448)	Managing Director & CEO	4	3	✓	1	-	-	19,01,075*
Mr. Rameshwar Singh Thakur (DIN: 00020126)	Non-Executive Independent Director	4	4	✓	1	-	-	-
Mrs. Rumjhum Chatterjee (DIN: 00283824)	Non-Executive Independent Director	4	4	✓	1	-	-	-
Mr. Vineet Agarwal (DIN: 00380300)	Non-Executive Independent Director	4	4	✗	7	-	4	2,034
Mr. Manit Rastogi (DIN: 00370998)	Non-Executive Independent Director	4	3	✓	1	-	-	-
Mr. Zubair Ahmed (DIN: 00182990)	Non-Executive Independent Director	4	4	✓	1	2	-	-
Mr. Ghanshyam Girdharbhai Trivedi (DIN: 00021470)	Non-Executive Non-Independent Director	4	4	✓	1	-	-	2,000

($) Excludes directorships in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013. Directorships in subsidiaries of public companies have been considered in accordance with the provisions of the Companies Act, 2013.

(@) Includes only membership(s)/chairpersonship(s) of the Audit Committee and Stakeholders' Relationship Committee of other public limited companies.

(*) Out of 19,01,075 equity shares held by Mr. Abhishek Somany, 18,55,633 equity shares are held by him in his capacity as Karta of Abhishek Somany (HUF).

Details of directorships in other listed companies and the category of directorship:

Name of Director	Other Listed entities where the person is a director	Category of directorship
Mr. Shreekant Somany	-	-
Mr. Abhishek Somany	-	-
Mr. Rameshwar Singh Thakur	-	-
Mr. Vineet Agarwal	Transport Corporation of India Limited	Executive Director- Managing Director
	TCI Express Limited	Non-Executive Non-Independent Director
	SRF Limited	Non-Executive Independent Director
Mrs. Rumjhum Chatterjee	-	-
Mr. Ghanshyam Girdharbhai Trivedi	-	-
Mr. Manit Rastogi	-	-
Mr. Zubair Ahmed	Shree Cement Limited	Non-Executive Independent Director

None of the Directors of the Company is a member of more than ten Committees or acts as the Chairperson of more than five Committees across all public limited companies in which he/she holds directorships. For the purpose of determining the aforesaid limits, only the membership(s) and chairpersonship(s) of the Audit Committee and Stakeholders' Relationship Committee have been considered in accordance with Regulation 26(1)(b) of the Listing Regulations.

Key Board Skills, Expertise and Competencies:

The Company operates in the business of manufacturing and trading of tiles, sanitaryware, bath fittings, adhesives and other allied products. In view of the nature and scale of its operations, the Board has identified certain core skills, expertise and competencies required for effective functioning of the Company and achievement of its strategic objectives. These include, among others, Strategy, Corporate Governance, Sales & Marketing, Communication, General Management, Business Development, Corporate Laws, Laws relating to Commerce and Industry, Human Resource Management, Change Management, Women Empowerment and Capacity Building, Finance, Business Planning, Product Pricing and Operations.

The Board comprises an appropriate mix of Executive, Non-Executive and Independent Directors (including a Woman Director) possessing diverse skills, experience and knowledge across various fields, including finance, law, management, human resource management, sales, marketing, administration, research, corporate governance, technical operations and other disciplines relevant to the Company's business.

The table below sets out the core skills, expertise and competencies identified by the Board and available with the Directors. The absence of a mark against a Director's name does not necessarily indicate that the Director does not possess the corresponding skill or expertise.

✓ - Yes ✗ - No

Name of Director	Area of Expertise							
	Financial	Sales & Marketing	Law	Management	Technology	Governance	Diversity	Research
Mr. Shreekant Somany	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abhishek Somany	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ghanshyam Girdharbhai Trivedi	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Vineet Agarwal	✓	✓	✓	✓	✗	✓	✓	✓

✓ - Yes ✗ - No

Name of Director	Area of Expertise							
	Financial	Sales & Marketing	Law	Management	Technology	Governance	Diversity	Research
Mr. Rameshwar Singh Thakur	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Rumjhum Chatterjee	✓	✓	✓	✓	✗	✓	✓	✓
Mr. Manit Rastogi	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Zubair Ahmed	✓	✓	✓	✓	✗	✓	✓	✓

INTER-SE RELATIONSHIP OF DIRECTORS

Mr. Shreekant Somany, Chairman & Managing Director of the Company is the father of Mr. Abhishek Somany, Managing Director & CEO of the Company. Except as stated above, none of the Directors on the Board is related to any other Director.

BOARD FUNCTIONS

Apart from reviewing and considering matters specified under Regulation 17 of the Listing Regulations, the Board, inter alia, undertakes the following:

1. Defining the corporate philosophy, vision and mission of the Company;
2. Formulating and reviewing the strategic business plans and policies of the Company;
3. Setting and promoting high standards of ethical conduct and corporate governance;
4. Overseeing compliance with applicable laws, regulations and internal policies;
5. Ensuring timely, transparent and effective communication with shareholders and other stakeholders; and
6. Reviewing and monitoring the Company's risk management framework and internal control systems.

3. CODE OF CONDUCT

The Board of Directors has adopted a Code of Conduct applicable to all Directors and Senior Management Personnel of the Company. The Code suitably incorporates the duties of Independent Directors as prescribed under Schedule IV to the Companies Act, 2013 and is in compliance with the requirements of Regulation 26(3) of the Listing Regulations.

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2025-26. A declaration to this effect signed by the Managing Director & CEO forms part of this Report as **Annexure - A**.

The Code of Conduct is available on the website of the Company at www.somanyceramics.com.

4. SENIOR MANAGEMENT PERSONNEL

As on 31 March, 2026, the particulars of the Senior Management Personnel of the Company, as defined under Regulation 16(1)(d) of the Listing Regulations are given below:

Name of Senior Management Personnel	Designation
Mr. Shrivatsa Somany	Head – Bathware Business
Mr. Amit Sahai	Chief Executive Officer – Tile Business
Mr. Sailesh Raj Kedawat	Chief Financial Officer
Mr. Anuj Kalia	Company Secretary & Compliance Officer
Mr. Biju Sebastian	Head – Human Resource
Mr. Diwakar Bishnoi	Head – Manufacturing

Changes in Senior Management Personnel during the Financial Year

During FY 2025-26, Mr. Ambrish Julka ceased to hold the position of Company Secretary & Compliance Officer of the Company with effect from 07 May, 2025 and Mr. Anuj Kalia was appointed as Company Secretary & Compliance Officer of the Company with effect from 08 May, 2025.

Further, Mr. Biju Sebastian was appointed as Head – Human Resource of the Company with effect from 29 January, 2026 and Mr. Atish Bhattacharya ceased to hold the said position with effect from 02 February, 2026.

5. COMMITTEES OF THE BOARD

The Board Committees play an important role in strengthening the governance framework of the Company and assist the Board in effectively discharging its responsibilities. The Committees are constituted with specific terms of reference to focus on designated areas and facilitate detailed review and oversight of matters delegated by the Board. The Board is responsible for constituting the Committees, defining their terms of reference and appointing their members. The recommendations of the Committees are placed before the Board for its consideration and approval, wherever required.

The Board has constituted the following Committees:

The composition, terms of reference, number of meetings held during FY 2025-26 and attendance of the members of the aforesaid Committees, as required under Listing Regulations, are provided in the subsequent paragraphs. The minutes of the meetings of all the Committees are placed before the Board for its review and noting.

AUDIT COMMITTEE

Composition of Committee and Frequency of Meeting

As on 31 March, 2026, the Audit Committee comprised Four members, with Independent Directors constituting the majority. The composition of the Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

All members of the Audit Committee are financially literate and possess relevant experience and expertise in finance, accounting, business management, corporate governance and related fields. The Chairperson of the Audit Committee is an Independent Director.

Mr. Rameshwar Singh Thakur, Chairperson of the Audit Committee attended the last Annual General Meeting of the Company to address queries of the shareholders.

During FY 2025-26, Four meetings of the Audit Committee were held on 07 May, 2025, 13 August, 2025, 07 November, 2025 and 28 January, 2026. The maximum gap between any two meetings did not exceed 120 days.

The composition of the Audit Committee and attendance of the members at the meetings held during FY 2025-26 are provided below:

Mr. Rameshwar Singh Thakur (Chairperson)
Non-Executive Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Vineet Agarwal (Member)
Non-Executive Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Ghanshyam Girdharbhai Trivedi (Member)
Non-Executive Non - Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Manit Rastogi (Member)
Non-Executive Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

The Statutory Auditors, Internal Auditors, Chairman & Managing Director, Managing Director & CEO, Chief Financial Officer and such other invitees, as may be considered appropriate are generally invited to attend the meetings of the Audit Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

The minutes of the meetings of the Audit Committee are placed before the Board of Directors for its noting. During the year, all recommendations made by the Audit Committee were accepted by the Board.

Terms of Reference

The terms of reference of the Audit Committee cover the areas stipulated under Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors.

Brief description of the terms of reference are:-

1. Overseeing the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. The recommendation for appointment, reappointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a) matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;

c) major accounting entries involving estimates based on the exercise of judgment by management;

d) significant adjustments made in the financial statements arising out of audit findings;

e) compliance with listing and other legal requirements relating to financial statements;

f) disclosure of any related party transactions; and

g) modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. 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, and making appropriate recommendations to the board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the Company with related parties including granting omnibus approval for related party transaction.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the Company, wherever it is necessary.

11. Evaluation of internal financial controls and risk management systems.

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

13. 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.

14. Discussion with internal auditors of any significant findings and follow up thereon.

15. 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.

16. 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.

17. 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.

18. Reviewing the functioning of Whistle Blower Mechanism.

19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

20. To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;

21. To review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given;

22. To review the financial statements, in particular, the investments made by the unlisted subsidiary;

23. To take note of an annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice, certified by the statutory auditors of the listed entity, and place it before the Audit Committee till such time the full money raised through the issue has been fully utilized;

24. To take note of following indications made by Chief Executive Officer or Chief Financial Officer of the Company, if any;

(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) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

25. To review the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

26. To review the following statement(s) on a quarterly basis for public issue, rights issue, preferential issue etc.

    (a) indicating deviations, if any, in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable;

    (b) indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilization of funds made by it in its offer document or explanatory statement to the notice for the general meeting, as applicable and the actual utilization of funds.

27. The Audit Committee shall review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

28. Carrying out any other function as mentioned in the terms of reference of the Audit Committee as may be specified under the provisions of the Companies Act, 2013 and /or Listing Regulations and such other provisions, as may be applicable.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

As on 31 March, 2026, the Stakeholders' Relationship Committee comprised Four members. The composition of the Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Committee oversees and reviews matters relating to the redressal of security holders' grievances, including complaints relating to transfer/transmission of shares, issue of duplicate share certificates, non-receipt of annual reports, non-receipt of declared dividends and such other matters as may be delegated by the Board from time to time.

During FY 2025-26, Two meetings of the Stakeholders' Relationship Committee were held on 07 May, 2025 and 07 November, 2025.

The composition of the Stakeholders' Relationship Committee and attendance of the members at the meetings held during FY 2025-26 are provided below:

Mr. Rameshwar Singh Thakur (Chairperson)
Non-Executive Independent Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Shreekant Somany (Member)
Chairman & Managing Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Ghanshyam Girdharbhai Trivedi (Member)
Non-Executive Non - Independent Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Zubair Ahmed (Member)
Non-Executive Independent Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Anuj Kalia, Company Secretary & Compliance Officer of the Company, acts as the Secretary to the Committee.

The minutes of the meetings of the Stakeholders' Relationship Committee are placed before the Board of Directors at its subsequent meeting for noting.

Mr. Rameshwar Singh Thakur, Chairperson of the Stakeholders' Relationship Committee, attended the last Annual General Meeting to address queries of the shareholders.

During FY 2025-26, the Company did not receive any shareholders complaints. Therefore, there were no complaints pending or unresolved as on 31 March, 2026.

NOMINATION AND REMUNERATION COMMITTEE

As on 31 March, 2026, the Nomination and Remuneration Committee comprised Four Non-Executive Directors, with Independent Directors constituting the majority. The Chairperson of the Committee is an Independent Director. The composition of the Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee is entrusted with the responsibility of identifying and recommending persons for appointment as Directors and Senior Management Personnel, formulating criteria for determining qualifications, positive attributes and independence of Directors, evaluating the performance of Directors and the Board, and recommending remuneration policies for Directors, Key Managerial Personnel and Senior Management Personnel.

During FY 2025-26, Four meetings of the Nomination and Remuneration Committee were held on 07 May, 2025, 13 August, 2025, 07 November, 2025 and 28 January, 2026.

The composition of the Committee and attendance of the members at the meetings held during FY 2025-26 are provided below:

Mr. Rameshwar Singh Thakur (Chairperson)
Non-Executive Independent Director

No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Ghanshyam Girdharbhai Trivedi (Member)
Non-Executive Non - Independent Director

No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Manit Rastogi (Member)
Non-Executive Independent Director

No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Vineet Agarwal (Member)
Non-Executive Independent Director

No. of Meetings attended out of 4 meetings: 1 2 3 4

The minutes of the meetings of the Nomination and Remuneration Committee are placed before the Board of Directors at its subsequent meeting for noting.

Mr. Rameshwar Singh Thakur, Chairperson of the Nomination and Remuneration Committee, attended the last Annual General Meeting to address queries of the shareholders.

Terms of Reference

Terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Listing Regulations and Section 178 of the Companies Act, 2013, that inter-alia includes:

1. To formulate 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. The Committee is required to formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors and is responsible to devise a policy on diversity of Board of Directors.

2. To identify the 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, removal and all remuneration, in whatever form, payable to senior management.

3. To determine 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.

4. To specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on 31 March, 2026, the Corporate Social Responsibility Committee comprised Four members. The composition of the Committee is in compliance with the requirements of Section 135 of the Companies Act, 2013.

The Committee is responsible for formulating and recommending the Corporate Social Responsibility Policy to the Board, recommending the amount of expenditure to be incurred on Corporate Social

Responsibility activities and monitoring the implementation of the CSR projects and programs undertaken by the Company.

During FY 2025-26, Four meetings of the Corporate Social Responsibility Committee were held on 07 May, 2025, 13 August, 2025, 07 November, 2025 and 28 January, 2026.

The composition of the Committee and attendance of the members at the meetings held during FY 2025-26 are provided below:

Mr. Abhishek Somany (Chairperson)
Managing Director & CEO
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Ghanshyam Girdharbhai Trivedi (Member)
Non-Executive Non - Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mrs. Rumjhum Chatterjee (Member)
Non-Executive Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

Mr. Manit Rastogi (Member)
Non-Executive Independent Director
No. of Meetings attended out of 4 meetings: 1 2 3 4

The minutes of the meetings of the Corporate Social Responsibility Committee are placed before the Board of Directors at its subsequent meeting for noting.

RISK MANAGEMENT COMMITTEE

As on 31 March, 2026, the Risk Management Committee comprised Five members. The composition of the Committee is in compliance with the requirements of Regulation 21 of the Listing Regulations.

The Committee assists the Board in overseeing and reviewing the Company's risk management framework, policies and processes, including identification, assessment, mitigation and monitoring of key business risks.

During FY 2025-26, Two meetings of the Risk Management Committee were held on 07 May, 2025 and 07 November, 2025.

The composition of the Committee and attendance of the members at the meetings held during FY 2025-26 are provided below:

Mr. Abhishek Somany (Chairperson)
Managing Director & CEO
No. of Meetings attended out of 2 meetings: 1 2

Mr. Rameshwar Singh Thakur (Member)
Non-Executive Independent Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Vineet Agarwal (Member)
Non-Executive Independent Director
No. of Meetings attended out of 2 meetings: 1 2

Mr. Sailesh Raj Kedawat (Member)
Chief Financial Officer
No. of Meetings attended out of 2 meetings: 1 2

Mr. Ashavani Kumar Mani (Member)
Senior Vice President
No. of Meetings attended out of 2 meetings: 1 2

The minutes of the meetings of the Risk Management Committee are placed before the Board of Directors at its subsequent meeting for noting.

Terms of Reference

Terms of reference of Risk Management Committee are as follows:

1. To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the 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.

(c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor, evaluate risks associated with the business of the Company and ensuring the cyber security of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed periodically 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.

SHARE TRANSFER COMMITTEE

The Company has constituted a Share Transfer Committee comprising Mr. Shreekant Somany as Chairperson and Mr. Abhishek Somany and Mrs. Rumjhum Chatterjee as Members of the Committee.

During FY 2025-26, the Share Transfer Committee met Twelve times to consider and approve matters relating to transfer, transmission, issue of duplicate share certificates and other allied matters pertaining to securities of the Company.

The minutes of the meetings of the Share Transfer Committee are placed before the Board of Directors at its subsequent meeting for noting.

COMPANY ADMINISTRATIVE COMMITTEE

The Company Administrative Committee has been constituted by the Board of Directors to consider and approve routine administrative and operational matters delegated to it by the Board, which require attention between two Board meetings.

During FY 2025-26, One meeting of the Company Administrative Committee was held on 18 September, 2025.

The composition of the Committee and attendance of the members at the meeting held during FY 2025-26 are provided below:

Mr. Shreekant Somany (Chairperson)
Chairman & Managing Director
No. of Meeting attended out of 1 meeting: 1

Mr. Abhishek Somany (Member)
Managing Director & CEO
No. of Meeting attended out of 1 meeting: 1

Mr. Manit Rastogi (Member)
Non-Executive Independent Director
No. of Meeting attended out of 1 meeting: 1

Mrs. Rumjhum Chatterjee (Member)
Non-Executive Independent Director
No. of Meeting attended out of 1 meeting: 1

The minutes of the meeting of the Company Administrative Committee are placed before the Board of Directors at its subsequent meeting for noting.

6. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 28 January, 2026, without the presence of Non-Independent Directors and members of the Management.

At the meeting, the Independent Directors, inter alia, reviewed and evaluated the performance of the Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairperson of the Company after taking into account the views of the Executive and Non-Executive Directors and assessed the quality, quantity and timeliness of the flow of information between the Management and the Board necessary for the Board to effectively and reasonably perform its duties.

7. INDUCTION AND TRAINING OF INDEPENDENT DIRECTORS

The Company has in place a familiarization program for Independent Directors to enable them to understand the Company's business, operations, industry, regulatory environment and their roles, rights and responsibilities as Directors.

Upon appointment, each Independent Director is issued a formal letter of appointment setting out, inter alia, the terms of appointment, duties, roles and responsibilities as prescribed under Schedule IV to the Companies Act, 2013. The Independent Directors are familiarized with the Company's business model, manufacturing operations, marketing initiatives, financial performance, strategic plans and risk management framework through presentations and interactions with the Senior Management Personnel and Functional Heads.

The Independent Directors are also periodically updated on changes in the regulatory environment, business developments and other matters relevant to the Company's operations to enable them to effectively discharge their duties and responsibilities.

The details of the familiarization programs imparted to the Independent Directors are available on the website of the Company at www.somanyceramics.com under the web link: Induction & Training of Directors.

8. EVALUATION

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS AND THE BOARD:

The Independent Directors and the Board are evaluated on the basis of the following criteria i.e. whether they:

a) Act objectively and constructively while exercising their duties;

b) Exercise their responsibilities in a bonafide manner in the interest of the Company;

c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;

d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

e) Refrain from any action that would lead to loss of their independence;

f) Inform the Board immediately when they lose their independence;

g) Assist the Company in implementing the best corporate governance practices;

h) Strive to attend all meetings of the Board of Directors;

i) Strive to attend and participate constructively and actively in the committees of the Board in which they are Chairpersons or Members;

j) Strive to attend the general meetings of the Company;

k) Keep themselves well informed about the Company and the external environment in which it operates;

l) Do not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholders' interest;

n) Abide by Company's Memorandum and Articles of Association, Company's Policies and procedures including code of conduct, insider trading guidelines etc.

The performance of Executive Directors is also evaluated on the basis of Targets/ Criteria met by them, as given by the Board from time to time.

EVALUATION OF THE BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the performance of its Committees, Individual Directors and the Chairperson of the Board.

The evaluation was undertaken through a structured assessment process covering various aspects of the functioning of the Board and its Committees, including their composition, effectiveness, experience, competencies, governance practices, participation in decision-making and discharge of roles and responsibilities.

The performance of the Individual Directors and the Chairperson was evaluated, inter alia, on parameters such as attendance, participation and contribution at Board and Committee meetings, professional expertise, strategic guidance, independent judgment and contribution to the overall effectiveness of the Board.

The evaluation process was aimed at assessing the effectiveness of the Board and its Committees in discharging their responsibilities and identifying areas for further strengthening of governance practices. The Board was satisfied with the overall effectiveness of its functioning and that of its Committees and Individual Directors.

9. REMUNERATION TO DIRECTORS

Criteria for making payment to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending meetings of the Board and its Committees. The sitting fees are within the limits prescribed under the Companies Act, 2013 and the rules made thereunder.

In addition to sitting fees, the Non-Executive Directors are entitled to receive commission not exceeding 1% of the net profits of the Company for each financial year, in accordance with the approval granted by the Members at the 54th Annual General Meeting held on 23 September, 2022, for a period of five years commencing from 01 April, 2023 and ending on 31 March, 2028.

The Nomination and Remuneration Committee recommends the quantum of commission payable to each Non-Executive Director, which is subsequently considered and approved by the Board.

REMUNERATION FOR FY 2025-26

Details of the Remuneration paid/payable to Directors for FY 2025-26 are as follows:

(In Lakhs)

Directors	Category	Salary & Perquisites (₹)*	Commission for FY 2025-26 (₹)	Sitting Fees (₹)	Total (₹)
Mr. Shreekant Somany**	Chairman & Managing Director	292.47	230.00	-	522.47
Mr. Abhishek Somany**	Managing Director & CEO	506.54	150.35	-	656.89
Mr. Ghanshyam Girdharbhai Trivedi	Non-Executive Non-Independent Director	-	5.00	1.20	6.20
Mr. Rameshwar Singh Thakur	Non-Executive Independent Director	-	5.00	1.20	6.20
Mrs. Rumjhum Chatterjee	Non-Executive Independent Director	-	5.00	0.85	5.85
Mr. Vineet Agarwal	Non-Executive Independent Director	-	5.00	1.05	6.05
Mr. Manit Rastogi	Non-Executive Independent Director	-	5.00	0.90	5.90
Mr. Zubair Ahmed	Non-Executive Independent Director	-	5.00	0.70	5.70

*Salary and perquisites include the Company's contribution to provident fund and leave encashment. The value of perquisites has been determined in accordance with the provisions of the Income-tax Act, 1961 and the rules made thereunder. The remuneration paid to the Chairman & Managing Director and the Managing Director & CEO is in accordance with the provisions of Schedule V to the Companies Act, 2013.

**The Managing Directors are not paid sitting fees for attending meetings of the Board or its Committees.

The services of the Chairman & Managing Director and the Managing Director & CEO may be terminated by either party by giving three calendar months' notice or three months' salary in lieu thereof. No severance fee is payable to them under their respective service agreements entered into with the Company.

Other than the remuneration disclosed above, no stock options, performance-linked incentives or other fixed components are payable to the Directors.

Except for the sitting fees and commission payable to the Non-Executive Directors in accordance with applicable laws and subject to the approval of the Board and Members, none of the Non-Executive Directors had any material pecuniary relationship or transaction with the Company during FY 2025-26.

10. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has established a Whistle Blower Policy / Vigil Mechanism in accordance with the requirements of the Companies Act, 2013 and the Listing Regulations. The Policy provides a mechanism for Directors, employees and other stakeholders to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct or any other improper practices.

The Policy provides adequate safeguards against victimization of whistle blowers and enables direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. The Audit Committee oversees the implementation and effectiveness of the Whistle Blower Policy / Vigil Mechanism. During FY 2025-26, no person was denied access to the Audit Committee.

The details of the Whistle Blower Policy / Vigil Mechanism are available on the website of the Company at www.somanyceramics.com under the web link: Whistle Blower Policy.

11. SUBSIDIARY COMPANIES

As on 31 March, 2026, the Company did not have any material subsidiary within the meaning of Regulation 16(1)(c) of the Listing Regulations.

The Board has adopted a Policy for Determining Material Subsidiaries in accordance with the requirements of the Listing Regulations. The Policy is available on the website of the Company at www.somanyceramics.com under the web link: Policy on Material Subsidiaries.

The financial statements of the subsidiary companies are regularly reviewed by the Audit Committee and placed before the Board of Directors of the Company. The minutes of the Board Meetings of the subsidiary companies are circulated to the Directors of the Company and are placed before the Board for its review.

12. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties, as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations, during FY 2025-26 were in the ordinary course of business and on an arm's length basis.

The Audit Committee reviews and approves all related party transactions to be entered by the Company and/or its subsidiaries in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. All related party transactions are periodically placed before the Audit Committee for its review.

There were no materially significant related party transactions entered into by the Company during FY 2025-26 that had or could have had a potential conflict with the interests of the Company. The disclosures relating to related party transactions, as required under Indian Accounting Standard (Ind AS) 24, are provided in the notes to the Financial Statements forming part of this Annual Report.

The Company had obtained prior approval of the shareholders for material related party transactions, wherever required, in accordance with the provisions of the Listing Regulations.

The Board has adopted a Policy on Related Party Transactions for the identification, monitoring and approval of related party transactions in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. During the year under review, pursuant to amendments in the Listing Regulations, the Company reviewed and revised its existing Policy on Related Party Transactions.

The Policy is available on the website of the Company at www.somanyceramics.com under the web link: Related Party Transactions Policy.

13. GENERAL BODY MEETINGS

Annual General Meeting

The details of the Annual General Meetings held during the last three financial years, including the Special Resolutions passed thereat, are set out below:

Date of Meeting held	18 September, 2025
Location and Time of Meeting	Meeting held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at 11:30 A.M. (IST)
Subject matter of the resolution	• Re-appointment of Mr. Abhishek Somany (DIN: 00021448) as the Managing Director & Chief Executive Officer of the Company for a period of 3 (Three) consecutive years, commencing from 01 June, 2026 till 31 May, 2029. • Approval for modification of the object clause of Memorandum of Association of the Company.

Date of Meeting held	12 August, 2024
Location and Time of Meeting	Meeting held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at 11:30 A.M. (IST)
Subject matter of the resolution	• Appointment of Mr. Manit Rastogi (DIN: 00370998) as a Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years.

Date of Meeting held	25 August, 2023
Location and Time of Meeting	Meeting held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at 11:30 A.M. (IST)
Subject matter of the resolution	• Re-appointment of Mr. Shreekant Somany (DIN: 00021423) as the Chairman & Managing Director of the Company for a period of 5 (Five) consecutive years, commencing from 01 September, 2023 till 31 August, 2028. • Re-appointment of Mr. Vineet Agarwal (DIN: 00380300) as an Independent Director for his second term of 5 (Five) consecutive years. • Approval for adoption of Somany Ceramics Employee Stock Option Plan 2023 and grant of employee stock options to the Eligible Employees/Directors of the Company thereunder. • Approval for adoption of Somany Ceramics Employee Stock Option Plan 2023 and grant of stock options to the Eligible Employees/ Directors of group companies including Subsidiary or Associate Companies under the Plan. • Authorize borrowings by way of issuance of Non-Convertible Debentures / Bonds / Other Similar Instruments.

Extraordinary General Meeting

No Extraordinary General Meeting of the Members was held during FY 2025-26.

Postal Ballot

During FY 2025-26, no resolution was passed through postal ballot.

14. MEANS OF COMMUNICATION

Newspaper Publications

The quarterly, half-yearly and annual financial results of the Company (both standalone and consolidated) are submitted to BSE Limited and National Stock Exchange of India Limited within the prescribed timelines under the Listing Regulations. These results are generally published in Financial Express (English Edition) – New Delhi, Kolkata and Mumbai, Jansatta (Hindi Edition) – New Delhi and Ekdin (Bengali Edition) – Kolkata. The financial results are also made available on the website of the Company at www.somanyceramics.com

Annual Report

The Company publishes its annual reports to provide shareholders with an overview of its performance, financial position and various other information as required under applicable laws. The Company also sends out Annual Reports containing the Notice of AGM to shareholders via email to all Members whose email addresses are registered with the Company/RTA/DPs in accordance with MCA and SEBI Circulars. Additionally, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is also sending a letter to shareholders whose e-mail addresses are not registered with Company/Registrar/DP providing the weblink of Company's website from where the Annual Report for FY 2025-26 can be accessed. Physical copies of the Annual Report are also sent to shareholders who have registered a request to receive a physical copy to the Company/RTA, during the year.

Website

In compliance with Regulation 46 of the Listing Regulations, the Company maintains a dedicated 'Investor Relations' section on its website, which contains, inter alia, financial results, annual reports, stock exchange disclosures, shareholding pattern, details of unclaimed dividends, investor presentations and various policies of the Company. The said section can be accessed at the web link: Means of Communication.

Analyst / Investor calls

The schedule of analyst and institutional investor meetings and presentations made to analysts/investors are intimated to the stock exchanges and are also hosted on the website of the Company. The transcripts of quarterly earnings conference calls are also available on the website of the Company at www.somanyceramics.com.

15. GENERAL SHAREHOLDERS INFORMATION

Registered Office:

2, Red Cross Place, Kolkata – 700 001

Phone: 033-22487406/5913

Email: corporateaffairs@somanyceramics.com

Plant(s) locations

V & P.O Kassar, Bahadurgarh Distt. Jhajjar, Haryana – 124507

Phone: 01276-223300

Email: diwakar.bishnoi@somanyceramics.com

GIDC Industrial Area, Distt. Mehsana, Kadi, Gujarat 382715

Phone: 02764-242153/54

Email: sandeep.suthar@somanyceramics.com

16. DATE AND VENUE OF ANNUAL GENERAL MEETING

The 58th Annual General Meeting of the Company will be held on Wednesday, 12 August, 2026 at 10:00 A.M. through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') facility.

17. FINANCIAL CALENDAR: 01 APRIL TO 31 MARCH

Tentative Financial Reporting for 2026-27 is as follows:

1st Quarter: Within 45 days from the end of First Quarter	2nd Quarter: Within 45 days from the end of Second Quarter
3rd Quarter: Within 45 days from the end of Third Quarter	4th Quarter: Within 60 days from the end of Financial Year

18. DIVIDEND AND PAYMENT DATE

The Board of Directors has recommended a final dividend of ₹ 2 per equity share of face value of ₹ 2 each for the financial year ended 31 March, 2026, subject to the approval of the Members at the ensuing 58th Annual General Meeting of the Company. If the final dividend is approved by the Members, the same will be paid on or before 10 September, 2026 to those Members whose names appear in the Register of Members of the Company or in the records of the Depositories as on the Record Date i.e. Wednesday, 5 August, 2026.

For the financial year 2025-26, the Board of Directors at its Meeting held on 04 May, 2026 had also declared an interim dividend of ₹ 4 per equity share of face value of ₹ 2 each.

19. LISTING ON STOCK EXCHANGE(S)

The equity shares of the Company are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The Company has paid the annual listing fees for FY 2026-27 to both the Stock Exchanges.

National Stock Exchange of India Limited

"Exchange Plaza",

Bandra-Kurla Complex, Bandra (E)

Mumbai – 400 051

Trading Symbol:- SOMANYCERA

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai – 400 001

Scrip Code: 531548

Demat ISIN Number for NSDL and CDSL: INE355A01028

20. REGISTRAR & SHARE TRANSFER AGENT

(Both for physical and demat segment) Maheshwari Datamatics Private Limited

23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001, West Bengal

Phone No. 033-2243 5029/2248 2248,

E-mail: contact@mdplcorporate.com

21. SHARE TRANSFER SYSTEM

Pursuant to Regulation 40 of the Listing Regulations and the circulars issued by SEBI from time to time, transfer of securities is permitted only in dematerialized form. Shareholders holding shares in physical form are encouraged to dematerialize their holdings to facilitate ease of dealing in securities, eliminate risks associated with physical share certificates and avail various investor services in a timely manner.

Further, requests relating to transmission, transposition, issue of duplicate share certificates, claim from unclaimed suspense account, renewal/exchange of securities certificates, endorsement, sub-division/splitting of securities certificates, consolidation of securities certificates/folios and other investor service requests are processed in accordance with the applicable SEBI circulars and operational guidelines issued from time to time.

The Company has appointed M/s Maheshwari Datamatics Private Limited as its Registrar and Share Transfer Agent ("RTA") for processing investor service requests. The requests received from shareholders/investors are processed by the RTA within the timelines prescribed by SEBI.

In accordance with the applicable SEBI circulars, shareholders holding shares in physical form have been advised to furnish/update their PAN, nomination, contact details, bank account details and specimen signatures with the RTA by submitting the prescribed ISR forms and supporting documents. Shareholders are encouraged to keep their KYC details updated to ensure seamless servicing of their folios and receipt of investor entitlements.

Pursuant to SEBI Circular dated 02 July, 2025 and subsequent circular dated 30 January, 2026, until 04 February, 2027, a special window has been provided for re-lodgement of transfer requests pertaining to physical share certificates, which were lodged prior to 01 April, 2019 and were either rejected, returned or remained unattended due to deficiencies in the documents. Eligible shareholders may submit the requisite documents to the Company/RTA within the timelines prescribed by SEBI. Securities transferred under this mechanism shall be credited only in dematerialized form and shall remain under lock-in for a period of one year from the date of transfer, during which they cannot be transferred, pledged or encumbered.

22. DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH, 2026

No. of Equity Shares	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1 to 500	29,801	94.10	17,94,370	4.37
501 to 1,000	963	3.04	7,15,692	1.75
1,001 to 2,000	422	1.33	6,18,339	1.51
2,001 to 3,000	145	0.46	3,68,452	0.90
3,001 to 4,000	74	0.23	2,65,648	0.65
4,001 to 5,000	49	0.15	2,24,911	0.55
5,001 to 10,000	115	0.36	8,16,873	1.99
10,001 and Above	105	0.33	3,62,08,521	88.28
Total	**31,674**	**100.00**	**4,10,12,806**	**100.00**

Categories of Shareholding as on 31 March, 2026

S No.	Category	Number of Shares	Percentage (%)
1	Indian Promoters	2,26,37,804	55.20
2	Mutual Funds & Alternative Investment Funds	88,65,075	21.62
3	Banks, Financial Institutions, Insurance Companies	8,030	0.02
4	NBFCs Registered with RBI	970	0.00
5	Foreign Portfolio Investors (Institution)	5,48,086	1.34
6	Body Corporate (including LLP)	12,94,768	3.16
7	Indian Public (Including HUF)	71,00,941	17.30
8	NRIs/Foreign Nationals	3,09,941	0.76
9	Investor Education and Protection Fund Authority	2,39,473	0.58
10	Trusts	3	0.00
11	Clearing Members	7,686	0.02
12	Domestic Corporate Unclaimed Shares Account	29	0.00
	Total	**4,10,12,806**	**100**

23. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's equity shares are available for trading in dematerialized form through the depository systems of National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

As on 31 March, 2026, 4,09,06,941 equity shares representing 99.74% of the paid-up equity share capital of the Company were held in dematerialized form. Of these, 3,80,59,072 equity shares (92.80%) were held with NSDL and 28,47,869 equity shares (6.94%) were held with CDSL. The balance 1,05,865 equity shares, representing 0.26% of the paid-up equity share capital, were held in physical form.

The high percentage of shares held in dematerialized form reflects the investors' preference for holding securities in electronic mode. Shareholders holding shares in physical form are encouraged to dematerialize their holdings to avail the benefits of electronic holding and facilitate efficient investor servicing.

24. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During FY 2025-26, the Company did not issue any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants or any other convertible securities/instruments. As on 31 March, 2026, there were no outstanding GDRs, ADRs, warrants or convertible securities having an impact on the equity share capital of the Company.

25. STOCK OPTIONS

The Company has implemented two employee stock option schemes, namely, Somany Ceramics Employee Stock Option Plan, 2021 and Somany Ceramics Employee Stock Option Plan, 2023 (collectively referred to as the "ESOP Plans"), which are administered by the Nomination and Remuneration Committee in accordance with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

During FY 2025-26, the Nomination and Remuneration Committee granted 1,59,000 stock options to 19 eligible employees of the Company on 28 March, 2026 under the Somany Ceramics Employee Stock Option Plan, 2023.

During the year under review, 43,258 options under the Somany Ceramics Employee Stock Option Plan, 2021 and 5,510 options under the Somany Ceramics Employee Stock Option Plan, 2023 lapsed/forfeited upon cessation of employment of the respective option holders.

The disclosures required under Regulation 14 read with Part F of Schedule I of the SBEB Regulations are available on the website of the Company at the web link: ESOP Disclosure FY 2025-26.

The Company has received a certificate from the Secretarial Auditors confirming that the ESOP Plans have been implemented in accordance with the SBEB Regulations and the resolutions passed by the Members of the Company. The certificate shall be placed before the Members at the ensuing Annual General Meeting and shall also be available for inspection by the Members in accordance with the applicable provisions of law.

26. COMMODITY PRICE/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During FY 2025-26, the Company witnessed fluctuations in the prices of certain key inputs, particularly natural gas, which constitutes a significant source of energy for its manufacturing operations. The Company continuously monitors input cost movements and undertakes appropriate operational and procurement measures to mitigate the impact of such fluctuations on its business performance.

The principal inputs used by the Company do not generally fall within the category of commodities for which hedging mechanisms are commonly adopted.

The Company's exposure to foreign exchange risk is limited. The Company has established appropriate monitoring and control mechanisms to regularly review its foreign exchange exposures and take suitable measures, wherever required, to mitigate associated risks.

27. CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Managing Director & CEO and the Chief Financial Officer of the Company have jointly issued a certificate pursuant to Regulation 17(8) read with Part B of Schedule II to the Listing Regulations, inter alia, confirming the accuracy of the financial statements and adequacy of internal controls and compliance systems. The said certificate is annexed as **Annexure - B** to and forms part of this Annual Report.

28. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Mr. Akshit Kumar Jangid, Partner of Pinchaa & Co., Company Secretaries, has issued a certificate pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director by the

Securities and Exchange Board of India, the Ministry of Corporate Affairs or any other statutory authority.

The said certificate forms part of this Report as **Annexure - C**.

29. CONTACT FOR CLARIFICATION ON FINANCIAL STATEMENTS:

For queries relating to the financial statements of the Company, investors may contact:

Mr. Sailesh Raj Kedawat
Chief Financial Officer,
F-36, Sector-6, Noida – 201301, Uttar Pradesh
Phone: 0120 - 4627900
Email: sailesh.kedawat@somanyceramics.com

Shareholder / Investor Queries

For share-related matters and investor grievances, investors may contact:

Mr. Shyamal Banerjee
2, Red Cross Place, Kolkata – 700 001
Phone: 033-22487406/ 5913
Email: sclinvestors@somanyceramics.com

The Company has designated sclinvestors@somanyceramics.com for redressal of investor grievances and correspondence relating to shareholder services.

30. CREDIT RATINGS

During FY 2025-26, CRISIL reaffirmed the Company's credit ratings, which remained unchanged from the previous year. The details of the credit ratings assigned by CRISIL are as under:

Rating Agency	
CRISIL	
Rating	
Long-term Rating	Short-term Rating
AA-/ Stable	**A1+**

31. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON- MANDATORY REQUIREMENTS UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with all the mandatory requirements specified under the Listing Regulations. The status of compliance with the discretionary requirements specified under Part E of Schedule II of the Listing Regulations is as under:

a) Audit Qualification

The Company's financial statements for FY 2025-26 do not contain any audit qualification, reservation, adverse remark or disclaimer.

b) Reporting of Internal Auditor

The Internal Auditor reports functionally to the Audit Committee of the Board of Directors.

32. OTHER DISCLOSURES

a) There has been no instance of non-compliance by the Company on any matter relating to the capital markets during the last three years. Accordingly, no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on such matters.

b) During FY 2025-26, the Company did not raise any funds through preferential allotment or qualified institutions placement.

c) During FY 2025-26, there was no recommendation of any Committee of the Board which was not accepted by the Board of Directors.

d) The total fees paid/payable by the Company and its subsidiary(ies), on a consolidated basis, to the Statutory Auditors, M/s Singhi & Co., Chartered Accountants, and all entities in the network firm/network entity of which it is a part, for FY 2025-26 amounted to ₹ 47.73 Lakhs.

e) There is no non-compliance with the requirements of Corporate Governance Report specified in sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.

f) The Independent Directors have confirmed that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, all Independent Directors fulfil the conditions specified under the Act and the Listing Regulations and are independent of the Management.

33. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to providing a safe, secure and conducive work environment to all its employees and has in place a policy on prevention, prohibition and redressal of sexual harassment at the workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Company has also constituted an Internal Committee to redress complaints relating to sexual harassment and to ensure compliance with the provisions of the POSH Act.

The details relating to complaints received and disposed of during FY 2025-26 are as under:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of cases pending for more than ninty days	Nil

34. PROFILE OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING 58TH ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Mr. Ghanshyam Girdharbhai Trivedi, Non-Executive Non-Independent Director

Mr. Ghanshyam Girdharbhai Trivedi is an eminent professional with over 51 years of experience in the ceramics, glass and sanitaryware industry. He holds degrees in M.Sc. and LL.B. and is an Associate Member of The Institute of Cost Accountants of India (ICMAI).

Mr. Trivedi has devoted more than three decades to the ceramics and sanitaryware industry and possesses extensive experience in manufacturing, operations, industry affairs and strategic management. He is the former President of the All-India Pottery Manufacturers' Association (AIPMA) and is a member of the Institute of Directors (IOD). He is also associated with various industry and professional bodies, including the All-India Management Association (AIMA).

His contribution to the industry is reflected through his association with advisory and professional bodies, including his role as a member of the Advisory Committee of the Central Glass and Ceramic Research Institute (CGCRI), Ahmedabad. Mr. Trivedi has actively participated in several national and international conferences and has presented research papers on subjects relevant to the ceramics and sanitaryware industry.

Mr. Trivedi has been associated with the Company since 1987 and continues to contribute significantly through his rich industry knowledge, leadership experience and strategic guidance.

35. UNCLAIMED SUSPENSE ACCOUNT

Pursuant to the requirements of the Listing Regulations, the details of equity shares lying in the Unclaimed Suspense Account of the Company are as under:

Particulars	No. of Shareholders	No. of Shares Held
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	3 (Three)	29
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	3 (Three)	29

The voting rights in respect of the shares lying in the Unclaimed Suspense Account shall remain frozen until the rightful owners claim the shares.

36. LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The Company and its subsidiaries have not granted any loans or advances in the nature of loans to firms or companies in which any Director of the Company is interested.

37. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY:

Pursuant to Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations, the Company confirms that there were no agreements subsisting as on the date of coming into force of the said provision which were required to be disclosed under the aforesaid clause.

Further, during FY 2025-26, the Company was not required to disclose any agreement or arrangement falling within the ambit of Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations.

Annexure-A

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Board of Directors,
Somany Ceramics Limited
2, Red Cross Place, Kolkata

I hereby confirm and declare that all the Directors and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct of the Company, in so far as it is applicable to them, and there is no non-compliance thereof during the year ended 31 March, 2026.

For Somany Ceramics Limited

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Place: Noida
Date: 15 May, 2026

Annexure-B

CEO/CFO CERTIFICATION

To,
The Board of Directors
Somany Ceramics Limited

We, Abhishek Somany, Managing Director & Chief Executive Officer and Sailesh Raj Kedawat, Chief Financial Officer of Somany Ceramics Limited ("the Company") do hereby certify to the Board that:-

A. We have reviewed the financial statements and the cash flow statement of Somany Ceramics Limited for the year ended 31 March, 2026 and that to the best of our knowledge and belief, we state that;

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

B. there are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

C. we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken or proposed to be taken for rectifying these deficiencies.

D. we have indicated to the Auditors and the Audit Committee:

   i. significant changes, if any, in the internal control over financial reporting during the year.

   ii. significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances 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.

Yours sincerely

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Sailesh Raj Kedawat
Chief Financial Officer

Place: Noida
Date: 15 May, 2026

Annexure-C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

Somany Ceramics Limited

2, Red Cross Place, Kolkata

West Bengal-700001, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Somany Ceramics Limited having CIN:L40200WB1968PLC224116 and having registered office at 2, Red Cross Place, Kolkata West Bengal-700001, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations, representations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31 March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Rameshwar Singh Thakur	00020126	24/05/2018
2	Mr. Shreekant Somany	00021423	01/09/1992
3	Mr. Abhishek Somany	00021448	03/09/2001
4	Mr. Ghanshyam Girdharbhai Trivedi	00021470	01/09/2017
5	Mrs. Rumjhum Chatterjee	00283824	01/09/2018
6	Mr. Vineet Agarwal	00380300	01/05/2019
7	Mr. Zubair Ahmed	00182990	01/10/2024
8	Mr. Manit Rastogi	00370998	15/05/2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pinchaa & Co.
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 7133/2025

Akshit Kr. Jangid
Partner
M. No. FCS 11285
C.P. No. 16300

Place: Jaipur
Date: 15 May, 2026
UDIN: F011285H000371095

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L40200WB1968PLC224116
2	Name of the Listed Entity	Somany Ceramics Limited
3	Year of incorporation	1968
4	Registered office address	2, Red Cross Place, Kolkata - 700001, West Bengal
5	Corporate address	F-36, Sector-6, Noida - 201301, Uttar Pradesh
6	E-mail	corporateaffairs@somanyceramics.com
7	Telephone	0120-4627900
8	Website	https://www.somanyceramics.com/
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd. & BSE Limited
11	Paid-up Capital	₹ 820.26 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	Mr. Sailesh Raj Kedawat Chief Financial Officer 0120-4627900 sailesh.kedawat@somanyceramics.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures in this report are presented on a standalone basis and pertain only to the operational scope of Somany Ceramics Limited.
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Ceramic/Vitrified Wall & Floor Tiles	Manufacturing and trading of Ceramic/ Vitrified Wall & Floor Tiles	83.47%
2	Sanitaryware & Bath Fittings	Trading of Sanitaryware & Bath Fittings	12.02%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Ceramic/Vitrified Wall & Floor Tiles	2393|23929	83.47%
2	Sanitaryware & Bath Fittings	2392|23922	12.02%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	23	25
International	0	1 (Representative office in Nepal)	1

19 Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	
State	29
Union Territories	6
International (No. of Countries)	62

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

2.74%

c. A brief on types of customers

The Company serves a broad customer base comprising retailers, distributors, builders, contractors, and end users. These stakeholders depend on its premium ceramic and vitrified wall and floor tiles, along with sanitaryware, bath fittings, and related products, for use in residential, commercial, and industrial projects. The Company operates across both domestic and international markets, addressing diverse aesthetic preferences and functional needs.

IV. Employees

20 Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1	Permanent (D)	1,443	1,387	96.12%	56	3.88%
2	Other than Permanent (E)	296	274	92.57%	22	7.43%
3	**Total employees (D + E)**	**1,739**	**1,661**	**95.51%**	**78**	**4.49%**
	WORKERS					
4	Permanent (F)	558	558	100.00%	0	0.00%
5	Other than Permanent (G)	2,066	2,055	99.47%	11	0.53%
6	**Total Workers (F + G)**	**2,624**	**2,613**	**99.58%**	**11**	**0.42%**

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)	1	1	100.00%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%
3	**Total differently abled employees (D + E)**	**1**	**1**	**100.00%**	**0**	**0.00%**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	4	4	100.00%	0	0.00%
5	Other than Permanent (G)	1	1	100.00%	0	0.00%
6	**Total differently able workers (F + G)**	**5**	**5**	**100.00%**	**0**	**0.00%**

21 Participation/Inclusion/Representation of women

S. No	Category	Total (A)	No. and percentage of Females	
			No. (B)	% (B / A)
1	Board of Directors	8	1	12.50%
2	Key Management Personnel*	5	0	0.00%

*Note: KMP comprises the Chairman & Managing Director and the Managing Director & CEO, who are also members of the Board of Directors.

22 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.59%	14.81%	12.68%	11.90%	12.40%	11.90%	11.67%	15.38%	11.78%
Permanent Workers	3.85%	0.00%	3.85%	5.70%	0.00%	5.70%	5.89%	0.00%	5.89%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

S. No.	Names of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by Listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SR Continental Limited	Subsidiary	100.00%	No
2	Somany Bathware Limited	Subsidiary	100.00%	No
3	Somany Excel Vitrified Private Limited	Subsidiary	100.00%	No
4	Somany Piastrelle Private Limited	Subsidiary	100.00%	No
5	Somany Bath Fittings Private Limited	Subsidiary	100.00%	No
6	SRCL Buildwell Private Limited	Subsidiary of SR continental Limited	100.00%	No
7	Somany Max Private Limited	Subsidiary	^ 85.71%	No
8	Sudha Somany Ceramics Private Limited	Subsidiary	60.00%	No
9	Somany Sanitary Ware Private Limited	Subsidiary	51.00%	No
10	*Dura Build Care Private Limited	Subsidiary	51.00%	No
11	#Vintage Tiles Private Limited	Subsidiary	50.00%	No
12	**Acer Granito Private Limited	Associate	26.05%	No
13	Vicon Ceramic Private Limited	Associate	26.00%	No
14	Clean Max Ananta Private Limited	Associate	49.00%	No

Note-

* The Company has completed the acquisition of 51% equity stake in Dura Build Care Private Limited ("DBCPL") i.e.11,04,886 equity shares aggregating to ₹10,30,19,570.64/-. Accordingly, DBCPL has become the subsidiary of the Company w.e.f. 15 July, 2025.

** During the previous year 2024-25, the Board of Directors of the Company, at their meeting held on 15 January, 2025, approved the sale of the Company's entire equity stake in Acer Granito Private Limited ("AGPL"), an associate company. The Company entered into a Share Purchase Agreement dated 04 February, 2025 ("SPA") to sell its entire shareholding in AGPL. However, in terms of the applicable provisions of Indian Accounting Standards, the Company does not exercise significant influence or control on decisions of the AGPL with effect from 01 December, 2024. The original timeline of 15 (fifteen) months for completion of the said sale expired on 03 May, 2026. Subsequent to the end of the financial year, both parties have mutually agreed to extend the timeline for completion of the sale by a further period of 9 (nine) months, i.e. up to 03 February, 2027.

^ The Company on 15 September, 2025 had additionally acquired approx. 5.71% / 3,00,00,000 equity shares of ₹10 each and subsequent to this acquisition, the percentage of shareholding of the Company in Somany Max Private Limited has increased to approx. 85.71%.

Vintage Tiles Private Limited is classified as associate companies under the Companies Act, 2013 and is considered subsidiary for financial reporting purposes in accordance with Ind AS 110

VI. CSR Details

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

(ii) Turnover (in ₹) 2,64,029.86 Lakhs

(iii) Net worth (in ₹) 89,073.42 Lakhs.

VII. Transparency and Disclosures Compliances

25 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then Provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		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	Somany Ceramics has developed policies aligned with the requirements of each NGRBC principle and established a grievance redressal mechanism to support their effective implementation. This mechanism enables stakeholders to raise concerns or complaints and is detailed within each respective policy (refer to the policy section below for links). somanyceramics.com/investor-relation/policies	0	0	-	0	0	-
Investors (other than shareholders)		0	0	-	0	0	-
Shareholders		0	0	-	3	0	-
Employees and workers		0	0	-	0	0	-
Customers		0	0	-	0	0	-
Value Chain Partners		0	0	-	0	0	-
Other (please specify)		0	0	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (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	Water Conservation	R/O	Water conservation and management present both a challenge and an opportunity due to the limited availability of water resources and their critical importance to environmental and social systems. Key risks include growing water scarcity, increasingly stringent regulations, and potential reputational impacts from unsustainable water use. At the same time, implementing responsible water management practices such as recycling, reuse, and conservation can yield substantial benefits, including cost savings, improved sustainability performance, and enhanced stakeholder trust. Proactive water stewardship enables the Company to mitigate risks, optimize resource efficiency, and support long-term resilience and sustainable growth in the face of water-related challenges.	The Company has undertaken a broad range of water conservation initiatives, including process optimization and advanced wastewater recycling systems. Both the Kadi and Kassar facilities operate as Zero Liquid Discharge (ZLD) units, where 100% of the wastewater generated is treated and reused within operations, ensuring no discharge into the environment. To support this, three effluent treatment plants (ETPs) have been installed, enabling complete reuse of treated water in manufacturing processes. In addition, the Company has secured an Annual Canal Water Agreement for raw water supply and conducts regular water quality testing of ETP and STP outputs through NABL-accredited laboratories. A No Objection Certificate (NOC) has also been obtained from the Central Ground Water Authority (CGWA) for groundwater extraction, with a fresh application submitted to the Haryana Water Resource Authority to ensure continued compliance. The Company's commitment to responsible water use is further reinforced by a recent government-authorized water audit, which commended the effectiveness of its ZLD system. Complementing these efforts, the Company has initiated the renovation of toilet facilities, including pipeline redesign to reduce domestic water consumption, and has installed awareness posters across the facility to encourage mindful water usage. Additional water conservation measures include: • Reuse of cooling tower blowdown water • Prioritizing recycled water over fresh water across operations • Leak detection and timely repairs to prevent water loss • Setting targeted water conservation goals supported by actionable strategies Collectively, these initiatives strengthen the Company's commitment to sustainable water management and long-term environmental stewardship.	**Positive Implication:** Comprehensive water management initiatives, such as recycling, efficient treatment systems, and zero liquid discharge units, help reduce environmental impact, strengthen operational resilience, lower long-term water-related costs, and mitigate future financial risks **Negative Implication:** Ineffective water management in a tile manufacturing company can lead to increased operational and regulatory costs, reputational harm, and potential disruptions in the supply chain, ultimately impacting overall financial performance.

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	Energy and Emissions Management	R	Rising energy costs, growing expectations for energy reporting and disclosures, and increasingly stringent emissions regulations highlight the importance of proactive energy and emissions management. These trends reflect the long-term risks associated with inefficient resource use, particularly in energy-intensive operations. In response, Somany recognizes energy and emissions management as a critical risk area, requiring strategic planning and continuous improvement to effectively navigate evolving regulatory and financial challenges.	Energy plays a vital role in economic development and societal well-being, with its reliable availability and efficient use being essential for business continuity and global sustainability. In response, the Company has adopted a comprehensive energy management approach by implementing energy-efficient systems, increasing the use of renewable energy, and gradually transitioning to greener biofuels to reduce reliance on conventional sources. Aligned with its sustainability commitments, the Company has undertaken detailed energy and greenhouse gas (GHG) accounting to better assess its environmental impact and identify opportunities for improvement. Along with existing rooftop renewable energy capacity of 3.5 MWp and 1 MWp third party solar at our plants, an additional 9.9 MWp capacity has been secured though a special purpose vehicle for our Kassar plant. Additionally, Bi-Fuel Kit has been installed on high capacity generator to reduce conventional fuel consumption and improve overall energy efficiency, multiple Variable Frequency Drives (VFDs) has been installed to enhance motor efficiency and minimize energy wastage, aged gearbox replaced for better energy performance and optimization of the cooling tower system to conserve energy. Through the continued strengthening of these energy management initiatives and the development of new programs, the Company demonstrates a proactive approach to energy conservation, supporting its broader goal of reducing its carbon footprint while maintaining operational excellence.	**Negative Implication:** Rising energy costs, along with the substantial upfront investment required for adopting energy-efficient technologies, continue to pose a significant challenge.

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)
3	Product Quality and Safety	R	Dependence on outdated technologies that have not evolved with current sustainability regulations and innovations in tile design can negatively affect product quality and safety. This may, in turn, impact customer loyalty, weaken the Company's brand image, and reduce overall profitability.	Providing high-quality products at competitive prices, along with efficient pre- and post-sales support, creates a strong opportunity to build enduring customer relationships and drive steady revenue growth. The Company prioritizes research and development to encourage innovation and uphold product excellence. Its operations are anchored in an ISO 9001:2015-certified Quality Management System, ensuring consistent compliance with rigorous quality and safety standards. During the current financial year, the Kassar plant was awarded Brand Owner certification by the Haryana Pollution Control Board for the responsible management of plastic packaging waste. In addition, the adoption of cost-effective raw materials at both the Kassar and Kadi plants has contributed to improved cost efficiency. To further enhance product quality, operational performance, and sustainability, Somany has introduced several process improvements across its Kassar and Kadi facilities: **Kassar Initiatives** • Introduced refined raw material compositions to enhance process efficiency and minimize waste generation • Conducted trials with cost-effective material formulations while maintaining product quality and optimizing raw material usage • Focused on reducing specific energy consumption across key production processes such as material preparation, pressing, and drying operations • Implemented structured waste management practices, including segregation, recycling, and reuse of scrap materials, supporting cost efficiency and circular economy principles • Undertook packaging optimization by adopting reusable materials	**Negative Implication:** Inferior product quality can lead to reduced sales, increased return rates, damage to brand reputation, potential legal liabilities, product recall costs, and lost business opportunities, ultimately impacting the Company's financial performance negatively.

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)
				Kadi Initiatives • Replaced conventional high-power lighting with energy-efficient LED fixtures to reduce electricity consumption without compromising illumination • Minimized excess air usage in material handling operations through process automation and control systems • Upgraded drying system designs to improve operational efficiency, reduce emissions, increase output, and lower fuel consumption • Implemented direct dust collection and reuse systems to reduce waste and maintain cleaner operations • Installed transparent roofing sheets in select areas to maximize natural daylight and reduce electricity usage • Transitioned to more energy-efficient grinding media to shorten processing time and improve operational efficiency • Partially substituted conventional raw materials with recycled industrial by-products to lower material costs and promote resource efficiency • Optimized thermal systems by eliminating redundant burners and increasing hot air utilization to enhance energy savings • Replaced conventional packaging components with more durable and cost-efficient alternatives These initiatives reflect Somany's commitment to delivering value through innovation, quality, and sustainability. In addition, the Company has outlined a roadmap to achieve GreenPro and GRIHA certifications, further strengthening its focus on environmental compliance and sustainable growth.	

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)
4	ESG Aspects in Supply Chain	R	Environmental and social issues across the Company's value chain can potentially disrupt supply chain operations.	To promote responsible sourcing, the Company has implemented a Supplier Code of Conduct that defines ESG expectations for all vendors. This framework encourages ethical, sustainable, and socially responsible practices across the supply chain, supporting broader CSR and sustainability objectives. Adherence to the Code strengthens transparency, trust, and shared accountability. To further enhance supplier engagement, Somany conducts regular communication and awareness initiatives to help suppliers understand and align with Business Responsibility and Sustainability Report (BRSR) Core requirements. Training is also provided on the General Terms and Conditions and the Supplier Code of Conduct to ensure clarity and compliance. The Company also ensures adherence to tax and social security regulations through routine verification and reconciliation of GST deposits made by vendors. In addition, dedicated teams review monthly contractor documentation to confirm compliance with Provident Fund (PF) and Employee State Insurance (ESI) requirements. To ensure adherence to health, safety, and ethical labor standards, the Company conducts supplier assessments across key parameters such as workplace safety, working conditions, environmental impact, and human rights practices. At the plant level, supply chain sustainability is further reinforced through operational initiatives, including: • Utilization of industrial mineral by-products to reduce reliance on virgin raw materials • Ongoing trials with alternative mineral-based materials to reduce dependency on conventional raw material inputs These initiatives demonstrate the Company's commitment to developing a responsible, resilient, and environmentally sustainable supply chain.	**Negative Implication:** Inadequate ESG practices within the supply chain can expose the Company to financial risks, including operational disruptions, reputational harm, and adverse effects on overall financial performance.

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)
5	Local Community Development	O	Establishing long-term relationships with local communities is integral to sustaining the Company's social license to operate. Through its CSR initiatives, Somany Ceramics Limited undertakes focused interventions in the areas of education, healthcare, environmental sustainability and socio-economic development. These initiatives are aimed at creating sustainable impact and improving quality of life in the communities where the Company operates. Continued stakeholder engagement and community investment contribute to strengthening trust, enhancing reputation and supporting long-term business sustainability.		**Positive Implication:** Investing in community development yields significant financial and strategic benefits for the Company, including enhanced brand reputation, community trust, stronger stakeholder engagement, and lower operational risks, ultimately driving business growth and ensuring financial resilience
6	Employee Well Being	O	Supporting employee and worker well-being extends beyond ensuring workplace safety. We prioritize the physical, mental, and emotional health of our workforce. The skills, commitment, and engagement of our employees are essential to our long-term success and to maintaining the trust and confidence of our stakeholders.		**Positive Implication:** Focusing on employee well-being delivers tangible business benefits, including lower absenteeism, improved productivity, reduced attrition, greater innovation, and a positive workplace culture that supports attracting and retaining top talent.
7	Compliance and Ethical Business Practices	R	Failure to comply with legal and ethical business standards can lead to serious consequences, including legal reputational sanctions, harm, disruptions in the supply chain, restricted market access, loss of trust among investors and stakeholders, and negative environmental and social outcomes.	The Company upholds a strong compliance management system, with senior leadership conducting regular reviews to ensure alignment with all applicable regulations. To manage compliance and ethical risks effectively, particularly around the Code of Conduct and POSH, we have adopted a multi-modal training framework and a structured grievance redressal system. This helps identify emerging issues and integrate timely solutions, reducing future regulatory risks. Our responsible business practices are guided by Board-approved policies aligned with the NGRBC principles, extending to our suppliers. We also uphold transparency by publicly reporting any regulatory fines or formal complaints as part of our ethical governance.	**Negative Implication:** Non-compliance with regulations or engaging in unethical business conduct can lead to legal consequences, damage the Company's reputation, disrupt operations, restrict market access, and result in financial penalties, all of which can adversely impact financial performance.

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.

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
	b. Has the policy been approved by the Board? (Yes/No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
	c. Web Link of the Policies, if available	somanyceramics.com/investor-relation/policies								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	YES	YES	YES	YES	YES	YES	YES	YES	YES
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	YES	YES	YES	YES	YES	YES	YES	YES	YES
4	**Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	ISO 9001 (Quality Management System) BIS Certification ISO 45001 (Occupational Health and Safety System) ISO 14001 (Environmental Management System) CII GreenPro (Green Product Certification) CE Certification GRIHA Certification								
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	The Company remains committed to advancing its sustainability agenda across environmental, social, and governance pillars, adopting a forward-looking approach to long-term value creation. It continues to enhance resource efficiency through focused initiatives in water and energy management, while progressing toward increased adoption of renewable energy and circular practices. Emphasis on product quality, responsible sourcing, and supply chain engagement remains central, with future plans aimed at elevating ESG performance across the value chain. On the social front, the Company seeks to further strengthen employee development, foster inclusive growth, and expand its community impact. These efforts are underpinned by a robust governance framework that promotes ethical conduct, regulatory compliance, and continuous improvement.								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	Somany Ceramics continues to strengthen its sustainability initiatives through focused efforts on energy and water efficiency, improved health and safety training, and robust employee welfare practices. The Company has also upheld high standards of product quality and ensured regular training on key workplace policies, while supporting meaningful CSR initiatives. For more details on performance against targets, please refer to the ESG capitals section of the Annual Report.								

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership, and oversight										
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	At Somany, ESG principles are integral to our philosophy and business strategy. We extend beyond regulatory compliance, leveraging ESG as a guiding framework for operations, innovation, and value creation for customers, communities, and the environment. As a global décor solutions leader, our diverse portfolio, including tiles, sanitaryware, bath fittings, and allied products, demonstrates our commitment to quality, sustainability, and responsible manufacturing. To drive our ESG objectives, we follow a structured ESG roadmap encompassing environmental stewardship, community engagement, and strong governance practices. Our environmental initiatives remain a key priority. Both our Kadi and Kassar facilities operate Zero Liquid Discharge systems, enabling wastewater recycling through multiple effluent treatment plants, while emphasizing water reuse, efficiency, and regular audits. Our energy strategy integrates renewable sources, alternative fuels, and efficiency enhancements, from advanced equipment to LED lighting, helping reduce reliance on fossil fuels and lower emissions. We also focus on continuous process improvements and circular practices, supported by certifications such as ISO 9001:2015. Responsible sourcing is reinforced through our Supplier Code of Conduct, along with vendor training and audits to ensure ethical, safe, and sustainable practices across the supply chain. Our CSR initiatives aim to create meaningful impact in local communities across healthcare, sanitation, education, skill development, and agriculture. These programs are designed in collaboration with stakeholders and implemented through the HL Somany Foundation and other trusted partners.								
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	The Risk Management Committee is responsible for the implementation of the policies.The members of the Committee include: 1. Mr. Abhishek Somany (Chairman): Managing Director & CEO (DIN : 00021448) 2. Mr. Rameshwar Singh Thakur (Member): Non-Executive Independent Director (DIN : 00020126) 3. Mr. Vineet Agarwal (Member): Non-Executive Independent Director (DIN : 00380300) 4. Mr. Sailesh Raj Kedawat (Member): Chief Financial Officer 5. Mr. Ashavani Kumar Mani (Member): Senior Vice President Mr. Bikash Mishra, Senior Assistant General Manager, acts as the Coordinator to the Committee.								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes, the Risk Management Committee of the entity is responsible for decision-making on sustainability related issues. The members of the Committee include: 1. Mr. Abhishek Somany (Chairman): Managing Director & CEO (DIN : 00021448) 2. Mr. Rameshwar Singh Thakur (Member): Non-Executive Independent Director (DIN : 00020126) 3. Mr. Vineet Agarwal (Member): Non-Executive Independent Director (DIN : 00380300) 4. Mr. Sailesh Raj Kedawat (Member): Chief Financial Officer 5. Mr. Ashavani Kumar Mani (Member): Senior Vice President Mr. Bikash Mishra, Senior Assistant General Manager, acts as the Coordinator to the Committee								

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Performance under each policy is reviewed annually, along with any required follow-up actions.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Compliance with statutory requirements aligned with the principles is assessed on an annual 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, the Company regularly carries out thorough internal audits of its policies to assess and oversee any discrepancies in their implementation								

12 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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 programs on any of the Principles during the financial year:**

Segment	Total number of training and Awareness programs held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
Board of Directors	4	Marketing Strategy, Financial performance of Company, Production process and planning, Continuing the evaluation of CSR Projects, highlighting commitment to social responsibility and environmental sustainability.	100.00%
Key Managerial Personnel	4	Marketing Strategy, Financial Continuing the evaluation of CSR Projects, highlighting commitment to social responsibility and environmental sustainability.performance of Company, Production process and planning,	100.00%
Employees other than BoD and KMPs	257	Human Rights Policies and Employee Wellbeing, Induction Training, Skill Upgradation, POSH	92.70%
Workers	427	Human Rights Policies and Employee Wellbeing, Induction Training, Skill Upgradation, POSH	85.84%

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

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement	NIL				
Compounding fee	NIL				

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment	NIL			

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
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, Somany is committed to upholding the highest standards of ethics, transparency, and accountability through a comprehensive ethics policy that enforces a strict zero-tolerance approach to bribery and corruption. The Company is dedicated to conducting its business with integrity and honesty, ensuring that ethical practices are embedded across all operations. These principles are consistently applied across its global operations, with a clear prohibition on any form of bribery, corruption, or unethical conduct.

Policy Link: Somany Ethics Transparency and Accountability Policy Link

5 **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6 **Details of complaints with regard to conflict of interest:**

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not Applicable	0	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Not Applicable	0	Not Applicable

7 **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

No complaints regarding corruption or conflicts of interest were reported in the current period.

8 **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	48.83	51.08

9 **Open-ness of business:**

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

Parameter	Metrics		FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a)	Purchases from trading houses as % of total purchases	NIL	NIL
	b)	Number of trading houses where purchases are made from	Not Applicable	Not Applicable
	c)	Purchases from top 10 trading houses as % of total purchases from trading houses	Not Applicable	Not Applicable
Concentration of sales	a)	Sales to dealers / distributors as % of total sales	87.21%	85.45%
	b)	Number of dealers / distributors to whom sales are made	3,061	2,880
	c)	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	11.42%	11.60%
Share of RPTs in	a)	Purchases (Purchases with related parties / Total Purchases)	34.78%	41.00%
	b)	Sales (Sales to related parties / Total Sales)	0.08%	0.10%
	c)	Loans & advances (Loans & advances given to related parties / Total loans & advances)	95.13%	93.00%
	d)	Investments (Investments in related parties / Total Investments made)	96.89%	96.26%

Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs *
1	General Terms and Conditions	100.00%
1	Supplier Code of Conduct	100.00%

*Note: Only for Raw Material, Packing Material & Bio-Fuel.

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, Somany is committed to upholding the highest standards of ethics, transparency, and accountability through a comprehensive ethics policy that enforces a strict zero-tolerance approach to bribery and corruption. The Company is dedicated to conducting its business with integrity and honesty, ensuring that ethical practices are embedded across all operations. These principles are consistently applied across its global operations, with a clear prohibition on any form of bribery, corruption, or unethical 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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D Capex	The Company is dedicated to delivering innovative solutions that protect the environment and promote customer well-being. Environmental and social factors are embedded in its research and development activities as well as its capital investment decisions. Through technological advancements that optimize processes and reduce raw material consumption, the Company aims to further enhance the environmental and social performance of its products and operations.	Somany is dedicated to building operations, that deliver innovative resolutions, protecting the environment and enhancing customer wellbeing. We integrate aspects from environmental and social factors into our research and capacity development as well as, capital investment decisions. By minimizing raw material use and leveraging advanced technologies to optimize processes, we aim to continually improve the environmental and social performance of our products and functions.	

2 a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has established a Supplier Code of Conduct that requires suppliers to use natural resources responsibly and in a sustainable manner. It emphasizes minimizing or eliminating any negative environmental and climate impacts arising from their operations. Suppliers are also encouraged to adopt and develop eco-friendly products, processes, and technologies. In addition, they are expected to conduct business with the highest ethical standards and integrity, comply with applicable labor and human rights laws, and ensure the sourcing of conflict-free raw materials for manufacturing activities.

b. **If yes, what percentage of inputs were sourced sustainably?**

The Company is in the process of enhancing its supplier assessment framework in line with the requirements of its Supplier Code of Conduct. Through this framework, it seeks to identify, evaluate, and manage environmental and social risks across its supply chain, promoting responsible and sustainable sourcing practices.

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 (d) other waste.	Our products are engineered for durability, quality, and long-term performance, significantly reducing the need for replacement and minimizing waste generation throughout their lifecycle. Given the inherent longevity of our tiles and allied products, product take-back or reclamation mechanisms are generally not required. Nevertheless, we remain committed to promoting sustainable resource management and responsible environmental practices across our operations. Recognizing our responsibility beyond the manufacturing process, we actively participate in the Extended Producer Responsibility (EPR) framework to address the environmental impact of plastic packaging materials used in the distribution of our products. While direct retrieval of packaging materials is often impractical due to varied end-user disposal channels, the EPR mechanism enables us to facilitate their environmentally sound collection, recycling, reuse, and recovery through authorized channels. In addition, all waste generated from our manufacturing and operational activities is managed in compliance with applicable environmental regulations and is entrusted exclusively to vendors authorized by the respective State Pollution Control Boards (SPCBs). This ensures the safe handling, treatment, recycling, and disposal of waste in accordance with prescribed standards. Through a combination of product longevity, responsible waste management, regulatory compliance, and participation in circular economy initiatives, we strive to reduce our environmental footprint and contribute to the efficient and sustainable use of natural resources.

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**

Yes

At Somany Ceramics, both the Kadi and Kassar plants are certified under the EPR framework as a registered Brand Owner, in accordance with applicable Pollution Control Board requirements. The Company has secured approval for its EPR Action Plan for plastic waste management, reflecting its commitment to responsible handling of plastic packaging introduced into the market.

In line with this framework, the Company ensures that plastic used in packaging during FY 2025–26 is collected and recycled through authorized external agencies, supporting environmentally sound waste management while remaining compliant with regulatory requirements.

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?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Company did not conduct any Life Cycle Assessment (LCA) studies during the current Financial year.					

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable	Not Applicable	Not Applicable

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
BioFuel	100.00%	100.00%
Recycled Paper	100.00%	100.00%
Industrial mineral waste	50.62%	21.27%
Other Materials	-	-

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 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable			Not Applicable		
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

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:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent employees											
Male	1,387	1,387	100.00%	1,387	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	56	56	100.00%	56	100.00%	56	100.00%	0	0.00%	0	0.00%
Total	**1,443**	**1,443**	**100.00%**	**1,443**	**100.00%**	**56**	**3.88%**	**0**	**0.00%**	**0**	**0.00%**
Other than Permanent employees											
Male	274	274	100.00%	274	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	22	22	100.00%	22	100.00%	22	100.00%	0	0.00%	0	0.00%
Total	**296**	**296**	**100.00%**	**296**	**100.00%**	**22**	**7.43%**	**0**	**0.00%**	**0**	**0.00%**

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

Category	% of Worker Covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent workers											
Male	558	558	100.00%	558	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**558**	**558**	**100.00%**	**558**	**100.00%**	**0**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**
Other than Permanent workers											
Male	2,055	2,055	100.00%	2,055	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	11	11	100.00%	11	100.00%	11	100.00%	0	0.00%	0	0.00%
Total	**2,066**	**2,066**	**100.00%**	**2,066**	**100%**	**11**	**0.53%**	**0**	**0.00%**	**0**	**0.00%**

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.06%	0.05%

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

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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	100.00%	100.00%	Y	100.00%	100.00%	Y
Gratuity	100.00%	100.00%*	Y	100.00%	100.00%*	Y
ESI	1.73%	100.00%	Y	1.56%	100.00%	Y
Others – please specify	0.00%	0.00%	N.A.	0.00%	0.00%	Not Applicable

*Note- Permanent Trainee workers are excluded from Gratuity

3 **Accessibility of workplaces.**

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

Yes, Somany's workplace is designed to be accessible to persons with disabilities (PwDs), employees, and workers. The Company is committed to fostering an inclusive workplace and complies with applicable legal requirements. Its infrastructure, including gates and office entrances, is accessible, with dedicated PwD washroom facilities and wheelchair access across shop floors to ensure ease of movement and accessibility for PwD employees and workers.

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, the Company's commitment to equal opportunity is clearly reflected in its Employee Code of Conduct and Employee Well-being Policy. It promotes a diverse and inclusive work environment by ensuring equal employment opportunities for all individuals, regardless of caste, creed, gender, nationality, color, race, religion, disability, or sexual orientation.

Policy Link:

Employee Code of Conduct

Employee Well Being Policy

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable	Not applicable	Not applicable	Not applicable
Female	100.00%	Not applicable	Not applicable	Not applicable
Total	**100.00%**	**Not applicable**	**Not applicable**	**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, Somany Ceramics has established comprehensive and structured mechanisms to effectively address employee and worker grievances: 1. **Employee Grievance Redressal Mechanism:** A dedicated Help Desk operates through the HRMS platform to address employee concerns and grievances in a timely and effective manner. In addition, Regional and Business HR representatives are available to support employees and facilitate the prompt resolution of grievances. 2. **Whistle Blower and Ethics Complaint Mechanism:** Complaints related to the Whistle Blower Policy, Code of Conduct, or other ethical matters may be reported through the dedicated email address, whistleblower@somanyceramics.com, and are addressed through a defined escalation framework to ensure timely and appropriate resolution. 3. **Works Committee (Industrial Disputes Act):** A Works Committee, with equal representation from management and workers, meets quarterly to discuss and resolve employee concerns in accordance with the Industrial Disputes Act. 4. **Internal Complaints Committee (POSH Act):** The Internal Complaints Committee (ICC) convenes quarterly to address complaints related to the Prevention of Sexual Harassment (POSH) Act and to ensure ongoing compliance with statutory requirements. 5. **Safety Committee (Factories Act):** A Safety Committee oversees workplace safety matters in line with the Factories Act. Employees can report concerns through the welfare officer, who coordinates with the relevant teams to ensure prompt action and effective communication of resolutions. 6. **Whistle Blower Policy:** Employees are encouraged to report unethical practices, fraud, or violations of the Code of Conduct under the Whistle Blower Policy. The Company maintains zero tolerance for all forms of harassment, physical, verbal, sexual, or psychological with complaints handled through designated committees. 7. **Additional Support Channels:** Employees can also approach their reporting manager, HR Manager, or Compliance Officer to raise concerns or seek guidance. Regular awareness sessions and training programs are conducted to ensure employees are well-informed about available grievance redressal mechanisms. With these measures, the Company reinforces its commitment to fostering a safe, ethical, and inclusive workplace, ensuring that all concerns are addressed in a fair, transparent, and timely manner.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	**FY 2025-26 (Current Financial Year)**			**FY 2024-25 (Previous Financial Year)**		
	Total employees / workers in respective category (A)	**No. of employees / workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees / workers in respective category (C)**	**No. of employees / workers in respective category, who are part of association(s) or Union (D)**	**% (D / C)**
Total Permanent Employees	**1,443**	**0**	**0.00%**	**1,413**	**0**	**0.00%**
Male	1,387	0	0.00%	1,361	0	0.00%
Female	56	0	0.00%	52	0	0.00%
Total Permanent Workers	**558**	**558**	**100.00%**	**587**	**587**	**100.00%**
Male	558	558	100.00%	587	587	100.00%
Female	0	0	0.00%	0	0	0.00%

8 Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C / A)		No. (E)	% (E/ D)	No. (F)	% (F / D)
Employees										
Male	1,387	720	51.91%	1167	84.14%	1,361	568	41.73%	1,004	73.77%
Female	56	19	33.93%	40	71.43%	52	18	34.62%	44	84.62%
Total	**1,443**	**739**	**51.21%**	**1207**	**83.65%**	**1,413**	**586**	**41.47%**	**1,048**	**74.17%**
Workers										
Male	558	429	76.88%	233	41.76%	587	431	73.42%	439	74.79%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	**558**	**429**	**76.88%**	**233**	**41.76%**	**587**	**431**	**73.42%**	**439**	**74.79%**

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,387	1,387	100.00%	1,361	1,217	89.42%
Female	56	56	100.00%	52	44	84.62%
Total	**1,443**	**1,443**	**100.00%**	**1,413**	**1,261**	**89.24%**
Workers						
Male	558	558	100.00%	587	587	100.00%
Female	0	0	100.00%	0	0	0.00%
Total	**558**	**558**	**100.00%**	**587**	**587**	**100.00%**

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 of such system?**

Yes, Somany Ceramics considers the safety and well-being of its employees and stakeholders as its utmost priority, by implementing a comprehensive Occupational Health and Safety (OHS) management system across its manufacturing units. The Company's plants are certified under ISO 45001:2018, demonstrating its commitment to maintaining high standards of workplace safety and health.

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

Somany Ceramics is committed to maintaining a safe, secure, and healthy work environment through proactive and structured safety practices. The Company has established multiple layers of control mechanisms to identify, assess, and manage workplace hazards, supported by robust safety systems and governance frameworks.

1. **Hazard Identification and Risk Assessment (HIRA):**

The Company systematically identifies workplace hazards and evaluates associated risks through structured HIRA processes. Risks are prioritized based on their severity and likelihood, enabling the implementation of appropriate control measures to ensure a safe working environment.

2. **Job Safety Analysis (JSA):**

   Detailed job safety analyzes are conducted for specific tasks, particularly non-routine and high-risk operations. Potential hazards are identified, and necessary safety precautions are incorporated into standard operating procedures.

3. **Risk Mitigation Measures:**

   Based on identified risks, targeted mitigation strategies are implemented, including engineering controls, administrative measures, use of appropriate personal protective equipment (PPE), employee awareness initiatives, and training programs. This layered approach helps effectively minimize or eliminate risks.

4. **Routine Inspections:**

   Regular safety inspections, audits, and behavior-based safety observations are carried out to identify unsafe conditions and practices. Timely corrective actions are taken to maintain compliance and enhance workplace safety.

Additional Safety Systems and Best Practices

- **Work Permit System:** A structured Work Permit System is implemented for high-risk activities such as hot work, confined space entry, electrical maintenance, and working at heights. This ensures that such tasks are performed under controlled and authorized conditions with necessary safeguards in place.
- **Lockout–Tagout (LOTO):** The Company follows strict LOTO procedures for energy isolation during maintenance and servicing activities, preventing accidental start-up of equipment and ensuring personnel safety.
- **Fire Safety Arrangements:** Manufacturing units are equipped with comprehensive firefighting systems, including hydrants, fire extinguishers, sand buckets, alarm systems, and trained response teams. Regular mock drills and training sessions are conducted to ensure preparedness for emergency situations.
- **Risk Committees:** Functional safety committees operate at each plant, comprising cross-functional representatives who meet regularly to review safety performance, identify risks, and implement corrective actions. These committees are overseen by an Apex Safety Committee led by senior management, which monitors overall safety strategy, compliance, and continuous improvement aligned with the Company's EHS objectives.

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

Yes, workers are encouraged to share their observations and suggestions by submitting designated forms through suggestion boxes placed across the premises. These inputs are reviewed by the Plant Safety Committee during its regular meetings, where appropriate actions are identified and implemented.

The Company also conducts periodic safety training programs and emergency drills to enhance employee awareness of workplace hazards, associated risks, and safety protocols. All employees participate in these programs and are encouraged to report any unsafe conditions, hazards, or near-miss incidents. Such reports and observations are reviewed by the Health and Safety team, which assesses the inputs and initiates suitable corrective and preventive measures. Matters requiring further attention or escalation are referred to the APEX Safety Committee, overseen by senior management, to ensure timely resolution, accountability, and continuous improvement in workplace safety.

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

Yes, all manufacturing units of Somany Ceramics are equipped with dedicated Occupational Health Centers (OHCs), staffed by qualified medical professionals, including a registered doctor and trained nursing personnel. Permanent employees are covered under comprehensive term and accidental insurance, which also supports non-occupational medical and healthcare needs. In addition, all permanent workers are provided with accidental insurance coverage to ensure financial protection in case of unforeseen incidents.

To enhance emergency preparedness, each unit is supported by a 24/7 ambulance service and on-site medical attendants, enabling prompt medical assistance and facilitating immediate hospitalization in case of emergencies.

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

Safety Incident/Number	Category*	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.3	0
	Workers	1.5	1.71
Total recordable work-related injuries	Employees	1	0
	Workers	6	7
No. of fatalities	Employees	1	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

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

Somany Ceramics is dedicated to maintaining a safe, healthy, and compliant work environment for its entire workforce, by implementing structured safety systems, enforcing regulatory standards, and fostering a proactive safety culture. The following key measures are actively in place:

1. **Regular Safety Training:**

   Periodic training sessions are conducted for employees and workers to build awareness on workplace hazards, job-specific risks, and emergency preparedness.

2. **Job-Specific PPEs:**

   Employees are provided with appropriate Personal Protective Equipment (PPE) based on their job requirements, with continuous monitoring to ensure proper usage and condition.

3. **Periodic Health Check-ups:**

   Regular medical examinations are conducted through well-equipped Occupational Health Centers (OHCs) staffed by qualified doctors and nursing personnel to ensure employee well-being.

4. **Hazard Identification & Risk Assessment (HIRA):**

   Systematic processes are followed to identify hazards and assess risks, enabling proactive risk control measures. High-risk activities undergo detailed Job Safety Analysis (JSA).

5. **Identification & Rectification of Unsafe Acts/Conditions:**

   Unsafe practices and conditions are identified through routine inspections, employee feedback, and audits, followed by timely corrective and preventive actions.

6. **Incident Investigation & Root Cause Analysis (RCA):**

   All incidents and near misses are thoroughly investigated using structured RCA methodologies, with corrective actions implemented and monitored for effectiveness.

7. **Work Permit System:**

   A robust permit-to-work system is enforced for high-risk activities such as hot work, confined space entry, electrical isolation, and working at heights.

8. **Lockout–Tagout (LOTO):**

   Strict LOTO procedures are implemented during maintenance activities to ensure complete energy isolation and safeguard workers.

9. **Fire Safety Preparedness:**

   Comprehensive fire safety systems, trained emergency response teams, and periodic fire drills are in place to ensure readiness for emergencies.

10. **24/7 Ambulance Availability:**

    All plant locations are supported by round-the-clock ambulance services and trained medical personnel for prompt emergency response.

11. **Safety Committees & Management Oversight:**

    Active Safety Committees oversee safety-related concerns at the plant level, with significant issues being escalated to the to the APEX Safety Committee, overseen by senior management.

12. **Regular EHS Audits:**

    Internal and third-party Environment, Health & Safety (EHS) audits are conducted periodically to ensure compliance with statutory requirements and internal standards. Audit findings are tracked to closure, supporting continuous improvement across units.

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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 (unsafe conditions)	55	Nil	All complaints were identified and resolved during routine safety assessments.	48	NIL	Identified & closed during routine safety assessments
Health & Safety (Unsafe acts + near miss)	36	Nil		26	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	100.00%
Working Conditions	100.00%

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.**

During the current financial year there were no ongoing safety-related incidents or risks arising from assessments of health and safety practices or working conditions. In addition, the Work Permit SOP and Accident/Incident SOP have been updated to include the following changes:

1. Revised work permit timings.
2. Implementation of a safety declaration system along with worker insurance coverage.
3. An updated accident/incident reporting system.

Leadership Indicators

1 **Does the entity extend any life insurance or any compensatory package in the event of death of**

(A) Employee (Y/N) Yes

(B) Workers (Y/N) Yes

Note: Employees are covered under term insurance, future service gratuity, and EDLI, while workers are covered under GPA.

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

The entity ensures compliance with applicable government regulations by monitoring GST deductions and deposits made by partners through regular checks and reconciliations, enabling seamless input tax credit claims and adherence to tax laws.

Dedicated teams also verify that vendors and contractors meet their statutory obligations, including PF, ESI, and GST payments, through monthly review of supporting documents and invoices. These processes support financial integrity across the value chain.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	1*	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

***Note:** The Company has disbursed insurance and other monetary compensation for the affected family. The eligible dependent is currently pursuing education, suitable employment will be considered upon completion of their studies, in line with Company procedures and policies.

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

No

5 **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100.00%
Working Conditions	100.00%

6 **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The Company is in the process of refining its Supplier Assessment Framework in line with the requirements of the Supplier Code of Conduct. Through this initiative, it seeks to evaluate and manage environmental and social risks across its supply chain.

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.**

Somany's commitment to creating stakeholder value is central to its corporate philosophy, reflecting a strong dedication to all those it engages with. The Company maintains a transparent and accountable relationship with its investors by openly communicating business operations, updates, and developments. It recognizes employees as key drivers of value creation and is committed to offering meaningful and rewarding career opportunities.

Suppliers are regarded as important partners in delivering business value, and their contributions are highly valued. The Company also strictly adheres to legal requirements and upholds its principles of ethics, transparency, and accountability, recognizing governments and regulators as critical stakeholders. With a strong emphasis on inclusive growth, Somany integrates sustainable development into its business practices, ensuring that community well-being remains at the core of all our programs and initiatives.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Advertisement • Experience centers • Customer meets • Satisfaction surveys	Quarterly	• Product satisfaction • Product information
Employees	No	• Email • Employee forums • Leadership forums • Employee surveys • Workplace platforms • Newsletter • Noticeboard • HR helpdesk • Various Committee	Quarterly/Event-based	• Learning and development • Well-being and awareness • Grievance redressal • Growth opportunities • Training and assessments

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/ Vendors	No	• Email • Vendor meetings • Capacity building	Quarterly	• Quality • Local Procurement
Government and Regulatory Bodies	No	• Email • Policy intervention • Advocacy	Quarterly	• Taxation • Promotion • Best practices • Compliance
Shareholders	No	• Email • Newspaper • Advertisement • Website • Letter • Social media	Quarterly/Event-based	• Company's quarterly and annual earnings • Regulatory Compliance • Business strategy
Local Community	Yes	• Community meetings • Focused group discussion • Grievance redressal	Annual/Need-based	• Grievances • Feedback • Program improvement sessions • Capacity building • Needs Assessment • Feasibility Study

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.**

Somany places strong emphasis on stakeholder engagement and ensures ongoing, meaningful communication with all its stakeholders. To strengthen this approach, the Company has developed a structured ESG Strategy and a detailed roadmap to advance ESG best practices. As part of its ESG framework, Somany has constituted an ESG Steering Committee responsible for defining sustainability objectives, guiding implementation teams, reviewing public disclosures, and addressing stakeholder concerns. The Committee undertakes periodic reviews to evaluate sustainability performance and integrate stakeholder feedback. The Company further reinforces its commitment to transparency through comprehensive reporting on its ESG performance and progress.

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, Somany Ceramics in consultation with its stakeholders, has identified key environmental and social issues. Material topics have been carefully determined and prioritized based on their relevance to stakeholders as well as their impact on business operations. Additional details on this process are provided in the Materiality Assessment section of the ESG report. The Company's CSR initiatives are thoughtfully designed and implemented to address the needs of the communities it serves, with a specific focus on vulnerable, underrepresented, and marginalised groups.

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

The Company's CSR approach is centered on fostering sustainable development and improving the quality of life in communities located around its areas of operation. Through a diverse portfolio of initiatives, the Company supports key areas such as education, vocational training, healthcare, sanitation, environmental protection, conservation of natural resources, and community well-being.

CSR programs are developed based on comprehensive assessments of local needs and priorities, ensuring that interventions are relevant, impactful, and responsive to community requirements. The Company actively engages with local stakeholders and community members to identify pressing concerns and incorporate their feedback into the design and implementation of its initiatives.

To ensure effective governance and accountability, all CSR activities are undertaken in accordance with the Company's CSR policy and are subject to periodic monitoring and review by the CSR Committee and the Board of Directors. This structured approach enables the Company to maximize social impact while contributing to the long-term development of the communities it serves.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / Workers covered (B)	% (B / A)	Total (C)	No. of employees / Workers covered (D)	% (D / C)
Employees						
Permanent	1,443	802	55.58%	1,413	297	21.02%
Other than permanent	296	20	6.76%	300	2	0.67%
Total Employees	**1,739**	**822**	**47.27%**	**1,713**	**299**	**17.45%**
Workers						
Permanent	558	123	22.04%	587	0	0.00%
Other than permanent	2,066	261	12.63%	1926	1	0.05%
Total Workers	**2,624**	**384**	**14.63%**	**2,513**	**1**	**0.04%**

2 **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (C)	% (F /D)
Permanent Employees										
Male	1,387	0	0.00%	1387	100.00%	1,361	0	0.00%	1,361	100.00%
Female	56	0	0.00%	56	100.00%	52	0	0.00%	52	100.00%
Other than Permanent Employees										
Male	274	0	0.00%	274	100.00%	274	0	0.00%	274	100.00%
Female	22	0	0.00%	22	100.00%	26	0	0.00%	26	100.00%
Permanent Workers										
Male	558	43	7.71%	515	92.29%	587	52	8.86%	535	91.14%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent Workers										
Male	2,055	1,944	94.60%	111	5.40%	1,913	1,736	90.75%	177	9.25%
Female	11	11	100.00%	0	0.00%	13	13	100.00%	0	0.00%

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

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ Salary/ wages of respective category	Number	Median remuneration/ Salary/ wages of respective category
Board of Directors (BoD)	-	6,20,000.00	-	5,85,000
Key Managerial Personnel	5	3,18,67,044.00	0	-
Employees other than BoD and KMP	1382	6,73,730.00	56	6,45,333.50
Workers	558	2,07,472.53	0	-

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	2.68%	2.54%

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

Yes, the Company's Human Resources (HR) function is responsible for addressing human rights impacts across its operations and value chain. As outlined in the Human Rights Policy, any form of human rights violation is strictly prohibited within the Company's operations and extended supply chain. Any concerns, violations, or grievances related to this policy can be formally reported to Mr. Biju Sebastian, Vice President - Corporate HR, for appropriate review and action.

Please refer to the policy link here: Human Rights Policy

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

The Company has established multiple mechanisms to effectively address human rights grievances and related concerns:

1. A dedicated Help Desk has been set up to manage employee complaints. Grievances submitted through this platform, as well as any violations of the Whistle Blower Policy, Business Code of Conduct, or Human Rights Policy, are reviewed and addressed appropriately.
2. In line with the Industrial Disputes Act, a Works Committee comprising equal representation from management and workers, meets quarterly to review and resolve employee grievances.
3. To comply with the Prevention of Sexual Harassment (POSH) Act, the Company has constituted an Internal Complaints Committee (ICC), which convenes regularly to ensure effective implementation of the Act and to address related issues.
4. As required under the Factories Act, a Safety Committee is in place to address workplace safety concerns and occupational health-related complaints.
5. Additionally, the Company's Whistle Blower Policy promotes ethical conduct by encouraging directors and employees to report instances of human rights violations, unethical practices, fraud, or breaches of the Code of Conduct and Ethics, Transparency, and Accountability Policy

Please find policy link here: Ethics, Transparency & Accountability Policy

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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		
Discrimination at workplace						
Child Labor						
Forced Labor/ Involuntary Labor						
Wages						
Other human rights related issues						

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	Not Applicable	Not Applicable
Complaints on POSH upheld	Not Applicable	Not Applicable

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

The Company's Whistle Blower Mechanism and Prevention of Sexual Harassment (POSH) Policy provide a safe and transparent platform for individuals to report concerns related to discrimination or harassment without fear of retaliation or unfair treatment.

- As detailed in the POSH Policy, the Company has established a structured framework to protect and support complainants, with strict disciplinary action taken against those found guilty of harassment.
- Under the Whistle Blower Policy, anonymous complaints are permitted to safeguard individuals from potential retaliation. The Company is committed to maintaining the confidentiality of complainants, ensuring transparency throughout the investigation process, and upholding the Principles of Natural Justice to avoid bias or discrimination.

Somany remains committed to fostering a safe, inclusive, and transparent workplace. Through these policies, employees are encouraged to raise concerns confidently, knowing they will be addressed fairly and confidentially. By prioritizing integrity, accountability, and respect, the Company reinforces its commitment to ethical practices and the well-being of its workforce.

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

Yes

10 **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100.00%
Forced/involuntary labor	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Others – please specify	Not Applicable

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

Based on the assessment conducted, no corrective actions are required. As a proactive measure, we at Somany Ceramics mandates verification of valid government-issued ID proof at entry points. In addition, Safety Officers carry out periodic random inspections across the plant to ensure strict adherence to labor laws and workplace safety standards.

Leadership Indicators

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

Not Applicable

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

Currently, Somany Ceramics has not undertaken any formal human rights due-diligence exercise. Human rights considerations are addressed through the Human Rights Policy, which covers employees, business partners, value chain stakeholders, and affected communities, and integrates respect for human rights into management systems and operations. It includes provisions on prohibition of child and forced labor, non-discrimination, safe working conditions, fair wages, and freedom of association. The policy is supported by a grievance redressal mechanism to address any concerns or violations.

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

Yes, Somany Ceramics ensures that its workplaces are accessible to persons with disabilities (PwDs). The Company is committed to fostering an inclusive work environment and adheres to the requirements of the relevant Act. Its infrastructure, including entry gates and office entrances, is designed for accessibility, with dedicated PwD-friendly washrooms and wheelchair access on shop floors to facilitate ease of movement for PwD visitors.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Child labor	100.00%
Forced/involuntary labor	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Others – please specify	Not Applicable

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

The Company has not identified any ongoing safety-related incidents or risks resulting from assessments of our value chain partners.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1 **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
From Renewable Sources		
Total electricity consumption (A) (GJ)	19,191.11	13,798.47
Total fuel consumption (B) (GJ)	7,93,063.22	7,92,961.31
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption from Renewable sources (A+B+C) (GJ)	**8,12,254.33**	**8,06,759.77**
From Non - Renewable Sources		
Total electricity consumption (D) (GJ)	2,05,162.95	1,96,232.01
Total fuel consumption (E) (GJ)	12,35,636.15	10,51,940.72
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumption from Non-Renewable sources (D+E+F) (GJ)	**14,40,799.10**	**12,48,172.73**
Total energy consumed (A+B+C+D+E+F)	**22,53,053.43**	**20,54,932.51**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in ₹ Lakhs)	31.40	29.11
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/USD)	638.68	652.09
Energy intensity in terms of physical output	0.095	0.087
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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**

* Previous Financial Data has been revised

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.**

No.

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

Parameter	FY 2025-26 (Current Financial Year)*	FY 2024-25 (Previous Financial Year)*
Water withdrawal by source (in kilolitres)		
(i) Surface water	77,067.00	1,30,277
(ii) Groundwater	41,318.00	35,894
(iii) Third party water	77,644	86,090
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,96,029**	**2,52,261**

Parameter	FY 2025-26 (Current Financial Year)*	FY 2024-25 (Previous Financial Year)*
Total volume of water consumption (in kilolitres	**1,96,029**	**2,52,261**
Water intensity per rupee of turnover (Water consumed / turnover in ₹ Lakhs)	2.73	3.57
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (KL/USD)	55.57	80.05
Water intensity in terms of physical output	0.0083	0.0106
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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.**

* Total water consumption reported under third-party water sources includes office water consumption data, in accordance with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177. Office water consumption has been estimated as per CGWA guidelines at 45 litres per person per working day, accordingly previous year data has been revised.

4 **Provide the following details related to water discharged:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharged by destination and level of treatment (in kilo litres)		
(i) To Surface water		
a. No treatment	Not applicable, both our plants are Zero Liquid Discharge Plants	Not applicable, both plants are Zero Liquid Discharge Plants
b. With treatment – please specify level of treatment		
(ii) To Groundwater		
a. No treatment		
b. With treatment – please specify level of treatment		
(iii) To Seawater		
a. No treatment		
b. With treatment – please specify level of treatment		
(iv) Sent to third-parties		
a. No treatment		
b. With treatment – please specify level of treatment		
(v) Others		
a. No treatment		
b. With treatment – please specify level of treatment		
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)		

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

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

Yes, the Company is committed to its Zero Liquid Discharge (ZLD) initiative through sustainable water management practices. As part of this approach, treated effluent is recycled and reused as process water in its production processes. To support this initiative, the Company has established five Effluent Treatment Plants (ETPs), enabling the complete reuse of treated wastewater and enhancing overall resource efficiency.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	MT	124.05	159.80
SOx	MT	76.71	95.99
Particulate matter (PM)	MT	78.72	98.08
Persistent organic pollutants (POP)	-	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

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

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	79,331.00	61,379.38
Total Scope 2 emissions (Break-up of the GHG into CO2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	40,444.85	39,627.96
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO_2e/Lakhs	1.67	1.43
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO_2e/USD	33.95	32.05
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO_2e/Square Meter tiles	0.0051	0.0043
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	-	-

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**

* Previous Financial Data has been revised

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

Yes, in FY26 we undertook several energy-saving initiatives aimed at reducing greenhouse gas emissions, including:

- Procured third-party solar power for the Kadi plant to reduce dependence on conventional energy sources, increase the use of renewable energy, and lower greenhouse gas emissions.
- Installed solar power plants at both manufacturing facilities to enhance renewable energy generation, reduce grid electricity consumption, and support the Company's transition to clean energy.
- Secured an additional 9.9 MWp solar power capacity through a SPV investment for the Kassar plant to enhance long-term energy security, and improve overall energy sustainability.
- Implemented a control system to regulate equipment pressure, improve process efficiency, and reduce overall energy consumption.

- Installed advanced vibrating units in place of conventional systems to improve operational efficiency, enhance process performance, and optimize energy use.
- Replaced the existing gearbox and motor with a new and improved unit to optimize power consumption while maintaining operational efficiency.
- Installed a bi-fuel kit on a high-capacity generator, enabling operation on both diesel and an alternative fuel to improve fuel efficiency and reduce operational costs.
- Used biofuels in place of conventional fossil fuels for process requirements, reducing greenhouse gas emissions and supporting the transition to cleaner energy sources.
- Collectively, these measures have resulted in significant energy savings, increased the use of renewable and cleaner fuels, and contributed to the Company's efforts to reduce its carbon footprint.

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	13.26	17.50
E-waste **(B)**	4.87	6.35
Bio-medical waste **(C)**	0.02	0.02
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	19.59	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**- ETP SLUDGE & USED OIL	2,860.60	2,478.53
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2317.39	677.48
Total (A+B + C + D + E + F + G+ H)	**5,215.73**	**3,179.87**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) in ₹ Lakhs	0.07	0.05
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/USD)	1.48	1.01
Waste intensity in terms of physical output	0.0002	0.0001
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	30.52	10.59
(ii) Re-used	2,854.00	2,469.00
(iii) Other recovery operations	9.97	10.64
Total	**2,894.49**	**2,490.23**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.0181	0.0183
(ii) Landfilling	-	-
(iii) Other disposal operations (Sold)	2,321.22	689.62
Total	**2,321.24**	**689.64**

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.**

* Previous Financial Data has been revised

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

Somany Ceramics' waste management practices are in accordance with the guidelines of the SPCB (State Pollution Control Board) and the Central Pollution Control Board. Key measures include:

- Dedicated areas for the segregation and safe storage of hazardous and e-waste. Such waste is maintained under controlled conditions and disposed of through authorized recyclers. E-waste is collected directly from the facility via closed-body vehicles, while hazardous waste, including used oil, is stored in sealed containers and handled through approved disposal channels.
- Hazardous waste is managed in line with SPCB regulations. Initiatives include reuse of ETP sludge as a raw material, sale of plastic barrels and used oil to SPCB-authorized vendors, and recycling of broken tiles back into the production process to reduce waste generation.
- Efforts to minimize or eliminate the use of hazardous and toxic chemicals in manufacturing processes, contributing to a safer work environment, reduced environmental impact, and improved compliance with regulatory standards. This approach also supports employee well-being and lowers the risk of pollution and waste generation.

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

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not Applicable			

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

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

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

Yes, Somany adheres to all applicable Indian environmental laws, regulations, and guidelines, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, and the Environment Protection Act, along with their respective rules. The Company has implemented the required measures to ensure full compliance with these regulations and consistently follows environmental best practices to maintain regulatory adherence.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

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

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

a. Name of the area

b. Nature of operations

c. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilo litres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharged by destination and level of treatment (in kilo litres)		
(i) Into Surface water	Not Applicable	Not Applicable
c. No treatment		
d. With treatment – please specify level of treatment		
(ii) Into Groundwater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iii) Into Seawater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iv) Sent to third-parties		
c. No treatment		
d. With treatment – please specify level of treatment		
(v) Others		
c. No treatment		
d. With treatment – please specify level of treatment		
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)		

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

2 **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	Not Applicable	Not Applicable
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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

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

Not Applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of Initiative
1	Utility Energy Optimization	Energy-saving measures were implemented in utility systems to improve energy efficiency and optimize operations.	Reduced energy consumption and improved operational efficiency.
2	Energy Conservation Initiative	Operational improvements were undertaken to optimize energy use and enhance system performance.	Reduced energy consumption and improved resource efficiency.
3	Equipment Utilization Optimization	Operational controls were introduced to optimize equipment utilization and reduce unnecessary energy usage.	Improved energy efficiency and operational performance.
4	Equipment Performance Enhancement	Energy-saving measures were implemented in operational equipment to improve efficiency and reduce power consumption.	Reduced energy consumption and enhanced equipment performance.
5	Operational Energy Management	Process improvements were introduced to optimize equipment operations and improve energy efficiency.	Reduced energy consumption and improved operational effectiveness.
6	Ventilation Efficiency Improvement	Energy optimization measures were implemented in facility ventilation systems to improve efficiency.	Reduced energy consumption and improved system performance.
7	Facility Energy Optimization	Operational enhancements were undertaken to improve the efficiency of ventilation and support systems.	Improved energy efficiency and reduced resource consumption.
8	Utility System Efficiency Enhancement	Energy-efficient measures were introduced in utility operations to optimize performance and reduce energy use.	Reduced energy consumption and improved operational efficiency.
9	Thermal Energy Recovery Initiative	Process improvements were implemented to enhance recovery and utilization of thermal energy within operations.	Reduced energy demand and improved process efficiency.

10	Water Reuse and Conservation Initiative	Water treatment processes were upgraded to improve water quality and increase reuse within operations.	Enhanced water reuse and reduced dependence on fresh water sources.
11	Solar Power Integration	Along with existing renewable energy capacity of 3.5 MW, with 2.5 Kassar and 1 MW at Kadi, an additional secured 9.9 MW solar power through Special purpose vehicle further strengthening the Company's renewable energy portfolio and reducing its environmental impact.	Solar power was integrated across the Company to increase the use of renewable energy and reduce dependence on conventional power sources. This initiative also contributed to lowering greenhouse gas emissions and reducing overall energy costs.
12	Replacement of Grinding Media	The grinding media was upgraded to improve grinding efficiency and optimize overall process performance. The initiative was implemented to reduce grinding time and enhance energy efficiency during operation.	The project improved process efficiency, reduced power consumption, and contributed to operational cost savings.

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

Yes, our organization has established a robust Business Continuity and Disaster Management Plan. These plans are developed by the Risk Management Committee to address potential risks and uncertainties, with the primary goal of ensuring rapid recovery and resumption of normal operations after any disruption. Furthermore, we have location-specific Emergency Preparedness Plans to respond effectively to incidents such as fire or explosions, HSD leakage or fire, natural gas leakage, electrical faults, structural collapse, natural disasters, and food poisoning. These proactive measures help us remain resilient and ensure operational continuity during emergencies.

6 **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Somany has established a Supplier Code of Conduct that sets out its expectations regarding Business Ethics, Environment, Labor, and Human Rights. All suppliers are required to adhere to this code and ensure that its principles are also extended to their own supply chains.

As outlined in the code, suppliers must comply with all applicable environmental laws and standards. They are expected to use resources efficiently and minimize adverse impacts related to energy, water, and waste, while ensuring proper waste disposal in line with regulatory requirements. Suppliers are also encouraged to continuously enhance their environmental performance by adopting cleaner and more resource-efficient technologies.

7 **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

100.00%

8 **How many Green Credits have been generated or procured:**

	FY 2025-26 (Current Financial Year)
By the listed entity	Not Applicable
By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Not Applicable

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.**

5

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	Indian Council of Ceramic Tiles and Sanitaryware (ICCTAS)	National
2	Confederation of Indian Industry (CII)	National
3	PHD Chamber of Commerce and Industry	National
4	Merchant Chamber of Commerce and Industry	National
5	The Associated Chambers of Commerce and Industry of India	National

2 **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
The Company has not received any complaints or orders concerning anti-competitive behavior during the reporting period.		

Leadership Indicators

3 **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
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 Web link
Not Applicable					

2 **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

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

The Company regularly engages with local communities through its CSR initiatives. It carries out need assessments to understand key concerns and grievances, which are then used to design focused CSR programs. In addition, as a best practice, all CSR activities are governed and periodically reviewed by the Board to ensure their effectiveness.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/small producers	63.70%	89.83%
Directly from within India	100.00%	98.54%

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

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)#
Rural	38.27%	35.30%
Semi-urban	0.00%	0.00%
*Urban	0.84%	0.72%
Metropolitan	60.89%	63.98%

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

*Note: For FY 2025-26 urban salaries paid have been to employees who are located outside India.

Previous Financial Data has been revised

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):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In ₹)
Not applicable, as none of the Company's CSR projects are implemented in aspirational districts identified by the Government.			

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

No, as per our Code of Conduct for Employees and Suppliers, the Company follows a non-discriminatory approach in supplier selection, ensuring equal opportunity for all potential suppliers. Although preference is given to local suppliers near our facilities to support community businesses, there is no specific policy that prioritizes or targets marginalized or vulnerable groups in the supplier selection process.

(b) From which marginalized /vulnerable groups do you procure?

None

(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:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

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

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare activities through HelpAge India aimed at supporting health and well-being of the elderly and underprivileged communities.	54276	66.00%
2	Swachh Bharat – Sanitation and hygiene program implemented in Jhajjar district, Haryana through Third Planet to improve cleanliness and hygiene awareness.	1,34,000	80.00%
3	Education and skill development program conducted through Third Planet to enhance employability and learning outcomes.	1,875	100.00%
4	Plantation of fruit trees to develop orchards for small and marginal farmers in Rajasthan (Alwar and Jaipur districts), supporting livelihood enhancement.	256	90.00%
5	Renovation of Virmani Public School, Roop Nagar under S.P. Virmani Public Charitable Trust to improve educational infrastructure.	546	93.00%
6	"SAARTHAK"- A community-based initiative focused on mental well-being of the elderly.	2,299	92.00%
7	Renovation of school building under Anubhuti Samiti to strengthen educational facilities.	270	95.00%
8	Shri H. L. Somany Architecture Excellence Scholarship to support and encourage academic excellence in architecture students.	8	100.00%

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.**

Somany Ceramics has a robust customer complaint and feedback system designed to ensure timely resolution and continuous improvement. Customers can raise concerns through multiple channels, including a toll-free helpline (1800-1030-004), email (customer.care@somanyceramics.com, customer.support@somanyceramics.com), website forms, social media platforms, WhatsApp (93196 01428), and authorized dealers.

All complaints are assigned a unique reference number and recorded in the CRM system. They are acknowledged within 24 hours and prioritized based on severity to ensure efficient handling. Critical issues are resolved within 48 hours, while general complaints are typically addressed within 3 to 7 days.

If required, unresolved issues are escalated through a structured hierarchy to higher management. After resolution, customers are engaged through follow-ups and satisfaction surveys to assess their experience. Depending on the nature of the complaint, resolutions may include service support, refunds, or product replacement.

The Company also conducts regular analysis of complaints, along with employee training and process improvements, to enhance service efficiency, ensure compliance with industry standards, and maintain high customer satisfaction levels.

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	100.00%
Safe and responsible usage	100.00%
Recycling and/or safe disposal	100.00%

3 Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL		During the current financial year, most queries were addressed in a timely manner. The Company is continuously working to ensure prompt closure and maintain efficient response timelines for any unresolved complaints.	NIL		All queries were assisted in a timely manner in the current financial years.
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other (Product Quality)	1,681	9		1,460	12	

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

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

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.

Somany Ceramics is committed to upholding the highest standards of cybersecurity across its IT operations. To safeguard its digital assets, the Company has implemented a comprehensive Cybersecurity Policy aligned with globally recognized standards and best practices. It follows the guidelines of ISO 27001:2013 cybersecurity framework, enabling effective identification, monitoring, and mitigation of cyber risks. The Company has further strengthened its security infrastructure through advanced measures, including a third-party Security Operations Center (SOC), Azure and SaaS-based security solutions, antivirus protection systems, and restricted USB access controls. This cybersecurity framework is regularly reviewed and enhanced to address evolving threats and maintain a secure and resilient digital environment.

For additional details, refer to our Cyber Security Policy:

6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as no complaints were filed during the current FY 2025-26, under any category mentioned.

7 **Provide the following information relating to data breaches:**

a.	Number of instances of data breaches	0
b.	Percentage of data breaches involving personally identifiable information of customers	0
c.	Impact, if any, of the data breaches	No cybersecurity incidents or data breaches were reported by the Company during FY 2025-26 to CERT-In, in compliance with the directions issued on 28 April, 2022 under Section 70-B(6) of the Information Technology Act, 2000.

Leadership Indicators

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

Somany Ceramics is a leading manufacturer and marketer of tiles, bathware, adhesive products, and has expanded into holistic home and building solutions. The Company offers a diverse and innovative range of solutions for residential, commercial, and industrial applications. Customers can access detailed information about the Company's products and services through various channels:

- Official Website: The Company's website (https://www.somanyceramics.com/) provides a comprehensive platform to explore its product portfolio, including specifications, applications, and benefits, enabling informed decision-making. It is further strengthened by advanced digital tools such as the Tile Visualiser and AI-led short-format educational content that enhance product awareness and correct application practices.
- Product Labels & Packaging: All products feature clear and informative labeling that includes key technical specifications, installation guidelines, and usage instructions. The Company maintains transparent product labeling to ensure ease of understanding and correct usage at the customer level.
- Brochures & Catalogs: Somany issues brochures, catalogs, and product guides showcasing its latest designs, technologies, and innovations, made available through showrooms, exhibitions, and directly to customers and industry professionals. These efforts are supported by proactive public relations activities, including product launches and showroom inaugurations.
- Branding & Marketing Initiatives: The Company undertakes focused branding and marketing activities, including advertising campaigns, social media engagement, participation in industry events, and hyperlocal marketing across its dealer network through localized campaigns, co-branded initiatives, and in-store activations to enhance awareness and product education.
- Retail Network & Experience Centers: Products are accessible through an extensive network of dealers, retailers, and exclusive experience centers, where customers can experience designs and finishes firsthand. Engagement is further strengthened through mason and architect meets, architect-led campaigns such as "Building Connections," and curated interactions with industry influencers. Targeted digital outreach, including segment-specific WhatsApp communication for masons, dealers, architects, and channel partners, further supports engagement.
- Customer Support & Consultation: Dedicated customer support and technical consultation services are available through helplines and field teams, assisting customers, architects, and designers with product selection, installation, and maintenance support. This is complemented by end-to-end service assistance to ensure a seamless customer experience. Call: 1800-1030-004 (10:00 AM to 7:00 PM, Monday to Saturday), Email: marketing@somanyceramics.com, International Business Inquiries: export@somanyceramics.com and stay updated with our latest collections by subscribing to our newsletter.
- Social Media Platforms: Somany Ceramics maintains an active social media presence across Facebook, YouTube, Instagram, X, and LinkedIn, and our mobile application is available for download on both Android and iOS platforms.

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

Somany Ceramics is committed to educating all stakeholders, including masons, architects, builders, and retail consumers, on the safe and responsible use of its tiles, bathware, and adhesive products. The Company adopts a multi-channel, marketing-led education approach to provide accurate information, best practices, and installation guidance across its product range.

1. Training and Skill Development Programs
    - Workshops and seminars are regularly conducted for masons, architects, and builders to promote correct installation techniques, safe handling, and maintenance practices.
    - On-site demonstrations are carried out at construction locations to showcase proper methods of tile installation and adhesive application.
    - These initiatives are further supported through architect-led engagements such as "Building Connections" and mason/architect meets for direct knowledge exchange.
2. Digital Resources and Online Learning
    - The official website (www.somanyceramics.com), along with blogs and guided content, provides installation best practices, usage instructions, and technical know-how. The Company leverages its digital ecosystem, including short-format educational content, to simplify technical knowledge for applicators and end-users.
    - Social media and video platforms are used to share instructional content and expert insights for wider accessibility.
    - Advanced tools such as the Tile Visualiser and digital simulation applications help ensure accurate product selection and reduce execution-level errors.
3. Product Packaging and Labeling
    - Each product includes clear and comprehensive labeling with usage instructions, safety precautions, installation guidance, and maintenance recommendations.
    - Transparent on-pack communication ensures correct handling and application at the point of use.
4. Technical Support and Consultation
    - Dedicated customer support teams assist retailers, builders, architects, and consumers with product selection, application techniques, and troubleshooting.
    - Technical experts provide on-ground consultation for large-scale projects to ensure compliance with best practices and optimal performance.
    - Targeted communication, including segment-specific WhatsApp outreach to masons, dealers, architects, and channel partners, further enhances responsiveness and support.
5. Retail and Showroom Engagement
    - In-store specialists and retail partners guide customers on product features, correct usage, and application methods.
    - Experience centers offer hands-on product interaction along with expert consultation.
    - Awareness is further strengthened through brochures, catalogs, public relations initiatives, product launches, and showroom activations.
    - Hyperlocal marketing initiatives across the dealer network, including localized campaigns, co-branded activities, and in-store engagements, further reinforce education and awareness.

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

Somany Ceramics follows a proactive approach by implementing Standard Operating Procedures (SOPs) to manage potential disruptions to essential services effectively. These procedures establish a clear escalation mechanism for issue resolution while ensuring business continuity and operational efficiency. Employees are trained to monitor critical services, enabling early detection and mitigation of risks, and promoting a culture of proactive risk management and continuous improvement.

4 **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)**

Yes

If yes, provide details in brief.

Somany Ceramics provides product information that goes beyond the requirements of local regulations. Along with mandatory labeling, the Company includes installation instructions, maintenance guidelines, usage recommendations, and safety precautions on product packaging. This ensures that masons, architects, builders, and consumers have access to complete and practical information for safe and effective product usage, in line with ISO 15622:2017 standards.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes

Independent Auditor's Report

To the Members of Somany Ceramics Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Somany Ceramics Limited ("the Company"), which comprise the Balance sheet as at 31 March, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2026, its profit including other comprehensive income, the 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March, 2026. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N.	Key Audit Matter	Auditor's Response
1.	**Valuation of trade receivables, loans and other financial assets** The carrying amount of trade receivables, loans and other financial assets of the Company was ₹ 34,261.42 Lakhs as at 31 March, 2026. (Refer Note no. 2.16, 5, 6, 10 and 13 to the standalone financial statements.) The Company assesses periodically and at each financial year end, the expected credit loss associated with its trade receivables, loans and other financial assets. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.	**How our audit addressed the key audit matter.** We obtained an understanding of the Company's credit policy for trade receivables, process of approvals and terms and conditions for granting inter corporate deposits (ICD) and business exigencies for other financial assets and evaluated the processes for identifying impairment indicators. We have reviewed and tested the ageing of trade receivables and other financial assets and management's assessment on the credit worthiness of selected customers for trade receivables and recoverability of other receivables. We have obtained year-end balance confirmations for inter corporate deposits and obtained confirmation from selected customers as on date determined by us. In case of confirmations not received from the customers, we have verified the subsequent realization, wherever received. We further discussed with the key management on the adequacy of the allowance for credit losses recorded by the Company and reviewed the supporting documents provided by management in relation to their assessment.

Independent Auditor's Report (Contd.)

S.N.	Key Audit Matter	Auditor's Response
	We focused on this area because of its significance and the degree of judgment required to estimate the expected credit loss and determining the carrying amount of trade receivables, loans and other financial assets as at the reporting date. Accordingly, due to complexity/ judgement involved in identification of expected credit loss, valuation of trade receivables, loans and other financial assets were determined to be a key audit matter in our audit of the standalone financial statements.	We have also reviewed adequacy and appropriateness of allowance for credit losses based on available information. Based on our audit procedures performed, we found management's assessment of the recoverability of trade receivables, loans and other financial assets to be reasonable.
2.	**Valuation of inventories** As at 31 March, 2026, the total carrying amount of inventories was ₹ 21,372.05 Lakhs (Refer Note 2.13 and 8 to the standalone financial statements) The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Reviews are made periodically by management on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing and turnover rate. Accordingly, due to complexity/ judgement involved in inventory valuation, inventory valuation was determined to be a key audit matter in our audit of the standalone financial statements.	**How our audit addressed the key audit matter.** We have analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventory obsolescence. We conducted a detailed discussion with the key management and considered their views on the adequacy of allowances for inventory obsolescence considering the current economic environment. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sample basis at the reporting date. We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence.

OTHER INFORMATION

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

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 such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the

Independent Auditor's Report (Contd.)

provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

The Board of Directors 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 statement 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 standalone 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.;

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on 31 March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

   B. 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:

   (a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

   (b) The Company did not have any material foreseeable losses in long term contracts including derivative contracts;

   (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   (d) i. The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 58(vii)(a) to the standalone financial statements, no

Independent Auditor’s Report (Contd.)

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

ii. The management has represented, that, to the best of it’s knowledge and belief, as disclosed in the Note 58(vii)(b) to the standalone financial statements, 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

iii. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) above contain any material mis-statement.

(e) As stated in Note 48 to the standalone financial statements

i. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

ii. The interim dividend declared by the Company after the year ended 31 March, 2026 but before the date of the balance sheet is in accordance with the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this audit report.

iii. The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

(f) Based on our examination, which included test checks and on the consideration of Independent Service Auditor’s Report on the third party softwares used by the Company, the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) and that has operated throughout the year for all relevant transactions recorded in the softwares, except that:

i. the feature of recording audit trail (edit log) facility at database level in SAP, the ERP accounting software used for maintaining general ledger and other accounting module has not been enabled throughout the year for certain tables at application and database level to capture direct changes made to such tables through privilege access.

ii. the feature of recording audit trail (edit log) facility at database level of a software provided by a third party which is used by the Company for maintaining payroll was not enabled for the period 01 April, 2025 to 02 April, 2025.

iii. the feature of recording audit trail (edit log) facility at database level and application level of a software provided by a third party which is used by the Company for supplier finance arrangement was enabled throughout the year cannot be commented by us as evidence for such audit trail has not been provided by the third party to the Company.

Independent Auditor's Report (Contd.)

During the course of performing our procedures and on the consideration of Independent Service Auditor's Report on the third party softwares used by the Company, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention except that for the software provided by the third party for supplier finance arrangement the evidence for such preservation has not been provided by the third party to the Company. Also, refer note 62 to the standalone financial statements.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580EWUXLN6741

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Annexure A to Independent Auditor's Report of even date to the members of Somany Ceramics Limited on the Standalone Financial Statements as of and for the year ended on 31 March, 2026 (refer to in paragraph 1 of our report on other legal and regulatory requirements)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in every three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its property, plant and equipment. In accordance with this programme, certain property, plant and equipment were physically verified during the year and no material discrepancies were noticed.

(c) Based on the records examined by us, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements, are held in the name of the Company.

(d) On the basis of our examination of records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Therefore, provisions of clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.

ii) (a) According to the information and explanations given to us and records examined by us, the inventories have been physically verified by the management during the year and in our opinion, coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records.

(b) According to the information and explanations given to us and records examined by us, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. There is no difference between books of account of the respective quarters and quarterly returns/ statements or revised returns/statements filed by the Company with the banks.

iii) (a) Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the followings:

Particulars (in ₹ Lakhs)	Guarantees	Security	Loans	Advances in nature of Loans
Aggregate amount granted/provided during the year:				
- Subsidiaries*	-	-	749.00	-
- Associates	-	-	-	-
- Joint Ventures	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries*	-	-	749.00	-
- Associates	-	-	-	-
- Joint Ventures	-	-	-	-
- Others	-	-		-

* Subsidiaries as per Indian Accounting Standards.

Annexure A to Independent Auditor's Report (Contd.)

(b) In our opinion and according to the information and explanations given to us, the investments made during the year and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the Company's interest.

(c) The schedule of repayment of principal and payment of interest with respect to loans have been stipulated and repayments or receipts of interest have been regular during the year.

(d) Based on the books of account and other relevant records examined by us, there is no amount overdue for more than 90 days as at 31 March, 2026.

(e) According to the information and explanations given to us and records examined by us, we have not come across any case where the loans granted which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and records examined by us, no loans have been granted during the year which are either repayable on demand or without specifying any terms or period of repayment. Therefore, provisions of the clause 3(iii)(f) of the Order are not applicable to the Company.

iv) According to information and explanations given to us and based on audit procedures performed by us, the Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of loan granted and investments made during the year. The Company has not given any guarantee or security during the year. There is no loan granted or guarantee or security provided under section 185 of the Companies Act, 2013.

v) The Company has not accepted any deposit or amounts during the year which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act, 2013. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.

vi) The maintenance of cost records has not been prescribed by the Central Government under the section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 for the product manufactured by the Company. Therefore, provisions of clause 3(vi) of the Order are not applicable to the Company.

vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues, to the extent applicable, has been generally regularly deposited with the appropriate authorities by the Company. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.

b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings:

Name of Statue	Nature of Dues	Period to which it relates	Amount (₹ in Lakhs) #	Forum where dispute is pending
The Sales Tax Act / The Value Added Tax	Turnover Tax	Financial Year 2011-12	27.77	The Gujarat Value Added Tax Tribunal, Ahmedabad
		Financial Year 1990-91 to 1992-93	37.58	Maharashtra Sales Tax Tribunal, Mumbai
The Central Excise Act, 1944 and the Finance Act, 1994	Reversal of Cenvat credit	Financial Year 2016-17 to 2017-18	287.87	CESTAT Chandigarh
	Cenvat credit	Financial Year 2016-17	19.94	CESTAT Ahmedabad

Annexure A to Independent Auditor's Report (Contd.)

Name of Statue	Nature of Dues	Period to which it relates	Amount (₹ in Lakhs) #	Forum where dispute is pending
Goods and Service Tax Act, 2017	Reversal of ITC	Financial Year 2018-19	70.72	Commissioner (A), Appellate Authority Delhi
		Financial Year 2019-20	87.80	Commissioner (A), Appellate Authority Delhi
		Financial Year 2019-20	1,452.00	Additional Commissioner CGST, Rohtak, Haryana
		Financial Year 2019-20	12.33	Assistant Commissioner, State GST, Chennai
		Financial Year 2020-21	4.98	Deputy Commission (A), Appellate Authority Mehsana, Gujarat
		Financial Year 2020-21	4.60	Additional Commission (Appeals), Noida, UP
The Income Tax Act, 1961	Income Tax	Assessment Year 2012-13 and 2014-15 to 2017-18, 2020-21	31.69	Commissioner of Income Tax (Appeal), Kolkata
The E.S.I Act, 1948	ESI	Financial Year 2014-15	11.56	Employee State insurance Court, RO-Ahmedabad
Local Area Development Tax	Entry Tax	Financial Year 2002-03,2006-07 and April 2017 to June 2017	810.78	Hon'ble Punjab and Haryana High Court

Above amounts are excluding of penalty and interest (if any) and are net of amount paid under protest.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix) a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon during the year.

b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or Government or any Government authority.

c. Based on the books of account examined by us, term loans were applied for the purpose for which the loans were obtained during the year.

d. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis during the year have been used for long-term purposes by the Company.

e. According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate. The Company has no joint venture. Therefore, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.

f. According to the information and explanations given to us, the Company has not raised loan during the year on the pledge of securities held in its subsidiaries or associate. The Company has no joint venture.

x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b. 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,

Annexure A to Independent Auditor's Report (Contd.)

the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

xi) a. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the standalone 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 during the course of the audit.

b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year

c. According to the information and explanations given to us, no whistle blower complaints were 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. Therefore, the provisions of Clause 3(xii) of the Order are 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, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv) a. In our opinion and according to information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b. We have considered the internal audit reports of the Company issued till date for the period under audit.

xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are 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 to us, the group does not have any core investment company (CIC), which are part of the Group.

xvii) The Company has not incurred cash loss in the current 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 auditor 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

Annexure A to Independent Auditor's Report (Contd.)

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) The Company has given funds to a Trust registered for carrying out the CSR activities as specified in the Note 56 to the standalone financial statements. The Trust has furnished certificate for fully utilization of such funds as on 31 March, 2026 for CSR activities as advised by the Company. Accordingly, the Company has no unspent amount relating to CSR activities which is required to be transferred to a fund specified in Schedule VII to the Companies Act 2013. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580EWUXLN6741

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Annexure B to Independent Auditor's Report of even date to the members of Somany Ceramics Limited on the Standalone Financial Statements as of and for the year ended on 31 March, 2026 (refer to in paragraph 2A(g) of our report on other legal and regulatory requirements)

We have audited the internal financial controls with reference to standalone financial statements of Somany Ceramics Limited ('the Company") as of 31 March, 2026 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

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the standalone financial statement based on the internal control over the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 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 authorization 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 WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Annexure B to Independent Auditor's Report (Contd.)

Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

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

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580EWUXLN6741

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Standalone Balance Sheet as at 31 March, 2026

(All amounts in rupees Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March, 2026	As at 31 March, 2025
Assets			
Non-current Assets			
Property, Plant and Equipment	3 (i)	41,031.48	42,207.87
Capital work-in-progress	3 (ii)	710.25	1,456.88
Right of use Assets	3 (iii)	11,689.45	5,342.56
Other Intangible Assets	3 (iv)	163.09	107.89
Financial Assets			
(i) Investments	4	38,095.89	32,557.99
(ii) Loans	5	5,341.07	5,345.68
(iii) Other Financial Assets	6	1,406.75	1,388.84
Other Non-Current Assets	7	332.85	335.30
		98,770.83	**88,743.01**
Current Assets			
Inventories	8	21,372.05	19,089.04
Financial Assets			
(i) Investments	9	1,224.80	1,264.78
(ii) Trade Receivables	10	27,003.46	35,628.06
(iii) Cash and Cash Equivalents	11	12,470.66	5,536.35
(iv) Bank Balances other than (iii) above	12	25.34	28.11
(v) Other Financial Assets	13	510.14	621.95
Current Tax Assets (net)	14	394.13	162.89
Other Current Assets	15	2,787.22	3,422.13
		65,787.80	**65,753.31**
Total Assets		**1,64,558.63**	**1,54,496.32**
Equity and Liabilities			
Equity			
Equity Share Capital	16	820.26	820.19
Other Equity	17	88,253.16	79,208.17
		89,073.42	**80,028.36**
Liabilities			
Non- current Liabilities			
Financial Liabilities			
(i) Borrowings	18	959.83	915.25
(ii) Lease Liabilities		11,046.27	4,807.87
(iii) Others Financial Liabilities	19	3,691.18	3,434.66
Provisions	20	756.30	1,130.28
Deferred Tax Liabilities (Net)	21	2,725.99	2,745.14
Other Non-Current Liabilities	22	917.47	913.90
		20,097.04	**13,947.10**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	450.79	452.36
(ii) Lease Liabilities		1,260.42	1,025.30
(iii) Trade Payables	24		
Outstanding dues of Micro Enterprises & Small Enterprises		10,364.37	4,676.75
Outstanding dues other than Micro Enterprises & Small Enterprises		16,582.37	22,748.63
(iv) Other Financial Liabilities	25	17,714.52	23,823.74
Other Current Liabilities	26	8,373.57	7,407.53
Provisions	27	642.13	386.55
		55,388.17	**60,520.86**
Total Equity and liabilities		**1,64,558.63**	**154,496.32**

Material Accounting Policies and other Notes to Standalone Financial Statements 1 to 63.

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO-Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 77330

Anuj Kalia
Company Secretary
M. No: A31850

Standalone Statement of Profit and Loss for the year ended 31 March, 2026

(All amounts in rupees Lakhs, unless otherwise stated)

Particulars		Note No.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
I.	**Income**			
	Revenue from Operations	28	2,64,029.86	2,56,942.13
	Other Income	29	2,696.82	2,470.90
	Total Income (I)		**2,66,726.68**	**2,59,413.03**
II.	**Expenses**			
	Cost of Materials Consumed	30	24,945.77	24,153.23
	Purchases of Stock-in-Trade		1,50,319.98	1,47,574.89
	Change in Inventories of Finished Goods,			
	Work-in-progress and Stock-in-Trade	31	(2,034.41)	487.12
	Employee Benefits Expense	32	27,260.68	26,197.77
	Finance Costs	33	1,076.79	755.81
	Depreciation and Amortization Expenses	3	6,242.58	5,311.83
	Other Expenses	34	45,147.88	44,607.31
	Total Expenses (II)		**2,52,959.27**	**2,49,087.96**
III.	**Profit Before Exceptional Items and Tax (I-II)**		**13,767.41**	**10,325.07**
IV.	Exceptional Items - (Gain)/Loss	46	508.79	(942.10)
V.	**Profit before tax (III-IV)**		**13,258.62**	**11,267.17**
VI.	Tax Expense:			
	(1) Current year	21	3,546.97	2,717.78
	(2) Deferred Tax Charge/(Credit)	21	(101.42)	74.70
	(3) Tax for earlier years	21	(96.31)	(94.07)
VII.	**Profit for the year (V-VI)**		**9,909.38**	**8,568.76**
VIII.	**Other Comprehensive Income (OCI)**			
	(1) Items that will not be reclassified to profit & loss		91.06	(96.58)
	Income Tax relating to above	21	(22.92)	24.31
	(2) Items that will be reclassified to profit & loss		-	-
IX.	**Total Comprehensive Income for the year (VII+VIII)**		**9,977.52**	**8,496.49**
	Earnings Per Equity Share (Per Share Value of ₹ 2 each)	35		
Basic (in ₹)			**24.16**	**20.89**
Diluted (in ₹)			**24.11**	**20.89**

Material Accounting Policies and other Notes to Standalone Financial Statements 1 to 63.

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

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Amit Sahai
CEO-Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 77330

Anuj Kalia
Company Secretary
M. No: A31850

Standalone Statement of Changes in Equity for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
(a) Equity Share Capital & Reconciliation of number of shares outstanding at the beginning and end of the year :				
Balance at the beginning of the year*	4,10,09,605	820.19	4,10,03,620	820.07
Issued on exercise of employee share option	3,201	0.07	5,985	0.12
Balance at the end of the year	**4,10,12,806**	**820.26**	**4,10,09,605**	**820.19**

(b) Other Equity

Particulars	Reserves and Surplus							Total
	Share options outstanding account	Capital Reserve	Capital Redemption Reserve	Security Premium	General Reserve	Total Retained earnings		
						Retained earnings	OCI	
Balance at 31 March, 2025*	1,039.99	(4,377.31)	107.84	1,534.80	6,118.58	74,948.15	(163.88)	79,208.17
Profit/(Loss) for the year	-	-	-	-	-	9,909.38	-	9,909.38
Recognition of share based payments	297.85	-	-	-	-	-	-	297.85
Share options Exercised/ Lapsed/ Forfeited	(62.86)	-	-	22.69	40.17	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	68.14	68.14
Total comprehensive income for the year	**234.99**	**-**	**-**	**22.69**	**40.17**	**9,909.38**	**68.14**	**10,275.37**
Dividend Paid	-	-	-	-	-	1,230.38	-	1,230.38
Balance at 31 March, 2026	**1,274.98**	**(4,377.31)**	**107.84**	**1,557.49**	**6,158.75**	**83,627.15**	**(95.74)**	**88,253.16**
Balance at 31 March, 2024*	**687.43**	**(4,377.31)**	**107.84**	**1,478.36**	**6,082.55**	**67,609.50**	**(91.61)**	**71,496.76**
Profit/(Loss) for the year	-	-	-	-	-	8,568.76	-	8,568.76
Recognition of share based payments	409.32	-	-	-	-	-	-	409.32
share options Exercised/ Lapsed/ Forfeited	(56.76)	-	-	20.73	36.03	-	-	-
Shares Issued on exercise of employee share option	-	-	-	35.71	-	-	-	35.71
Other Comprehensive Income for the year	-	-	-	-	-	-	(72.27)	(72.27)
Total comprehensive income for the year	**352.56**	**-**	**-**	**56.44**	**36.03**	**8,568.76**	**(72.27)**	**8,941.52**
Dividend Paid	-	-	-	-	-	1,230.11	-	1,230.11
Balance at 31 March, 2025	**1,039.99**	**(4,377.31)**	**107.84**	**1,534.80**	**6,118.58**	**74,948.15**	**(163.88)**	**79,208.17**

*There are no changes in Equity share capital and other equity due to prior period errors.

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

(All amounts are in rupees Lakhs, unless otherwise stated)

Share options outstanding account: This Reserve relates to stock options granted by the Company to employees under Somany Employee Stock Option Scheme(ESOP) 2021 and ESOP 2023. This Reserve is transferred to Securities Premium on exercise of vested options and to General reserve on lapse/ forfeit of vested options.

Capital Reserve : It comprises of difference between consideration and value of net assets, pursuant to the scheme of amalgamation in earlier years, amalgamation Reserve and others, which can be utilized in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: This Reserve has been created by an appropriation from one component of equity (Free reserves) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

General reserve: This Reserve has been created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

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CEO-Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 77330

Anuj Kalia
Company Secretary
M. No: A31850

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

(All amounts are in rupees Lakhs, unless otherwise stated)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A.	**Cash Flow From Operating Activities**		
	Profit before Tax as per Statement of Profit & Loss	13,258.62	11,267.17
I.	Adjusted For :		
	Depreciation and Amortisation Expenses	6,242.58	5,311.83
	Finance Costs	1,076.79	755.81
	Interest Income	(2,150.15)	(1,981.63)
	Unrealized Foreign Exchange (Gain)/Loss (Net)	(41.27)	(0.11)
	Net Movement on Fair Value of Current Investments	23.97	65.87
	Provision for Credit Losses/ doubtful advances	91.15	167.84
	Bad Debts	0.18	4.13
	(Gain)/Loss on divestment in a subsidiaries*	-	(942.10)
	Provision for Employee stock option plan	297.85	409.32
	Sundry Balances Written Off	0.46	0.01
	Sundry Balances Written Back	(90.00)	(184.66)
	(Profit)/Loss on sale of Property Plant and Equipment (Net)	(190.56)	(159.09)
	Property, Plant and Equipments Discarded /Written off	61.05	78.20
	Operating Profit Before Working Capital Changes	**18,580.67**	**14,792.59**
II.	Adjusted For :		
	Trade and Other Receivables	9,430.63	(5,069.17)
	Inventories	(2,283.00)	87.92
	Trade and Other Payables	(5,177.39)	1,048.50
	Cash Generated from Operation	**20,550.91**	**10,859.84**
	Income Taxes Refund /(Paid)	(3,622.55)	(2,054.18)
	Net Cash Inflow/(Outflow) from Operating Activities (A)	**16,928.36**	**8,805.66**
B.	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment and Intangible Assets	(3,854.02)	(6,380.64)
	Sale of Property, Plant and Equipment	570.22	343.80
	Consideration received from divestment in a Subsidiary	-	1,039.20
	Investments in Subsidiaries and Associate	(4,330.20)	(1,785.71)
	Sale of Current Investments	73.00	76.35
	Interest Received	833.85	1,102.03
	Inter-Corporate Deposits Given	(749.00)	(3,355.00)
	Inter-Corporate Deposits Received Back	751.69	3,479.50
	Net Cash Inflow/(outflow) in Investing Activities (B)	**(6,704.46)**	**(5,480.47)**

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

(All amounts are in rupees Lakhs, unless otherwise stated)

Particulars		For the year ended 31 March, 2026	For the year ended 31 March, 2025
C.	**Cash Flow from Financing Activities**		
	Proceeds from Non Current Borrowings	705.76	537.36
	Repayment of Non Current Borrowings	(662.75)	(571.14)
	Proceeds from Short Term Loans	8,803.04	4,923.31
	Repayment of Short Term Loans	(8,803.04)	(4,923.31)
	Proceeds from issue of equity shares	0.07	35.83
	Payment of Lease Liabilities	(1,025.60)	(867.73)
	Finance Costs Paid	(1,076.69)	(755.80)
	Dividend Paid	(1,230.38)	(1,230.11)
	Net Cash Inflow/(Outflow) from Financing Activities (C)	**(3,289.59)**	**(2,851.59)**
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	**6,934.31**	**473.60**
	Cash And Cash Equivalents		
	At the beginning of the year	5,536.35	5,062.75
	At the end of the year	**12,470.66**	**5,536.35**

Notes :

a) The above Statement of Cash Flows has been prepared under the “Indirect Method”as set out in Ind AS - 7 “Statement of Cash Flows”.

b) Cash & Cash Equivalents represents cash and bank balances (Refer note no.11).

c) Additional Disclosure required under Ind AS - 7, (Refer note no. 53.)

d) *includes Item disclossed under Exceptional items in Statement of Profit & Loss (Refer Note No. 46).

e) The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO-Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 77330

Anuj Kalia
Company Secretary
M. No: A31850

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

1 REPORTING ENTITY

Somany Ceramics Limited referred to as "the Company" is domiciled in India. The registered office of the Company is at 2, Red Cross Place, Kolkata – 700001 India. Equity shares of the Company are listed in India on the BSE Limited and the National Stock Exchange Limited.

The Company has own manufacturing plants in Kadi (Gujarat) and Kassar (Haryana), India. The Company is a manufacturer and trader of a complete decor solutions and its extensive range of products include Ceramic Wall and Floor Tiles, Polished Vitrified Tiles, Glazed Vitrified Tiles, Sanitaryware, Bath Fittings and allied products.

The financial statements of the Company for the year ended 31 March, 2026 were approved for issue by the board of directors on 15 May, 2026. However, the shareholders of the Company have the power to amend the Financial Statements after the issue.

2 MATERIAL ACCOUNTING POLICIES

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

2.1 Statement of compliance

The standalone financial statements of Somany Ceramics Limited ("the Company") comply with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

2.2 Basis of preparation and measurement

The financial statements have been prepared under the historical cost convention on accrual basis except for the followings :

- Non-current borrowings are initially measured at amortized cost.
- Current investments are measured at fair value at each reporting date.
- Defined benefit plans and other long-term employee benefits are measured at fair value net off fair valuation of plan assets at each reporting date.
- Share based payments are initially measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- **Level 2** inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.3 Functional and presentation currency

These financial statements are presented in Indian National Rupee (₹), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs, unless otherwise indicated.

2.4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

Judgements

Information about the judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements have been given below:

- assessing the lease term (including anticipated renewals) and the applicable discount rate.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts;
- Useful life and residual value of Property, Plant and Equipment, Intangible assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Assessment of recoverability of receivables and advances which requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.
- Assessment of reliability of inputs considered for fair valuation of financial assets and liabilities falls under hierarchy Level 3.
- Assessment of appropriate inputs to the Black Scholes Model for valuation of share based payments including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Classification of Assets and Liabilities as Current and Non-Current

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash and Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An liability is treated as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

The Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.6 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment as at 1 April, 2016 measured as per the previous Generally Accepted Accounting Principles (GAAP).The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready for intended use. Capital work in progress includes cost of assets at

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

sites, construction expenditure and interest on the funds deployed on qualifying assets less any impairment loss, if any.

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

Subsequent Measurement

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

Depreciation

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation.

Particulars	Useful Life
Plant and Machinery	5 - 25 Years
Vehicles	5 Years
Dies & Punches	8 Years
Polishing Lines	10 Years
Digital Printers	10 Years

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Individual assets costing below ₹ 5,000 are fully depreciated in the year of purchase.

Leasehold improvements are depreciated over the lease period or estimated useful life of assets in line with schedule II of the Companies Act, 2013, which ever is lower.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Capital work-in-progress

Capital work-in-progress comprises of assets in the course of construction for production or/and supply of goods or services or administrative purposes, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use and commissioning has been completed.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit & Loss.

2.7 Intangible assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment as at 1 April, 2016 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software and designs is considered as 5 years.

Amortization methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit & Loss when the asset is derecognised.

2.8 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

2.9 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

All other borrowing costs are recognised in the Statement of Profit & Loss in the period in which they are incurred.

2.10 Foreign currency transactions

Transactions in foreign currencies are recorded by the Company at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit & Loss with the exception of the following:

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.11 Employee benefits

Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available on government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI and such re-measurement gain / loss are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

The Company presents the first two components of defined benefit costs in the Statement of Profit & Loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other long-term employee benefits

The Company has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement/termination of services. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

Share Based Payments

The Company recognises compensation expense relating to share-based payment in statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payment".

The Company initially measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of the liability incurred which has been considered most appropriate model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note no. 47.

2.12 Revenue Recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment and delivery of the product. The Company considers shipping and handling activities as costs to fulfill the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Claim on insurance companies and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Transaction price represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

For incentives offered to customers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Interest income are recognised on an accrual basis using the effective interest method.

2.13 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of manufactured finished goods and work in progress is determined by taking cost of material consumed, labour and related overheads. Finished goods, raw materials and packing materials, stock in trade and stores & spares are valued at weighted average cost method. Purchases cost of raw materials and packing materials, finished goods, stock in trade and stores & spares are net of input tax credits, rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Provision for cost of obsolescence and other anticipated losses, wherever considered necessary, are recognized in the books of account.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

2.14 Provisions, Contingent Liabilities

Based on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

2.15 Measurement of fair value

a) **Financial instruments**

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b) **Marketable and non-marketable equity securities**

Fair value for quoted securities is based on quoted market prices as of the reporting date. Fair value for unquoted securities is calculated based on commonly accepted valuation techniques utilizing significant unobservable data. If fair value cannot be measured reliably unlisted shares are recognized at cost.

2.16 Financial instruments

A **Financial Assets**

i) **Initial recognition and measurement**

Financial assets (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii) **Classifications and Subsequent measurement**

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

a) **Financial assets at amortised cost**

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the Statement of Profit & Loss. The losses arising from impairment are recognized in the Statement of Profit & Loss.

b) **Financial assets at fair value through Profit & Loss (FVTPL)**

Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified as at FVTPL.

In addition, the Company may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

All other Financial Instruments are classified as measured at FVTPL except investment in equity instruments of subsidiaries and associates which are carried at cost less provision for impairment, if any.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit & Loss.

v) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable and loans given, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables and loans given.

B Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

ii) Classifications and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

iii) Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

2.17 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit & Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

2.18 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. 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 is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, wherein, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value as that of right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term or useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Balance Sheet and details of assets are given ROU note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.20 Government Grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met. Grants such accured are credited to the statement of profit and loss.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received.

2.21 Standard issued but not yet effective

Ind AS 1- This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8. The Company does not expect this amendment to have an impact on its operations or financial statements.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

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(i) Property, Plant and Equipment (FY 2025-26)

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March, 2025	Additions	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	For the year	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Tangible Assets										
Freehold land	315.58	-	-	315.58	-	-	-	-	315.58	315.58
Buildings	11,745.51	490.82	43.52	12,192.81	3,258.06	429.80	14.16	3,673.70	8,487.45	8,519.11
Plant and equipments	41,259.50	2,014.56	117.69	43,156.37	12,865.40	3,035.73	(15.76)	15,916.89	28,394.10	27,239.48
Office equipments	2,413.30	293.26	462.03	2,244.53	1,693.97	243.75	454.33	1,483.39	719.33	761.14
Furniture and fixtures	3,470.44	467.54	391.71	3,546.27	2,123.56	379.56	382.06	2,121.06	1,346.88	1,425.21
Vehicles	4,908.35	1,058.34	782.33	5,184.36	1,963.82	901.60	452.02	2,413.40	2,944.53	2,770.96
Total	**64,112.68**	**4,324.52**	**1,797.28**	**66,639.92**	**21,904.81**	**4,990.44**	**1,286.81**	**25,608.44**	**42,207.87**	**41,031.48**

The Company has reassessed the estimated life of certain assets, consequently additional depreciation of amountng ₹ 1,131.50 Lakhs (previous year ₹ Nil) has been charged to Statement of Profit or loss.

(ii) Capital Work in Progress (FY 2025-26)

Capital work-in-progress as at 31 March, 2026 is ₹ 710.25 lakhs.

₹ 2,409.91 lakhs is addition to Capital works in progress during the year ended 31 March, 2026.

₹ 3,156.54 lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31 March, 2026.

For CWIP ageing, Refer note no. 44.

(iii) Right of Use Assets (FY 2025-26)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2025	Additions	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	For the year	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Right of use Assets										
Leasehold lands	343.97	-	-	343.97	28.57	4.13	-	32.70	315.40	311.27
Buildings	7,857.98	1,453.88	705.45	8,606.41	2,830.82	1,217.84	502.62	3,546.04	5,027.16	5,060.37
Plant and equipments*	-	6,317.81	-	6,317.81	-	-	-	-	-	6,317.81
Total	**8,201.95**	**7,771.69**	**705.45**	**15,268.19**	**2,859.39**	**1,221.97**	**502.62**	**3,578.74**	**5,342.56**	**11,689.45**

Notes :

The Company has entered into lease agreements

(a) for usage of Offices, lands and other premises/warehouse facilities and ;

(b) usages of electricity generated from solar power.

*Under the terms of the Power Purchase Agreement (PPA), the Company holds the exclusive right to use of specifically identified solar panels and obtains substantially all economic benefits from the electricity generated by these assets.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

3 (CONTD.)

(iv) Other Intangible Assets (FY 2025-26)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2025	Additions	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	For the year	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Intangible Assets										
Computer Softwares and Designs	1,069.26	85.37	-	1,154.63	961.37	30.17	-	991.54	107.89	163.09
Total	**1,069.25**	**85.37**	**-**	**1,154.63**	**961.37**	**30.17**	**-**	**991.54**	**107.89**	**163.09**

(i) Property, Plant and Equipment (FY 2024-25)

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Tangible Assets										
Freehold land	315.58	-	-	315.58	-	-	-	-	315.58	315.58
Buildings	10,960.32	785.19	-	11,745.51	2,870.47	387.59	-	3,258.06	8,089.85	8,487.45
Plant and equipments	38,684.12	2,961.67	386.29	41,259.50	10,685.71	2,495.73	316.04	12,865.40	27,998.41	28,394.10
Office equipments	2,140.29	389.91	116.90	2,413.30	1,541.64	254.10	101.77	1,693.97	598.65	719.33
Furniture and fixtures	3,369.20	360.89	259.65	3,470.44	2,030.58	332.15	239.17	2,123.56	1,338.62	1,346.88
Vehicles	4,263.58	1,234.38	589.61	4,908.35	1,523.69	840.58	400.45	1,963.82	2,739.89	2,944.53
Total	**59,733.09**	**5,732.04**	**1,352.45**	**64,112.68**	**18,652.09**	**4,310.15**	**1,057.43**	**21,904.81**	**41,081.00**	**42,207.87**

(ii) Capital Work in Progress (FY 2024-25)

Capital work-in-progress as at 31 March, 2025 is ₹ 1,456.88 Lakhs.

₹ 4,838.66 Lakhs is addition to Capital works in progress during the year ended 31 March, 2025.

₹ 4,185.87 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31 March, 2025.

For CWIP ageing, Refer note no. 44.

(iii) Right of Use Assets (FY 2024-25)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Right of use Assets										
Leasehold lands	343.97	-	-	343.97	24.48	4.09	-	28.57	319.49	315.40
Buildings	7,200.09	2,561.76	1,903.87	7,857.98	3,683.92	981.05	1,834.15	2,830.82	3,516.17	5,027.16
Total	**7,544.06**	**2,561.76**	**1,903.87**	**8,201.95**	**3,708.40**	**985.14**	**1,834.15**	**2,859.39**	**3,835.66**	**5,342.56**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

3 (CONTD.)

(iv) Other Intangible Assets (FY 2024-25)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Intangible Assets										
Computer Softwares and Designs	1,071.97	109.56	112.27	1,069.26	1,057.10	16.54	112.27	961.37	14.87	107.89
Total	**1,071.97**	**109.56**	**112.27**	**1,069.26**	**1,057.10**	**16.54**	**112.27**	**961.37**	**14.87**	**107.89**

Note:

1. Assets pledged and Hypothecated against borrowings: Refer note no. 18 & 23.
2. Title deeds of all the immovable property held by the Company are in the name of the Copmany as at 31 March, 2026 and as at 31 March, 2025.

4 NON-CURRENT INVESTMENTS

Particulars		As At 31 March, 2026	As At 31 March, 2025
Investment in Equity Instruments (Unquoted, fully paid up)			
I	**Subsidiary Companies (measured at cost)**		
a)	26,85,000 Equity Shares (Previous Year - 26,85,000) of ₹ 10/- each of SR Continental Ltd.*	268.50	268.50
b)	5,00,000 Equity Shares (Previous Year - 5,00,000) of ₹ 10/- each of Somany Bathware Ltd.*	50.00	50.00
c)	35,10,000 Equity Shares (Previous year - 35,10,000) of ₹ 10/- each of Somany Excel Vitrified Pvt. Ltd.*	351.00	351.00
d)	50,49,000 Equity Shares (Previous year - 50,49,000) of ₹ 10/- each of Somany Sanitaryware Pvt. Ltd.	550.01	550.01
e)	45,00,000 Equity Shares (Previous year - 45,00,000) of ₹ 10/- each of Vintage Tiles Pvt. Ltd. $	1,399.50	1,399.50
f)	5,00,00,000 Equity Shares (Previous year - 5,00,00,000) of ₹ 10/- each of Somany Piasterelle Pvt. Ltd.*	5,000.00	5,000.00
g)	25,35,000 Equity Shares (Previous year - 25,35,000) of ₹ 10/- each of Vicon Ceramic Pvt. Ltd. $	253.50	253.50
h)	4,05,75,000 Equity Shares (Previous year - 3,75,75,000) of ₹ 10/- each of Sudha Somany Ceramics Pvt. Ltd.	4,057.50	3,757.50
i)	18,59,100 Equity Share (Previous Year - 18,59,100) of ₹ 10/- each of Somany Bath Fittings Pvt. Ltd.*	1,348.37	1,348.37
j)	9,00,00,000 Equity Share (Previous Year - 6,00,00,000) of ₹ 10/- each of Somany Max Pvt. Ltd.*	9,000.00	6,000.00
k)	11,04,886 Equity Share (Previous Year - Nil) of ₹ 10/- each of Dura Build Care Pvt. Ltd.*	1,030.20	-
II	**Others (Measured at FVTPL)**		
a)	36,340 Equity Shares (Previous year - 36,340) of ₹ 10/- each of Clean Max Ananta Pvt. Ltd.(Refer note c below)	376.20	376.20
Investment in Redeemable Preference Shares			
Subsidiary Companies (measured at amortised cost)			
a)	2,80,00,000 (Previous year - 2,80,00,000) 11% Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each of Somany Max Pvt. Ltd.	3,668.46	3,360.46

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

4 NON-CURRENT INVESTMENTS (CONTD.)

Particulars		As At 31 March, 2026	As At 31 March, 2025
b)	7,50,00,000 (Previous year - 7,50,00,000) 10.5% Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each of Somany Piasterelle Pvt. Ltd.	9,608.61	8,821.11
c)	1,02,00,000 (Previous year - 1,02,00,000) 11% Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each of Sudha Somany Ceramics Pvt. Ltd.	1,134.04	1,021.84
		38,095.89	**32,557.99**
* including share held by the nominee share holders.			
$ Considered as subsidiary under Ind-AS.			
a.	**Aggregate amount of investments are given below:**		
	Aggregate cost of unquoted investments	35,004.78	30,674.58

b. None of the above investments are listed on any stock exchange in India or outside India. There is no accumulated impairment as at current and previous year end.

c. The Company has made investment in 49% equity shares of Clean Max Ananta Pvt. Ltd ("CMAPL") on 7 March, 2024 and it became associate of the Company. Subsequently, the Company has made further investment and has entered into various agreements with the other shareholder of CMAPL which restrict the Company to participate in the financial and operating policy decisions of the CMAPL. Therefore, the CMAPL cease to be an associate under IND AS, however, CMAPL continue as associate under the Companies act, 2013.

5 LOANS

Particulars		As At 31 March, 2026	As At 31 March, 2025
(Unsecured, Considered Good Unless Stated Otherwise)			
Inter Corporate Deposits (ICD)			
-	With Related Parties#	5,101.31	4,974.00
-	With Others	260.00	390.00
		5,361.31	**5,364.00**
Less: Allowance for Losses		20.24	18.32
		5,341.07	**5,345.68**

For detail of loans to related parties, Refer note no. 41, Related Party Transactions.

6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars		As At 31 March, 2026	As At 31 March, 2025
(Unsecured, Considered Good Unless Stated Otherwise)			
Bank Deposit (Pledged with Government Departments)		0.25	0.25
Bank Deposits held as Margin Money		328.69	316.45
Security Deposits			
-	With Related Party #	105.00	105.00
-	With Others	972.81	967.14
		1,406.75	**1,388.84**

For detail of security deposits to related parties, Refer note no. 41, Related Party Transactions.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

7 OTHER NON-CURRENT ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Capital Advances	11.89	27.00
Prepaid Expenses	3.98	11.55
Deposits with Government Departments (including under Protest)	316.98	296.75
	332.85	**335.30**

8 INVENTORIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
(Valued at Lower of Cost and Net Realisable Value)		
Raw Materials and Packing Materials	2,391.47	2,349.19
Work-in-Progress	551.84	621.81
Finished Goods	9,306.93	9,749.39
Stock in Trade	6,884.36	4,337.52
Stores and Spares	2,237.45	2,031.13
	21,372.05	**19,089.04**

a. Inventories are hypothecated to secured borrowings. Refer note no. 18 & 23.

b. Stock in trade is net off write down provisions for slow moving inventories amounting to ₹ 310.52 Lakhs (previous year ₹ 348.94 Lakhs).

c. Raw Materials, Packing Materials & Stores and Spares is net off write down provisions for slow moving inventories amounting to ₹ 244.38 Lakhs (previous year ₹ 114.05 Lakhs).

d. Goods in transit of ₹ 2,650.09 Lakhs (Previous year ₹ 160.41 Lakhs) and ₹ Nil (Previous year ₹ 152.48 Lakhs) is included in Finished Goods and Raw material respectively.

9 CURRENT INVESTMENTS

	Particulars	As At 31 March, 2026	As At 31 March, 2025
A)	**Investments in Non Convertible Debentures (Quoted) (valued at fair value through profit & loss - fully paid up)**		
a)	400 Units (Previous Year - 400 Units) 9.70% U P Power Corporation Ltd Bonds (NCD)	220.00	260.00
b)	103 Units (Previous Year - 103 Units) 9.00% Shriram Transport Finance Co. Ltd. (NCD)	1,004.25	1,004.25
B)	**Investments in Equity Instruments (Quoted) (valued at fair value through Profit & Loss - fully paid up)**		
	550 Equity Shares (Previous Year - 550 Equity Shares) of ₹ 2/- each of Punjab National Bank Ltd.	0.55	0.53
		1,224.80	**1,264.78**
	Aggregate Cost of Quoted Investment	1,236.67	1,278.61
	Aggregate Market Value of Quoted Investment	1,224.80	1,264.78

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

10 TRADE RECEIVABLES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured*		
Considered Good	1,022.11	1,189.00
Unsecured		
Considered Good	26,065.80	34,357.92
Have Significant increase in Credit Risk	218.41	260.14
Considered Doubtful - Credit Impaired	2,098.30	2,139.96
	29,404.62	**37,947.02**
Less: Allowance for losses	2,401.16	2,318.96
	27,003.46	**35,628.06**

a. For details of receivable from related parties, Refer note no. 41, Related Party Transactions.

b. Trade Receivables are hypothecated to secured borrowings. Refer note no. 18 & 23.

c. Refer note no. 51 (A) - Trade Receivables ageing.

*Secured against security deposits received from customers.

11 CASH AND CASH EQUIVALENTS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Balance with Banks		
- In Current Accounts	949.81	2,526.01
Cash on Hand	2.02	2.20
Bank Deposits with original maturity of 3 months or less	11,518.83	3,008.14
	12,470.66	**5,536.35**

12 OTHER BANK BALANCES

Particulars	As At 31 March, 2026		As At 31 March, 2025	
Bank Deposits (Pledged with Government Departments)	0.25		0.25	
Less:- Maturity more than 12 months Shown Under "Other Non Current Financial Assets"	0.25	-	0.25	-
Bank Deposits held as Margin Money	328.69		316.45	
Less:- Maturity more than 12 months Shown Under "Other Non Current Financial Assets"	328.69	-	316.45	-
Earmarked Balances with Banks				
Unclaimed Dividend Accounts		25.34		28.11
		25.34		**28.11**

Notes to Standalone Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

13 OTHER CURRENT FINANCIAL ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Accrued Interest	233.83	125.22
Insurance Claims receivable	108.24	271.65
Other Receivable#	168.07	225.08
	510.14	**621.95**

Refer Note no. 61.

14 CURRENT TAX ASSETS (NET)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Advance Income Tax / Tax Deducted at Source (Net of Income Tax Provision of ₹ 12,706.32 Lakhs) (Previous year ₹ 9,315.01 Lakhs)	394.13	162.89
	394.13	**162.89**

15 OTHER CURRENT ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Prepaid Expenses	370.80	537.31
Export Incentive Receivable	33.48	69.54
Properities held in Trust (Refer note no. 60)	239.81	363.77
Vendor Advances#*	1,137.31	1,195.27
Other Receivables*$	891.42	1,067.87
Indirect Tax Recoverable/adjustable	256.34	328.33
	2,929.16	**3,562.09**
*Less: Provision for Doubtful	141.94	139.96
	2,787.22	**3,422.13**

$ Includes receivable towards sale of Investment in a Subsidiary Company, advance to staff and workers against salary and expenses etc.

For detail of advances to related parties, Refer note no. 41, Related Party Transactions.

16 EQUITY SHARE CAPITAL

Particulars	As At 31 March, 2026	As At 31 March, 2025
Authorised		
Equity Shares 16,15,00,000 (Previous Year - 16,15,00,000) of ₹ 2/- each	3,230.00	3,230.00
Issued, Subscribed and Paid up		
Equity Shares 4,10,12,806 (Previous Year - 4,10,09,605) of ₹ 2/- each fully paid up	820.26	820.19
	820.26	**820.19**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

16 EQUITY SHARE CAPITAL (CONTD.)

a. Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 each. Each shareholder is eligible for one vote per share held and carry a 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.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of Shares Issued	Amount Issued
Outstanding as on 1 April, 2024	4,10,03,620	820.07
Equity Shares issued/(bought back) during the year	5,985	0.12
Outstanding at the 31 March, 2025	**4,10,09,605**	**820.19**
Equity Shares issued/(bought back) during the year*	3,201	0.07
Outstanding at the 31 March, 2026	**4,10,12,806**	**820.26**

*Refer note no. 47.

c. Shareholdings of Promotors at the end of 31 March, 2026

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	97,72,190	23.83%	-
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	42,05,385	10.25%	-
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	42,05,385	10.25%	-
iv)	Abhishek Somany (HUF)	18,55,633	4.52%	-
v)	Ms. Anjana Somany	10,51,346	2.56%	-
vi)	Ms. Minal Somany	6,69,030	1.63%	-
vii)	Ms. Aanvi Somany	2,90,837	0.71%	-
viii)	Ms. Anushree Chopra	1,95,255	0.48%	-
ix)	Mr. Shrivatsa Somany	1,42,662	0.35%	23.10%
x)	Mr. Shreekant Somany	1,41,625	0.35%	22.21%
xi)	Mr. Ameya Somany	63,014	0.15%	-
xii)	Mr. Abhishek Somany	45,442	0.11%	139.90%

Shareholdings of Promotors at the end of 31 March, 2025

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	97,72,190	23.83%	-
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	42,05,385	10.25%	-
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	42,05,385	10.25%	-
iv)	Abhishek Somany (HUF)	18,55,633	4.52%	-

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

16 EQUITY SHARE CAPITAL (CONTD.)

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
v)	Ms. Anjana Somany	10,51,346	2.56%	-
vi)	Ms. Minal Somany	6,69,030	1.63%	-
vii)	Ms. Aanvi Somany	2,90,837	0.71%	-
viii)	Ms. Anushree Chopra	1,95,255	0.48%	-
ix)	Mr. Shrivatsa Somany	1,15,887	0.28%	-
x)	Mr. Shreekant Somany	1,15,887	0.28%	-
xi)	Mr. Ameya Somany	63,014	0.15%	-
xii)	Mr. Abhishek Somany	18,942	0.05%	-

d. List of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers)

Particulars		As At 31 March, 2026	As At 31 March, 2025
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	97,72,190	97,72,190
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	42,05,385	42,05,385
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	42,05,385	42,05,385
iv)	Franklin Build India Fund	#	21,45,441
v)	Kotak Small CAP Fund	28,28,824	28,28,824
		2,10,11,784	**2,31,57,225**

Holding as on 31 March, 2026 was not more than 5%.

e. Equity shares movement during five years preceding 31 March, 2026

(i) Aggregate number of shares issued for consideration other than cash

Particulars	As At 31 March, 2026	As At 31 March, 2025
Equity shares issued pursuant to Scheme of Amalgamation (in FY 2021-22)	94,782	94,782

(ii) Equity shares extinguished on buy-back

The shareholders of the Company vide postal ballot notice dated 26 October, 2023 approved the proposal of buyback 14,70,588 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of ₹ 850/- per Equity Share payable in cash for an aggregate amount not exceeding ₹ 12,500 Lakhs (excluding transaction cost and taxes) on 2 December, 2023. The Company bought back 14,70,588 fully paid-up Equity Shares and settled all valid bids and extinguished equity shares bought back during year ended 31 March, 2024.

f. Shares reserved for issue under options

Information relating to Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021)and Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 47.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

17 OTHER EQUITY

Particulars	As At 31 March, 2026	As At 31 March, 2025
Share options outstanding account		
Balance at the beginning of the year	1,039.99	687.43
Employee stock option expenses	297.85	409.32
Transferred to General Reserve (share options Lapsed/ Forfeited)	(40.17)	(36.03)
Transferred to Security Premium (share options Exercised)	(22.69)	(20.73)
Closing balance	**1,274.98**	**1,039.99**
Capital Reserve		
Balance at the beginning of the year	(4,377.31)	(4,377.31)
Addition/ (Transfer) during the year	-	-
Closing balance	**(4,377.31)**	**(4,377.31)**
Capital Redemption Reserve		
Balance at the beginning of the year	107.84	107.84
Addition/ (Transfer) during the year	-	-
Closing balance	**107.84**	**107.84**
Security Premium		
Balance at the beginning of the year	1,534.80	1,478.36
Exercise of Share options (including transfer from Share options Outstanding account)	22.69	56.44
Closing balance	**1,557.49**	**1,534.80**
General Reserve		
Balance at the beginning of the year	6,118.58	6,082.55
Addition/ (Transfer) during the year	40.17	36.03
Closing balance	**6,158.75**	**6,118.58**
Retained earnings		
Balance at the beginning of the year	74,948.15	67,609.50
Profit for the year	9,909.38	8,568.76
Amount available for appropriation	**84,857.53**	**76,178.26**
Less : Appropriation:		
Dividend Distributed	1,230.38	1,230.11
Closing Balance	**83,627.15**	**74,948.15**
Remeasurement of defined benefit plans		
Balance at the beginning of the year	(163.88)	(91.61)
Other Comprehensive Income for the year	68.14	(72.27)
Closing Balance	**(95.74)**	**(163.88)**
Total Retained Earnings	**83,531.41**	**74,784.27**
Total Other Equity	**88,253.16**	**79,208.17**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

18 BORROWINGS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured		
Car Loan		
- from Banks	1,410.62	1,367.61
	1,410.62	**1,367.61**
Less: Current Maturities of Non Current Borrowings		
Car Loan		
- from Banks	450.79	452.36
	450.79	**452.36**
	959.83	**915.25**

Notes

a Car loan from Banks are secured by hypothecation of cars purchased there under and are repayable in monthly instalments over the period of loan having maturity period upto 5 years.

b As at 31 March, 2026 rate of interest is variable and linked with MCLR ranging between 7.40% to 9.00% and few car loans which are at fixed interest rate ranging between 7.85% to 8.60% .

19 OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Trade Deposits	3,691.18	3,434.66
	3,691.18	**3,434.66**

20 PROVISIONS (NON CURRENT)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Employees Benefits		
Compensated absences	756.30	1,130.28
	756.30	**1,130.28**

21 CURRENT TAX AND DEFERRED TAX LIABILITIES (NET)

A. Movement in deferred tax balances

Particulars	As at 31 March, 2025	Recognized in P&L	Recognized in OCI	As at 31 March, 2026
Deferred Tax Assets				
Accrued expenses	1,398.16	107.68	-	1,505.84
Lease Liabilities	1,468.09	1,629.25	-	3,097.34
Sub- Total (a)	**2,866.25**	**1,736.93**	**-**	**4,603.18**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 CURRENT TAX AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

Particulars	As at 31 March, 2025	Recognized in P&L	Recognized in OCI	As at 31 March, 2026
Deferred Tax Liabilities				
Property, plant and equipment, Right of use assets & Intangible assets	5,080.48	1,392.88	-	6,473.36
Others	530.91	324.90	-	855.81
Sub- Total (b)	**5,611.39**	**1,717.78**	**-**	**7,329.17**
Net Deferred Tax Liability (b)-(a)	**2,745.14**	**(19.15)**	**-**	**2,725.99**

Particulars	As at 31 March, 2024	Recognized in P&L	Recognized in OCI	As at 31 March, 2025
Deferred Tax Assets				
Accrued expenses	1,164.46	233.70	-	1,398.16
Lease Liabilities	1,127.44	340.65	-	1,468.09
Sub- Total (a)	**2,291.90**	**574.35**	**-**	**2,866.25**
Deferred Tax Liabilities				
Property, plant and equipment, Right of use assets & Intangible assets	4,743.51	336.97	-	5,080.48
Others	60.08	470.83	-	530.91
Sub- Total (b)	**4,803.59**	**807.80**	**-**	**5,611.39**
Net Deferred Tax Liability (b)-(a)	**2,511.69**	**233.45**	**-**	**2,745.14**

B. Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current tax expense		
Current year	3,546.97	2,717.78
Income tax for earlier year	(178.58)	(252.82)
	3,368.39	**2,464.96**
Deferred Tax Charge/(Credit)		
Origination and reversal of temporary differences	(101.42)	74.70
Relating to earlier year	82.27	158.75
	(19.15)	**233.45**
Total Tax Expense	**3,349.24**	**2,698.41**

C. Amounts recognised in Other Comprehensive Income

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current tax expense		
Current year	(22.92)	24.31

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 CURRENT TAX AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

D. Reconciliation of effective tax expense

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
	Rate	Amount	Rate	Amount
Accounting profit before tax		13,258.62		11,267.17
Tax using the Company's domestic tax rate	25.168%	3,336.92	25.168%	2,835.72
Tax effect of:				
Non-deductible expenses/ (Exempted income) (net)		63.66		65.10
Changes in estimates related to prior years		(96.31)		(94.07)
Lower tax rate on (Gain)/Loss on investment		-		(49.16)
Tax impact on capital gain arised on sale of investment		0.21		(58.94)
Others		44.76		(0.24)
		3,349.24		**2,698.41**

22 OTHER NON-CURRENT LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Security Deposits	1,351.51	1,173.66
Less: Current Maturities	434.04	259.76
	917.47	**913.90**

23 BORROWINGS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured Loans:		
Working Capital Facilities from Banks*		
- Working Capital Demand Loan	-	-
- Cash Credit	-	-
Current Maturities of Long term Borrowings (Refer note no. 18)	450.79	452.36
	450.79	**452.36**

***Working Capital Facilities from Banks are secured by:**

a First charge by way of hypothecation of current assets including stocks of raw materials, finished goods, stock in trade and inventory work in progress, stores & spares and book debts and ranking pari-passu; and

b Second and subservient charge by way of hypothecation of all movable fixed assets & ranking pari-passu, excluding assets exclusively charged.

c Rate of interest is variable and linked with MCLR as at 31 March, 2026 ranging between 6.75 % to 9.90% (previous year 9.15% to 9.70%).

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

24 TRADE PAYABLES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Outstanding dues of Micro Enterprises and Small Enterprises*	10,364.37	4,676.75
Outstanding dues other than Micro Enterprises and Small Enterprises#	16,582.37	22,748.63
	26,946.74	**27,425.38**

a. * For MSME disclosure, Refer note no. 50.

b. # For details of payables to related parties, Refer note no. 41, Related Party Transactions.

c. Refer note no. 51 (B) - Trade Payables ageing.

d. Refer note no. 51 (C) - Supplier Financing Arrangements.

25 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Interest Accrued	0.11	0.01
Capital Creditors*	158.62	364.49
Unclaimed Dividends	25.34	28.11
Employees related Payable$	2,526.09	3,168.12
Others#	15,004.36	20,263.01
	17,714.52	**23,823.74**

* Includes Outstanding dues of Micro Enterprises and Small Enterprises of ₹ 43.66 Lakhs (Previous Year ₹ 21.34 Lakhs) Refer note no. 50.

$ For details of payables to related parties, Refer note no. 41, Related Party Transactions.

Includes liability towards supplier finance arrangement of ₹ 13,175.16 lakhs (Previous year ₹ 20,080.73 lakhs) etc, Refer Note No. 51 (C)

26 OTHER CURRENT LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Statutory Dues	2,338.11	1,969.50
Security Deposits - Current maturities of Other Non Current Liabilities	434.04	259.76
Advance from Customers	671.78	662.08
Sales Incentive	3,983.16	3,583.87
Liability under Defalcation Suit (Refer note no. 60)	642.92	639.73
others#	303.56	292.59
	8,373.57	**7,407.53**

Includes claim payables etc.

27 PROVISIONS (CURRENT)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Employee Benefits		
Gratuity (Refer note no. 40)	549.52	184.20
Compensated absences	92.61	202.35
	642.13	**386.55**

Notes to Standalone Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

28 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Sales of Goods	2,62,774.97	2,56,042.95
Other operating revenue		
Export incentives	116.22	142.06
Scrap Sales	330.69	353.03
Insurance Claims and Other Incomes	262.11	180.41
Income From Services	545.87	223.68
	1,254.89	**899.18**
	2,64,029.86	**2,56,942.13**

a) Unsatisfied performance obligation (Contract Liabilities- Advance from Customers) Refer note no.26.

b) **Reconciliation of contract price vis a vis revenue recognised in the statement of profit and loss is as follows:**

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Contract Price				
(i) Sales of goods				
Tiles	2,27,749.13		2,26,154.98	
Others	44,943.82	2,72,692.95	39,643.02	2,65,798.00
(ii) Sales of services		545.87		223.68
(iii) other operating revenue		709.02		675.50
Adjustments:				
Discount/rebate/ Sales incentives		(9,917.98)		(9,755.05)
Revenue recognised in statement of profit and loss		**2,64,029.86**		**2,56,942.13**

c) The above revenues have been recognised at point of time.

d) Payment terms with customers generally ranges between 0 to 60 days from the completion of performance obligation. Considering the same, the Company elects to use practical expedient as given in IND AS 115 “Revenue from contracts with customers”, hence there are no significant financing component in any transaction with the customers.

e) Sale of the products and services within India ₹ 2,55,586.95 Lakhs (Previous Year ₹ 2,47,712.37 Lakhs) and outside India ₹ 7,188.02 Lakhs (Previous Year ₹ 8,330.58 Lakhs).

f) For contract assets-Trade Receivables and balances Refer note no. 10.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

29 OTHER INCOME

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest Income	2,150.15	1,981.63
Dividend Income	0.02	0.01
Other non-operating revenue:		
Net Profit on Sale of Property, Plant and Equipment	190.56	159.09
Net Gain on Foreign Currency Translations and Transactions	116.95	68.54
Sundry Balances Written Back	90.00	184.66
Miscellaneous Income	149.14	76.97
	2,696.82	**2,470.90**

30 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Raw Materials Consumed	20,468.91	20,109.83
Packing Materials Consumed	4,476.86	4,043.40
	24,945.77	**24,153.23**

31 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening Stock		
Finished Goods	9,749.39	10,204.60
Stock-in-Trade	4,337.52	4,209.37
Total Finished Goods	**14,086.91**	**14,413.97**
Work-in-Progress	621.81	781.87
	14,708.72	**15,195.84**
Less: Closing Stock		
Finished Goods	9,306.93	9,749.39
Stock-in-Trade	6,884.36	4,337.52
Total Finished Goods	**16,191.29**	**14,086.91**
Work-in-Progress	551.84	621.81
	16,743.13	**14,708.72**
(Increase)/ Decrease in Stock	**(2,034.41)**	**487.12**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

32 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salary, Wages, Bonus etc.*	25,295.50	24,284.96
Contribution towards Provident Fund and Gratuity Fund (refer note no. 40 & 46).	1,100.86	1,090.96
Staff Welfare expenses	864.32	821.85
	27,260.68	**26,197.77**

* includes ₹ 297.85 Lakhs (Previous Year ₹ 409.32 Lakhs) towards share based payments refer note no. 47.

33 FINANCE COSTS

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest	327.14	289.74
Interest expense on lease liabilities	561.64	425.03
Other Borrowing Costs	188.01	41.04
	1,076.79	**755.81**

34 OTHER EXPENSES

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Stores and Spare Parts Consumed		3,465.24		3,291.71
Power & Fuel		22,437.07		20,556.63
Repairs and Maintenance:				
Buildings		154.74		174.33
Plant & Machinery		378.73		482.97
Others		156.55		118.09
Rent		234.36		277.86
Rates & Taxes		148.60		77.18
Insurance		1,424.97		1,364.08
Travelling and Conveyance		2,842.15		2,953.03
Loss on Sale of Current Investments	1.94		1.94	
Less:- Reversal of Fair Value of Current Investments measured at FVTPL	1.94	-	1.94	-
Freight Outward and Handling Charges		4,255.06		4,260.41
Advertisement and Sales Promotion		4,731.89		5,242.61
Commission to Agents		593.64		813.39
CSR Expenses (Refer note no. 56)		248.81		254.40
Provision for Credit Losses / doubtful advances		91.15		167.84

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

34 OTHER EXPENSES (CONTD.)

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Bad Debts	5.23		122.65	
Less: Provision for Credit Losses	5.05	0.18	118.52	4.13
Sundry Balances Written Off		0.46		0.01
Property, Plant and Equipment Discarded /Written off		61.05		78.20
Net Loss on Fair Value of Current Investments		23.97		65.87
Others*		3,899.26		4,424.57
		45,147.88		**44,607.31**

* For Payment to Statutory Auditor, Refer note no. 45.

35 EARNING PER SHARE (EPS)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit for the year (a)	9,909.38	8,568.76
Weighted average numbers of equity shares for calculation of EPS		
Weighted average number of equity shares for basic EPS (b)	4,10,11,631	4,10,05,619
Effect of potential Ordinary shares on Employee Stock Options outstanding (c)	73,490	3,185
Weighted average number of Ordinary shares in computing diluted earnings per share d = [(b) + (c)]	**4,10,85,121**	**4,10,08,804**
EPS - Basic (Per share in ₹) [(a)/(b)]	24.16	20.89
EPS - Diluted (Per share in ₹) [(a)/(d)]	24.11	20.89

36 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS AS IDENTIFIED BY THE COMPANY

A. Contingent liabilities (not provided for) in respect of:

Particulars			As at 31 March, 2026	As at 31 March, 2025
1.	Claim and other demands against the Company not acknowledged as debts. #		561.02	407.73
2.	Sales Tax demands against which the Company has preferred appeals.		27.77	27.77
3	Goods and Service Tax (excluding interest and penalty), Excise duty (excluding interest and penalty), service tax demands and show-cause notices issued against which the Company/ Department has preferred appeals/filed replies.		2,200.16	2,147.40
4.	Income tax demand disputed by the Company which excludes penalty, if any, as same can not be measured at this stage		58.41	65.50
5.	a)	Local Area Development Tax imposed by the State of Haryana disputed by the Company.	810.78	810.78
	b)	Entry Tax matter pending before Hon'ble High Court of Calcutta.	-	38.88
6.	Demand from ESIC disputed by the Company.		15.41	15.41

Company has some subjudice labour dispute matters impact of which cannot be ascertained at this stage.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

36 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS AS IDENTIFIED BY THE COMPANY (CONTD.)

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities. However, the Company has reviewed all its pending litigation and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Company does not expects any payment in respect of the above contingent liabilities.

B. Commitments

Particulars	As at 31 March, 2026	As at 31 March, 2025
(i) Estimated amount of Contracts remaining to be executed on Capital Account not provided for [Net of Advances]	70.59	294.84

(ii) The Company, in terms of the Share Subscription cum Shareholders Agreements with subsidiary companies, may contribute funds (loan / equity) in the proportion of its shareholding for the purpose of meeting repayment obligation to banks, financial institutions or other lenders, any statutory liability, liabilities towards fuel suppliers or such other similar liabilities, fund requirement for expansion/ diversification, etc. The Company shall not withdraw the funds so infused, if any, till the money remain due to bank.

37 LOANS AND ADVANCES PURSUANT TO REGULATION 34(3) AND 53(f) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Particulars	Outstanding as at 31 March, 2026	Maximum Amount Outstanding during the year ended 31 March, 2026	Outstanding as at 31 March, 2025	Maximum Amount Outstanding during the year ended 31 March, 2025
Inter Corporate Deposits				
Sudha Somany Ceramics Pvt. Ltd.	404.00	1,004.00	1,004.00	2,024.00
Somany Sanitaryware Pvt. Ltd.	500.00	500.00	500.00	510.00
Vintage Tiles Pvt. Ltd.	500.00	500.00	500.00	500.00
Somany Piasterelle Pvt. Ltd.	-	1,200.00	-	1,200.00
Vicon Ceramic Pvt. Ltd.	48.31	70.00	70.00	164.50
Somany Bath Fittings Pvt. Ltd.	-	-	-	200.00
Amora Tiles Pvt. Ltd. (Refer note no.41)	-	390.00	-	390.00
Somany Max Pvt. Ltd.	3,649.00	3,649.00	2,900.00	2,900.00
Security Deposit Given				
Sudha Somany Ceramics Pvt. Ltd.	105.00	105.00	105.00	105.00

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

38 FOREIGN EXCHANGE EXPOSURES OUTSTANDING AT THE YEAR-END:

Particulars		Amount (Foreign Currency in Lakhs)	Amount (Equivalent ₹ in lakhs)	Amount (Foreign Currency in Lakhs)	Amount (Equivalent ₹ in lakhs)
		31 March, 2026		31 March, 2025	
Open Exposures					
Receivables	USD	7.38	696.45	7.15	610.27
Receivables	EURO	-	-	0.01	0.11
Receivables	NPR	49.13	30.71	86.42	54.01
Receivables	AUD	0.12	7.58	-	-
Payables	USD	0.36	34.18	0.06	4.75
Payables	CNY	0.14	1.91	0.10	1.13
Payables	EURO	0.02	2.50	0.11	10.08
Payables	NPR	5.68	3.55	5.72	3.57

39 DETAILS OF INVESTMENT MADE, LOAN AND GUARANTEE GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

a) Loan given for business purposes

Name	Terms of repayments	For the year ended		Outstanding as at	
		31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
Sudha Somany Ceramics Pvt. Ltd.	After one year	-	-	404.00	1,004.00
Vintage Tiles Pvt. Ltd.	After one year	-	500.00	500.00	500.00
Somany Sanitaryware Pvt. Ltd.	After one year	-	500.00	500.00	500.00
Vicon Ceramic Pvt. Ltd.	After one year	-	70.00	48.31	70.00
Amora Tiles Pvt. Ltd. (Refer note no.41)	After one year	-	135.00	260.00	390.00
Somany Max Pvt. Ltd.	After one year	749.00	2,150.00	3,649.00	2,900.00

The above unsecured loans carries interest rate 10.00% to 11.00% (Previous Year 11.00%)

b) Details of investments made is given in Note No. 4 and 9.

c) Also refer Note No. 36(B) (ii).

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
Contribution to Provident Funds	868.37	855.24

Above amounts have been included in Contributions to Provident and Gratuity Fund (Refer note no. 32) of the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits and based on the actuarial valuation, the consequent impact of the wage code has been treated as a past service cost and recognised in the profit or loss in accordance with Ind AS 19. Also refer Note No. 46.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March, 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method.

A. Movement in net defined benefit (asset)/liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components:

Particulars	31 March, 2026			31 March, 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Opening Balance	3,069.70	2,885.50	184.20	2,752.55	2,506.65	245.90
Included in profit & loss						
Current service cost	219.73	-	219.73	217.95	-	217.95
Interest cost / (income)	212.73	(199.97)	12.76	199.01	(181.24)	17.77
Other Adjustment						
Past Service Cost including curtailment Gains/(Losses)	408.09	-	408.09	-	-	-
	840.55	**(199.97)**	**640.58**	**416.96**	**(181.24)**	**235.72**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

Particulars	31 March, 2026			31 March, 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Included in OCI						
Remeasurements loss / (gain)						
Actuarial loss / (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	(257.45)	-	(257.45)	68.69	-	68.69
- experience adjustment	20.85	-	20.85	60.88	-	60.88
- on plan assets	-	145.54	145.54	-	(32.99)	(32.99)
	(236.60)	**145.54**	**(91.06)**	**129.57**	**(32.99)**	**96.58**
Other						
Contributions paid by the employer	-	184.20	(184.20)	-	394.00	(394.00)
Benefits paid	(263.77)	(263.77)	-	(229.38)	(229.38)	-
	(263.77)	**(79.57)**	**(184.20)**	**(229.38)**	**164.62**	**(394.00)**
Closing Balance	**3,409.88**	**2,860.36**	**549.52**	**3,069.70**	**2,885.50**	**184.20**

B. Plan assets

Particulars	31 March, 2026	31 March, 2025
Fund managed by insurer	100%	100%

Above amounts have been included in Contributions to Provident and Gratuity Fund (note no. 32) of the Statement of Profit and Loss and Other Comprehensive Income.

In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

C. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Economic Assumptions	31 March, 2026	31 March, 2025
Discount rate	7.90%	6.93%
Expected rate of future salary increase	5.00%	5.00%

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

Demographic Assumption

Attrition rates are the Company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the Company, business plan, HR Policy etc as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the Company.

	31 March, 2026	31 March, 2025
Mortality	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement Age (Years)	58	58
Attrition at Ages	**Withdrawal Rate (%)**	
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Assumptions regarding future mortality have been based on published statistics and mortality tables.

The Company expects to contributes ₹ 367.63 Lakhs (Previous Year ₹ 286.03 Lakhs) in plan assets in the next year.

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March, 2026		31 March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(123.42)	128.39	(114.09)	121.76
Expected rate of future salary increase (0.5% movement)	122.58	(119.00)	114.71	(108.73)

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

E. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.

B) Investment Risk – Assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability / Assets.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

F. Maturity Profile of Defined Benefit Obligation

Particulars	31 March, 2026	31 March, 2025
Within 1 year	268.59	273.65
From 1 year to 2 Year	181.44	123.05
From 2 year to 3 Year	155.57	156.95
From 3 year to 4 Year	684.91	141.54
From 4 year to 5 Year	193.05	647.91
From 5 year to 6 Year	161.84	168.59
6 Year onwards	1,764.48	1,558.01
Total	**3,409.88**	**3,069.70**

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES"

A. Related parties and their relationships as per Ind AS 24

i Key Managerial Personnel (KMP) and their relatives

Name	Relationship
Mr. Shreekant Somany	Chairman & Managing Director (CMD)
Mr. Abhishek Somany	Managing Director & CEO
Mr. Amit Sahai^	CEO -Tile Business
Mr. Sailesh Raj Kedawat^	Chief Financial Officer (CFO)
Mr. Anuj Kalia^	Company Secretary w.e.f 8 May, 2025
Mr. Ambrish Julka^	Sr. GM (Legal) & Company Secretary (till 7 May, 2025)
Mrs. Anjana Somany	Wife of Mr. Shreekant Somany
Mrs. Minal Somany	Wife of Mr. Abhishek Somany
Mr. Shrivatsa Somany	Son of Mr. Shreekant Somany
Mr. Ameya Somany	Son of Mr. Abhishek Somany
Mr. G.G. Trivedi #	Non- Executive Director
Mr. Siddharath Bindra*	Non - Executive Director (till 25 May, 2024)
Mr. Ravinder Nath*	Non - Executive Director (till 12 August, 2024)
Mr. Salil Singhal*	Non - Executive Director (till 12 August, 2024)
Mr. Rameshwar Singh Thakur*	Non - Executive Director
Mrs. Rumjhum Chatterjee*	Non - Executive Director
Mr. Vineet Agarwal*	Non - Executive Director
Mr. Manit Rastogi*	Non - Executive Director (w.e.f. 15 May, 2024)
Mr. Zubair Ahmed*	Non - Executive Director (w.e.f. 1 October, 2024)

^ KMP under the Companies Act, 2013

Non Independent Directors

* Independent Directors

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

ii Subsidiary Company

SR Continental Ltd.

Somany Bathware Ltd.

Amora Tiles Pvt. Ltd. (ceases to be subsidiary w.e.f. 1 December, 2024) (Refer note no. 46)

Somany Sanitaryware Pvt. Ltd.

Somany Excel Vitrified Pvt. Ltd.

Vintage Tiles Pvt. Ltd.

Somany Piastrelle Pvt. Ltd.

Vicon Ceramic Pvt. Ltd.

Acer Granito Pvt. Ltd. (ceases to be subsidiary w.e.f. 1 December, 2024) (Refer note no. 46)

Sudha Somany Ceramics Pvt. Ltd.

Somany Bath Fittings Pvt. Ltd.

Somany Max Pvt. Ltd.

SRCL Buildwell Pvt. Ltd. (subsidiary of SR Continental Ltd.)

Dura Build Care Pvt. Ltd. (w.e.f. 15 July, 2025)

iii. Enterprise over which Company exercise significant influence and with whom transactions have taken place during the year:

H. L. Somany Foundation

iv. Employees Trusts

Somany Employees Gratuity Fund(Formerly known as SPL Employees Gratuity Fund)

v. Other related parties with which Company has transactions:

Name	
Trans India Ceramics Pvt. Ltd.	Private company in which a director is director
Vidres India Ceramics Pvt. Ltd.	Private company in which a director is director
Transport Corporation of India Ltd.	Public company in which a director is director and holds more than 2% shares along with relatives
TCI Express Ltd.	Public company in which a director is director and holds more than 2% shares along with relatives
TCI-Concor Multimodal Solutions Pvt. Ltd.	Private company in which a director is director

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

B. Transactions with the above in the ordinary course of business

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a) Payments to Key Managerial Personnel and their relatives		
Mr. Shreekant Somany		
- Remuneration	292.47	296.17
- Commission	230.00	221.91
Outstanding at the year-end:		
- Remuneration Payable	-	10.67
- Commission Payable	230.00	221.91
Mr. Abhishek Somany		
- Remuneration	506.54	513.64
- Commission	150.35	4.44
Outstanding at the year-end:		
- Remuneration Payable	-	17.15
- Commission Payable	150.35	4.44
Mrs. Anjana Somany		
- Remuneration	32.14	32.33
- Rent Paid	4.05	4.05
Outstanding at the year-end:		
- Remuneration Payable	-	1.12
Mrs. Minal Somany		
- Remuneration	53.67	45.45
- Rent Paid	5.89	5.89
Outstanding at the year-end:		
- Remuneration Payable	-	2.65
Mr. Shrivatsa Somany		
- Remuneration	75.40	58.07
Outstanding at the year-end:		
- Remuneration Payable	-	1.46
Mr. Ameya Somany		
- Remuneration	54.59	8.19
Outstanding at the year-end:		
- Remuneration Payable	-	2.00
Mr. Amit Sahai		
- Remuneration	313.67	282.83
- Sale of goods	0.82	-
Outstanding at the year-end:		
- Remuneration Payable	-	4.93

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
Mr. Sailesh Raj Kedawat		
- Remuneration	151.90	139.28
Outstanding at the year-end:		
- Remuneration Payable	-	3.06
Mr. Anuj Kalia		
- Remuneration	21.95	-
Outstanding at the year-end:		
- Remuneration Payable	-	-
Mr. Ambrish Julka		
- Remuneration	4.29	43.81
- Sale of goods	-	0.35
Outstanding at the year-end:		
- Remuneration Payable	-	1.47
b) Non- Executive/Independent Directors		
Mr. G.G. Trivedi		
- Commission	5.00	3.00
- Sitting Fees	1.20	1.55
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Siddharath Bindra		
- Commission	-	3.00
- Sitting Fees	-	0.30
Outstanding at the year-end:		
- Commission Payable	-	3.00
Mr. Ravindra Nath		
- Commission	-	3.00
- Sitting Fees	-	0.25
Outstanding at the year-end:		
- Commission Payable	-	3.00
Mr. Salil Singhal		
- Commission	-	3.00
- Sitting Fees	-	0.65
Outstanding at the year-end:		
- Commission Payable	-	3.00

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Mr. Rameshwar Singh Thakur		
- Commission	5.00	3.00
- Sitting Fees	1.20	1.70
- Reimbursement of Expenses	0.08	-
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mrs. Rumjhum Chatterjee		
- Commission	5.00	3.00
- Sitting Fees	0.85	0.80
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Vineet Agarwal		
- Commission	5.00	3.00
- Sitting Fees	1.05	0.80
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Manit Rastogi		
- Commission	5.00	3.00
- Sitting Fees	0.90	0.40
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Zubair Ahmed		
- Commission	5.00	3.00
- Sitting Fees	0.70	0.45
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Summary of payment made to KMP#		
Short term employee benefits (Remuneration/Commission and Sitting fees)*	1,707.07	1,535.98
Other Payments - Reimbursement of Expenses	0.08	-
	1,707.15	**1,535.98**
Share Base Payments	**32.76**	**54.98**
* excludes provision in respect of gratuity, compensated absences etc. as the same is determined on an actuarial basis for company as whole.		
#The Company has granted 41,000 (previous year - 10,663) options to KMPs out of which Nil (previous year - Nil) options has been lapsed during the year, value of which shall be disclosed at the time of exercise of options.		

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
c) With Subsidiary Companies are as under		
SR Continental Ltd.		
- Rent paid	0.24	0.24
- Services rendered	1.20	1.20
- Rent Received	0.08	-
- Payment made on their behalf	0.30	1.05
Outstanding at the year end:		
- Trade Receivable	-	0.03
- Trade Advance	-	0.03
Somany Bathware Ltd.		
- Services rendered	0.60	0.60
- Rent received	0.12	0.11
Amora Tiles Pvt. Ltd.		
- Purchase of goods	-	4,659.80
- Interest received	-	28.68
Somany Sanitaryware Pvt. Ltd.		
- Purchase of goods	4,844.74	4,606.75
- Sales of goods	15.43	115.20
- Interest received	52.10	55.71
- Payment made on their behalf	4.80	3.36
- ICD given	-	500.00
- ICD received back	-	510.00
Outstanding at the year-end:		
- Trade Receivable	3.23	55.46
- Trade payable	737.11	669.56
- ICD receivable	500.00	500.00
Somany Excel Vitrified Pvt. Ltd.		
- Services rendered	6.00	6.00
- Rent received	2.04	0.11
Vintage Tiles Pvt. Ltd.		
- Purchase of goods	11,221.08	12,270.80
- Interest received	52.10	36.99
- ICD received back	-	250.00
- ICD given	-	500.00
Outstanding at the year-end:		
- Trade payable	980.24	1,101.21
- ICD receivable	500.00	500.00

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Vicon Ceramic Pvt. Ltd.		
- Purchase of goods	3,266.34	4,176.44
- Interest received	5.60	13.64
- ICD given	-	70.00
- ICD received back	21.69	164.50
Outstanding at the year-end:		
- Trade payable	145.33	222.13
- ICD receivable	48.31	70.00
Acer Granito Pvt. Ltd.		
- Purchase of goods	-	4,102.44
Sudha Somany Ceramics Pvt. Ltd.		
- Purchase of goods	23,532.57	22,775.08
- Rent Paid	6.00	6.00
- Interest received	90.73	232.65
- Dividend on preference shares	112.20	1.84
- ICD received back	600.00	1,020.00
- Investment in Preference shares	-	1,020.00
- Investment in equity shares	300.00	390.00
Outstanding at the year-end:		
- Trade Payable	734.95	1,219.23
- Interest receivable	81.65	109.79
- Dividend accrued on preference shares	114.04	1.84
- Security deposit receivable	105.00	105.00
- ICD receivable	404.00	1,004.00
Somany Bath Fittings Pvt. Ltd.		
- Purchase of goods	5,713.63	5,045.00
- Sale of goods	72.50	21.28
- Interest received	-	14.32
- Payment made on their behalf	1.80	1.88
- ICD received back	-	200.00
Outstanding at the year-end:		
- Trade payable	246.71	232.32
- Trade receivable	4.07	-

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
Somany Piastrelle Pvt. Ltd.		
- Purchase of goods	10,092.83	10,555.56
- Sale of goods	132.06	-
- Royalty received	170.92	144.45
- Interest received	-	22.48
- Dividend on preference shares	787.50	787.50
- Payment made on their behalf	6.25	1.49
- ICD received back	-	1,200.00
Outstanding at the year-end:		
- Trade Receivable	130.41	75.57
- Trade payable	2,144.42	822.06
- Dividend accrued on preference shares	2,108.61	1,321.11
Somany Max Pvt. Ltd.		
- Investment in equity shares	3,000.00	-
- Purchase of goods	8,268.08	9,051.47
- Sale of goods	0.10	-
- Royalty received	282.44	42.03
- Rent Received	0.12	0.12
- Payment made on their behalf	2.25	-
- Interest received	355.41	199.85
- Dividend on Preference Shares	308.00	308.00
- ICD given	749.00	2,150.00
Outstanding at the year-end:		
- Trade Receivable	263.63	17.21
- Interest Receivable	99.57	-
- Dividend accrued on preference shares	868.46	560.46
- ICD receivable	3,649.00	2,900.00
- Trade Payable	258.40	729.01
SRCL Buildwell Pvt. Ltd.		
- Rent Received	0.31	-
Outstanding at the year-end:		
- Trade Receivable	0.12	-
Dura Build Care Pvt. Ltd.		
- Purchase of goods	87.35	-
- Payment made on their behalf	0.53	-
- Investment in equity shares	1,030.20	-

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Particulars		For the year ended	
		31 March, 2026	31 March, 2025
	Outstanding at the year-end:		
	- Trade Payable	46.88	-
d)	**With Employees Trusts are as under:-**		
	Somany Employees Gratuity Fund(Formerly known as SPL Employees Gratuity Fund)		
	- Contribution made	184.20	394.00
e)	**With Other Related Parties are as under:-**		
	H. L. Somany Foundation		
	- Contribution towards CSR Activities	248.81	254.40
	Trans India Ceramics Pvt. Ltd.		
	- Purchase of goods	28.00	164.28
	- Services received	1.05	22.36
	Outstanding at the year-end:		
	- Trade payable	-	35.19
	Vidres India Ceramics Pvt. Ltd.		
	- Purchase of goods	2,996.26	2,454.44
	- Sale of Goods	-	10.33
	- Payment made on their behalf	-	0.65
	Outstanding at the year-end:		
	- Trade payable	365.07	57.24
	Transport Corporation of India Ltd.		
	- Services received	94.91	68.40
	Outstanding at the year-end:		
	- Trade payables	9.02	7.30
	TCI Express Ltd.		
	- Services received	17.26	20.02
	Outstanding at the year-end:		
	- Trade payables	4.98	8.49
	TCI-Concor Multimodal Solutions Pvt. Ltd.		
	- Services received	15.29	2.65
	Outstanding at the year-end:		
	- Trade payables	5.45	1.45

Also refer Note No. 36(B) (ii).

Terms and conditions of transactions with related parties:

Outstanding balances other than loan (ICD) at the year-end are unsecured, Interest Free and settlement occurs in cash.For Terms and conditions of Loan given Refer Note No.39.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 ANALYTICAL RATIOS

S. No.	Particular	Numerator (A)	Denominator (B)	31 March, 2026	31 March, 2025	% of variance	Reason for Variances*
1	Current Ratio	Current Assets	Current Liabilities	1.19	1.09	9.32%	-
2	Debt-Equity Ratio	Total Debt	Net worth	0.02	0.02	(7.33)%	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	6.26	6.85	(8.58)%	-
4	Return on Equity Ratio	Net Profits after taxes	Average Net worth	11.72%	11.25%	4.19%	-
5	Inventory turnover ratio	Sales	Closing Inventory (Finished Goods and Stock in Trade)	16.23	18.18	(10.71)%	-
6	Trade Receivables turnover ratio	Sales	Closing Trade Receivables	9.73	7.19	35.41%	Due to better realisation of Trade receivables
7	Trade payables turnover ratio	Credit Purchases	Closing Trade Payable	7.47	7.15	4.60%	-
8	Net capital turnover ratio	Sales	Working capital	(92.36)	(229.36)	(59.73)%	Due to increase in working capital.
9	Net profit ratio	Net profit	Sales	3.77%	3.35%	12.68%	-
10	Return on Capital employed	Earning before exceptional items, interest and taxes	Average Capital Employed	16.74%	13.82%	21.14%	-
11	Return on investment	Income Received on Loans, FDRs, current investments and investment in Preference shares	Average of Loans, FDRs current investments and investment in Preference shares	9.72%	11.65%	(16.54)%	

*Given where the variance is more than 25%.

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

I. Fair value measurements

A. Financial instruments by category

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments				
Non current	376.20	14,411.11	376.20	13,203.41
Current	1,224.80	-	1,264.78	-
Loans				
Non current	-	5,341.07	-	5,345.68
Trade receivables	-	27,003.46	-	35,628.06

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Cash and cash equivalents	-	12,470.66	-	5,536.35
Bank balances other than above	-	25.34	-	28.11
Others				
Non current	-	1,406.75	-	1,388.84
Current	-	510.14	-	621.95
	1,601.00	**61,168.53**	**1,640.98**	**61,752.40**
Financial liabilities				
Borrowings				
Non current	-	959.83	-	915.25
Current	-	450.79	-	452.36
Lease Liability				
Non current	-	11,046.27	-	4,807.87
Current	-	1,260.42	-	1,025.30
Other financial liabilities				
Non Current	-	3,691.18	-	3,434.66
Current	-	17,714.52	-	23,823.74
Trade payables	-	26,946.74	-	27,425.38
	-	**62,069.75**	**-**	**61,884.56**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 March, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	376.20	376.20
Current	1,224.80	-	-	1,224.80
Total financial assets	**1,224.80**	**-**	**376.20**	**1,601.00**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Particulars	As at 31 March, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	376.20	376.20
Current	1,264.78	-	-	1,264.78
Total financial assets	**1,264.78**	**-**	**376.20**	**1,640.98**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and Debt instruments that have quoted price. The fair value is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example- mutual funds, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

C. Financial assets and liabilities measured at amortised cost

Particulars	Level	As at 31 March, 2026		As at 31 March, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Investments					
Non Current	3	14,411.11	14,411.11	13,203.41	13,203.41
Loans					
Non Current	3	5,341.07	5,341.07	5,345.68	5,345.68
Trade receivables - current	3	27,003.46	27,003.46	35,628.06	35,628.06
Cash and cash equivalents	3	12,470.66	12,470.66	5,536.35	5,536.35
Bank balances other than above	3	25.34	25.34	28.11	28.11
Others					
Non Current	3	1,406.75	1,360.87	1,388.84	1,308.19
Current	3	510.14	510.14	621.95	621.95
		61,168.53	**61,122.65**	**61,752.40**	**61,671.75**
Financial liabilities					
Borrowings					
Non current	3	959.83	959.83	915.25	915.25
Current	3	450.79	450.79	452.36	452.36
Lease Liability					

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Particulars	Level	As at 31 March, 2026		As at 31 March, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non current	3	11,046.27	11,046.27	4,807.87	4,807.87
Current	3	1,260.42	1,260.42	1,025.30	1,025.30
Other Financial Liability					
Non current	3	3,691.18	3,691.18	3,434.66	3,434.66
Current	3	17,714.52	17,714.52	23,823.74	23,823.74
Trade payables - current	3	26,946.74	26,946.74	27,425.38	27,425.38
		62,069.75	**62,069.75**	**61,884.56**	**61,884.56**

The fair value of current financial assets and liabilities carried at amortised cost is considered equal to the carrying amounts of these items due to their short-term nature. The fair value of items that are Non-current in nature, has been determined using discounted cash flow basis.

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to control risks through defined framework.

The Company's risk management policy is established to identify and analyse the risks faced by the Company, to set appropriate controls. Risk management policy is reviewed by the board annually to reflect changes in market conditions and the Company's activities.

The Company's Audit Committee oversees compliance with the Company's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

Financial loss to the Company, arising, if a customer or counterparty to a financial instrument fails to meet its contractual obligations principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk closely both in domestic and export market.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The Company Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sales credit limit are set up for each customer and reviewed

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

periodically. The credit risk from loans to other corporate is managed in accordance with the Company's fund management policy that includes parameters of safety, liquidity and post tax returns. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank reference checks are also done.

The Company creates allowances for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31 March, 2026							
Gross Carrying amount	19,938.75	6,945.26	143.20	175.84	103.27	2,098.30	29,404.62
Specific Provision	(17.87)	(6.23)	(0.12)	(0.06)	(0.01)	(2,098.30)	(2,122.59)
Expected credit losses	(205.05)	(71.42)	(1.34)	(0.64)	(0.12)	-	(278.57)
Expected loss rate	1.03%	1.03%	0.94%	0.36%	0.12%	0.00%	0.95%
Carrying amount	19,715.83	6,867.61	141.74	175.14	103.14	-	27,003.46

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31 March, 2025							
Gross Carrying amount	27,199.61	8,250.74	181.97	120.06	54.68	2,139.96	37,947.02
Specific Provision	-	(1.74)	(27.12)	(24.42)	(22.50)	(2,030.11)	(2,105.89)
Expected credit losses	(163.04)	(49.23)	(0.62)	(0.13)	(0.05)	-	(213.07)
Expected loss rate	0.60%	0.60%	0.34%	0.11%	0.09%	0.00%	0.56%
Carrying amount	27,036.57	8,199.77	154.23	95.51	32.13	109.85	35,628.06

Reconciliation of loss allowance provision – Trade receivables

	For the year ended	
	31 March, 2026	31 March, 2025
Opening balance	2,318.96	2,330.34
Changes in loss allowance	82.20	(11.38)
Closing balance	**2,401.16**	**2,318.96**

Investments and Cash Deposits

Credit risk from balances with banks is managed by the Company's finance department.

Company invests in Bonds, Debentures, Liquid Mutual Funds, Equity instruments etc., in accordance with the Company's Investment Policy that includes parameters of safety, liquidity and post tax returns. Company avoids the concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position as well as held to maturity policy. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Based on historical experience and credit profiles of counterparties, the Company does not expect any significant risk of default other than as disclosed.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

iii. Liquidity risk

Liquidity risk is the risk that the Company may face difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, as far as possible, sufficient liquidity to meet its obligations, under both normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

Particulars	Carrying Amount 31 March, 2026	Contractual cash flows			
		On demand	Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	1,410.62	-	450.79	959.83	-
Lease Liability	12,306.69		2,229.34	7,207.69	12,424.01
Other non-current financial liabilities	3,691.18	-	-	-	3,691.18
Trade payables	26,946.74	-	26,946.74	-	-
Other current financial liabilities	17,714.52	-	17,714.52	-	-
Total financial liabilities	**62,069.75**	**-**	**47,341.39**	**8,167.52**	**16,115.19**

Particulars	Carrying Amount 31 March, 2025	Contractual cash flows			
		On demand	Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	1,367.61	-	452.36	915.25	-
Lease Liability	5,833.17		1,495.39	4,658.52	1,304.62
Other non-current financial liabilities	3,434.66	-	-	-	3,434.66
Trade payables	27,425.38	-	27,425.38	-	-
Other current financial liabilities	23,823.74	-	23,823.74	-	-
Total financial liabilities	**61,884.56**	**-**	**53,196.87**	**5,573.77**	**4,739.28**

* Including current maturity of non current borrowings

iv. Market risk

Risk on account of changes in foreign exchange rates, interest rates etc. that may affect the Company's income or the value of its holdings of financial instruments. The objective of market risk is to optimize the return by managing and controlling the market risk exposures within acceptable parameters.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

v. Currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in CNY, AUD, EURO & NPR. The risk is measured through a forecast of highly probable foreign currency cash flows.The Company has no significant currency exposure.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows (Foreign currency in Lakhs).

	As at 31 March, 2026					As at 31 March, 2025			
	USD	CNY	EUR	AUD	NPR	USD	CNY	EUR	NPR
Receivables (A)	7.38	-	-	0.12	49.13	7.15	-	0.01	86.42
Payables (B)	0.36	0.14	0.02	-	5.68	0.06	0.10	0.11	5.72
Net statement of financial position exposure (B-A)	(7.02)	0.14	0.02	(0.12)	(43.45)	(7.09)	0.10	0.10	(80.70)

The following significant exchange rates have been applied

	Average Rates		Year end spot rates	
	31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
USD 1	89.92	84.25	94.43	85.41
CNY 1	12.72	11.71	13.66	11.77
EUR 1	101.29	91.93	109.51	93.06
AUD 1	58.95	53.75	64.46	53.43
NPR 1	0.63	0.63	0.63	0.63

Sensitivity analysis

Every percentage point depreciation / appreciation in the exchange rate for the closing balances between the Indian Rupee and respective currencies would affect the Company's incremental profit before tax and equity, net of tax as per below :

	Profit or (loss) before Tax		Equity, net of tax	
	Strength-ening	Weakening	Strength-ening	Weakening
31 March, 2026				
USD (10% movement)	(66.29)	66.29	(49.61)	49.61
CNY (10% movement)	0.19	(0.19)	0.14	(0.14)
EUR (10% movement)	0.22	(0.22)	0.16	(0.16)
AUD (10% movement)	(0.76)	0.76	(0.57)	0.57
NPR (10% movement)	(2.72)	2.72	(2.03)	2.03

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

	Profit or (loss) before Tax		Equity, net of tax	
	Strength-ening	Weakening	Strength-ening	Weakening
31 March, 2025				
USD (10% movement)	(60.56)	60.56	(45.32)	45.32
CNY (10% movement)	0.12	(0.12)	0.09	(0.09)
EUR (10% movement)	0.93	(0.93)	0.70	(0.70)
NPR (10% movement)	(5.04)	5.04	(3.77)	3.77

Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March, 2026 and 31 March, 2025, the Company's borrowings at variable rate were denominated mainly in Indian Rupees.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any derivative instruments to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	Nominal Amount	
	31 March, 2026	31 March, 2025
Fixed-rate instruments		
Borrowings	107.57	184.06
	107.57	**184.06**
Variable-rate instruments		
Borrowings	1,303.05	1,183.55
	1,303.05	**1,183.55**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or (loss)		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31 March, 2026				
Variable-rate instruments				
Borrowings	(6.52)	6.52	(4.88)	4.88
Cash flow sensitivity	**(6.52)**	**6.52**	**(4.88)**	**4.88**
31 March, 2025				
Variable-rate instruments				
Borrowings	(5.92)	5.92	(4.43)	4.43
Cash flow sensitivity	**(5.92)**	**5.92**	**(4.43)**	**4.43**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

44

Capital-Work-in Progress (CWIP) Ageing Schedule as on 31 March, 2026

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	710.25	-	-	-	710.25
Total	**710.25**	**-**	**-**	**-**	**710.25**

Capital-Work-in Progress (CWIP) Ageing Schedule as on 31 March, 2025

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,456.88	-	-	-	1,456.88
Total	**1,456.88**	**-**	**-**	**-**	**1,456.88**

There were no temporarily suspended projects and/or no time overrun and/or cost overrun for the projects under capital works in progress as on 31 March, 2026 and 31 March, 2025.

45 PAYMENT TO AUDITORS

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
Statutory audit fee	22.00	20.00
Tax audit fee	2.50	2.50
Limited Review and Certification fee	5.80	6.25
Reimbursement of expenses	3.83	2.23
Total	**34.13**	**30.98**

46 EXCEPTIONAL ITEMS

i. The Government of India has notified and brought into force on 21 November, 2025 four new Labour Codes viz the Code on Social Security, 2020 ("Social Security Code"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the "Labour Codes"), which subsume, amend and replaces numerous existing central labour legislations. Till date certain specific rules and corresponding State-level notifications are yet to be notified.

   Pursuant to the guidance issued by the Institute of Chartered Accountants of India (ICAI) and based on independent actuarial valuations, the Company has recognized additional provisions for past service obligations relating to gratuity and compensated absences for the year ended 31 March, 2026, amounting to ₹ 508.79 Lakhs.

ii The Company has divested its investment in one of its subsidiary "Acer Granito Private Limited", w.e.f 1 December, 2024 through an agreement, dated on 4 February, 2025, with the existing shareholders of the subsidiary resulting gain on divestment of ₹ 544.30 Lakhs, during the year ended 31 March, 2025.

iii. The Company has divested its investment in one of its subsidiary "Amora Tiles Private Limited", w.e.f 1 December, 2024 through an agreement, dated on 4 February, 2025, with the existing shareholders of the subsidiary resulting gain on divestment of ₹ 397.80 Lakhs, during the year ended 31 March, 2025.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

47 SHARE BASED PAYMENTS

a) Scheme Details

Nomination and Remuneration Committee (NRC) and Board of Directors at its respective meetings held on 10 December, 2021 and 23 May, 2023, approved an issue of stock options aggregating 4,23,794 and 12,74,226 equity shares of the face value of ₹ 2 each, up to a maximum of 1% and 3% of the then issued equity capital of the Company respectively. The shareholders of the Company vide their special resolutions passed through postal ballot on 7 April, 2022 and passed at its 55th Annual General Meeting (AGM) held on 25 August, 2023 approved the issue of equity shares of the Company under Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021)and Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023) respectively.

Details of options granted by NRC under the said scheme are as follows:

Particulars		ESOP 2021		ESOP 2023						
		Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
No. of Options Granted	:	3,50,102	1,01,107	93,411	33,165	10,000	3,201	52,454	50,966	1,59,000
Grant Date	:	April 29, 2022	February 07, 2023	November 08, 2023	November 08, 2023	November 08, 2023	May 29, 2024	February 06, 2025	February 06, 2025	March 28, 2026
Vesting Schedule	:	**The vesting period for conversion of Options for ESOP 2021 Grant 1, Grant 2 and ESOP 2023 Grant 1, Grant 5:** • On completion of 24 months from the date of grant of the Options: 25% vests • On completion of 36 months from the date of grant of the Options: 25% vests • On completion of 48 months from the date of grant of the Options: 25% vests • On completion of 60 months from the date of grant of the Options: 25% vests **The vesting period for conversion of Options for ESOP 2023 Grant 2 and Grant 6:** • On completion of 12 months from the date of grant of the Options: 25% vests • On completion of 24 months from the date of grant of the Options: 25% vests • On completion of 36 months from the date of grant of the Options: 25% vests • On completion of 48 months from the date of grant of the Options: 25% vests **The vesting period for conversion of Options for ESOP 2023 Grant 3 and Grant 4:** • On completion of 12 months from the date of grant of the Options: 100% vests **The vesting period for conversion of Options for ESOP 2023 Grant 7 :** • On completion of 12 months from the date of grant of the Options: 33% vests • On completion of 24 months from the date of grant of the Options: 33% vests • On completion of 36 months from the date of grant of the Options: 34% vests								
Maximum term of Exercise period	:	7 years from the date of vesting								
Method of settlement	:	Equity								
General terms and conditions of Plan	:	Each Option entitles the holder thereof to apply for and be allotted 1 Ordinary Share of the Company of ₹ 2.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of seven years from the date of vesting in respect of Options granted under the plan.								

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

47 SHARE BASED PAYMENTS (CONTD.)

b) Compensation expenses arising on account of share based payment

Particulars	31-Mar-26	31-Mar-25
Expenses arising from equity settled share-based payment transactions	297.85	409.32

c) Fair Value on the grant date

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. Details for which are as under:

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Grant Date	Apr 29, 2022	Feb 07, 2023	Nov 08, 2023	Nov 08, 2023	Nov 8, 2023	29 May, 2024	Feb 06, 2025	Feb 06, 2025	Mar 28, 2026
Exercise price	647.85	536.05	647.85	493.46	493.46	2	514.95	493.46	190.38
Weighted Average Fair value	329.74	270.33	350.98	381.85	357.33	708.99	268.35	256.25	244.80
Risk-free interest rate	6.73%-7.15%	7.19%-7.25%	7.20%-7.23%	7.20%-7.23%	7.20%	6.93%	6.53%-6.63%	6.51%-6.59%	6.43%-6.72%
Expected life	5.5-8.5 years	5.5-8.5 years	5.5-8.5 years	4.5-7.5 years	4.5 years	4.5 years	5.5-8.5 years	4.5-7.5 years	4.5-6.5 years
Expected volatility	41.01%-43.24%	39.36%-40.92%	41.03%-46.37%	41.56%-46.37%	46.37%	44.13%	42.87%	42.87%	36.14%
Expected dividends	0.88%	0.85%	0.65%	0.65%	0.65%	0.65%	0.63%	0.63%	0.63%
The price of the underlying shares in market at the time of Option grant	647.85	536.05	657.95	657.95	657.95	731.65	514.95	514.95	380.75

Methodology for determination of expected volatility	:	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.
Expected life	:	The expected option life is assumed to be average between the option vesting and expiry (total time period available with an employee to exercise an option). Since there are multiple vesting and expiry period of each tranche, consequently the expected life will be different for each vesting schedule.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

47 SHARE BASED PAYMENTS (CONTD.)

d) Movement in share options during the year (in Numbers):

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Balance at the beginning of the year	2,49,647	86,104	90,572	26,395	10,000	3,201	52,454	50,966	-
Granted during the year	-	-	-	-	-	-	-	-	1,59,000
Exercised during the year	-	-	-	-	-	3,201	-	-	-
Forfeited/lapsed during the year	18,156	25,102	-	-	-	-	2,467	3,043	-
Expired during the year	-	-	-	-	-	-	-	-	-
Balance at the end of the year	2,31,491	61,002	90,572	26,395	10,000	-	49,987	47,923	1,59,000
Exercisable as at 31 March, 2026	1,15,745	30,501	22,643	12,246	10,000	-	-	11,981	-

48 DIVIDEND

During the year, the Company has paid dividend of ₹ 3/- per equity share aggregating ₹ 1,230.38 Lakhs towards final dividend for the year ended 31 March, 2025, also the Board of Directors of the Company at their Meeting held on 4 May, 2026 has approved payment of interim dividend of ₹ 4/- per equity share of face value of ₹ 2/- each for the financial year 2025-26.

Further, the Board of directors has recommended dividend of ₹ 2/- per equity share aggregating ₹ 820.26 Lakhs in their meeting held on 15 May, 2026 for the financial year ended 31 March, 2026 and same is subject to approval of shareholders at the ensuing Annual General Meeting.

49 SEGMENT REPORTING

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the Company falls within one broad business segment viz. "Ceramic Tiles and Allied products" and substantially sale of the products and Non-current assets are within the country. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

50

Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	31 March, 2026	31 March, 2025
Principal amount remaining unpaid to any supplier as on	10,408.03	4,698.09
Interest due on the principal remaining unpaid to any supplier as on	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.	-	-

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

50 (CONTD.)

Particulars	31 March, 2026	31 March, 2025
the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	0.11	0.01
the amount of interest accrued and remaining unpaid during the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

51 (A) - Trade Receivables ageing

Trade Receivables ageing schedule for the period ended 31 March, 2026

Particulars		Outstanding for following periods from due date of payment						
		Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	19,938.75	6,945.15	130.23	62.08	11.70	-	27,087.91
(ii)	Disputed Trade Receivables – which have significant increase in credit risk	-	0.11	12.97	113.76	91.57	-	218.41
(iii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	2,098.30	2,098.30
		19,938.75	**6,945.26**	**143.20**	**175.84**	**103.27**	**2,098.30**	**29,404.62**

Trade Receivables ageing schedule for the period ended 31 March, 2025

Particulars		Outstanding for following periods from due date of payment						
		Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	27,199.61	8,213.21	102.95	22.43	8.72	-	35,546.92
(ii)	Disputed Trade Receivables – which have significant increase in credit risk	-	37.53	79.02	97.63	45.96	-	260.14
(iii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	2,139.96	2,139.96
		27,199.61	**8,250.74**	**181.97**	**120.06**	**54.68**	**2,139.96**	**37,947.02**

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

51 (CONTD.)

(B) - Trade Payables ageing

Trade Payables ageing schedule for the period ended 31 March, 2026

Particulars		Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME*	-	10,364.37	-	-	-	-	10,364.37
ii)	Others	666.75	13,047.14	2,835.31	4.73	0.46	28.01	16,582.40
		666.75	**23,411.51**	**2,835.31**	**4.73**	**0.46**	**28.01**	**26,946.77**

Trade Payables ageing schedule for the period ended 31 March, 2025

Particulars		Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME*	-	4,676.75	-	-	-	-	4,676.75
ii)	Others	590.14	17,346.19	4,769.99	4.39	16.97	20.95	22,748.63
		590.14	**22,022.94**	**4,769.99**	**4.39**	**16.97**	**20.95**	**27,425.38**

*Outstanding dues of Micro Enterprises & Small Enterprises only.

(C) - Supplier Financing Arrangements

The Company has entered into supplier financing arrangements under which the Company's suppliers may elect to an early payment from financing partners or continued to be paid in line with the agreed payment terms. In cases where supplier opts for early payment under supplier finance arrangement, such amounts are disclosed under other current financial liabilities. In either case, the liability payable by the Company remains unchanged and no additional security is provided to the financer.

The Company evaluates these arrangements to assess the characteristics of such payables, and all such liabilities were classified as mentioned below :

Particulars	31 March, 2026	31 March, 2025
Carrying amount of liabilities that are part of supplier financing arrangements		
Presented within trade payables and other current financial liabilities	24,123.15	-*
'-of which suppliers have received payment from finance provider (Refer Note No.25).	13,175.16	-*
Balance presented within trade payables (Refer Note No. 24.)	10,947.99	-*
Range of payment due dates		
Liabilities that are part of the arrangement	45 - 90 days	-*
Trade payables that are not part of an arrangement	45 - 90 days	-*

The Company has applied transitional relief available under Supplier Finance Amendments (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative informations in the first year of adoption.

In its liquidity assessment, the Company does not see any liquidity risk on account of these supplier financing arrangements, as terms for the Company do not vary materially based on whether the supplier avails such financing arrangements.

There is no non cash changes in the carrying amount of financial liabilities subject to Supplier finance arrangements.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

52 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. For the purpose of company's capital management, capital includes equity share capital and other equity as per balance sheet and Net Debt includes borrowings and lease liabilities less cash and cash equivalent (including other bank balance). The following table summarises the capital of the Company.

Particulars	31 March, 2026	31 March, 2025
Equity Share Capital	820.26	820.19
Other Equity	88,253.16	79,208.17
Total Equity	**89,073.42**	**80,028.36**
Non-Current Borrowings	959.83	915.25
Current maturities of Non-Current Borrowings	450.79	452.36
Lease Liabilities	12,306.69	5,833.17
Total Debts	**13,717.31**	**7,200.78**
Less: Cash and cash equivalent	12,470.66	5,536.35
Less: Bank balances other than cash and cash equivalent	25.34	28.11
Net Debt (A)	**1,221.31**	**1,636.32**
Capital and Net Debt (B)	90,294.73	81,664.68
Gearing Ratio (A/B)	**1.35%**	**2.00%**

53 CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES ARE AS UNDER:

Particulars	31 March, 2026	Cash Flow changes	Non Cash Changes		31 March, 2025
			Expense Accrued	Others	
Non Current borrowings*	1,410.62	43.01	-	-	1,367.61
Lease Liability	12,306.69	(1,025.60)	-	7,499.12	5,833.17
Interest Accrued	0.11	(1,076.69)	1,076.79	-	0.01
Total liabilities from financing activities	**13,717.42**	**(2,059.28)**	**1,076.79**	**7,499.12**	**7,200.79**

Particulars	31 March, 2025	Cash Flow changes	Non Cash Changes		31 March, 2024
			Expense Accrued	Others	
Non Current borrowings*	1,367.61	(33.78)	-	-	1,401.39
Lease Liability	5,833.17	(867.73)	-	2,459.91	4,240.99
Interest Accrued	0.01	(755.80)	755.81	-	-
Total liabilities from financing activities	**7,200.79**	**(1,657.31)**	**755.81**	**2,459.91**	**5,642.38**

* Including current maturity of non current borrowings.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

54 The Company has made investments in Subsidiary Companies and Associate (under Ind AS) as detailed below:

Name	Country of Incorporation	Percentage of holding as at 31 March, 2026	Percentage of holding as at 31 March, 2025
Subsidiary Companies			
SR Continental Ltd.	India	100%	100%
Somany Bathware Ltd.	India	100%	100%
Amora Tiles Pvt. Ltd. (ceases to be subsidiary w.e.f. 1 December, 2024)	India	-	-
Somany Sanitaryware Pvt. Ltd.	India	51%	51%
Somany Excel Vitrified Pvt. Ltd.	India	100%	100%
Vintage Tiles Pvt. Ltd.	India	50%	50%
Somany Piastrelle Pvt. Ltd.	India	100%	100%
Vicon Ceramic Pvt. Ltd.	India	26%	26%
Acer Granito Pvt. Ltd. (ceases to be subsidiary w.e.f. 1 December, 2024)	India	-	-
Sudha Somany Ceramics Pvt. Ltd.	India	60%	60%
Dura Build Care Private Limited (w.e.f. 15 July, 2025)	India	51%	-
Somany Bath Fittings Pvt. Ltd.	India	100%	100%
Somany Max Pvt. Ltd.	India	86%	80%
SRCL Buildwell Pvt. Ltd. (subsidiary of SR Continental Ltd.)	India	100%	100%
Associate Company			
Clean Max Ananta Pvt. Ltd. (In the previous year ceases to be associate under IND-AS, refer note no. 4)	India		

55 LEASE DISCLOSURE

I. Company as a lessee

The Company incurred following expenses towards short-term leases and leases of low-value assets.

Lease payments not recognised as a Lease Liability.

Particulars	31 March, 2026	31 March, 2025
Short-term Leases	233.60	277.10
Leases of Low Value Assets	0.76	0.76

Movement of Lease Liabilities during the year

Particulars	31 March, 2026	31 March, 2025
Opening Lease Liabilities	5,833.17	4,240.99
New Leases recognised	7,743.74	2,500.19
Remeasurements and withdrawals	(272.57)	(100.66)
Interest expense on Lease Liabilities	561.64	425.03
Payment of Lease Liabilities (including Interest)	(1,559.29)	(1,232.38)
Closing Lease Liabilities	**12,306.69**	**5,833.17**
Non Current	11,046.27	4,807.87
Current	1,260.42	1,025.30

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

55 LEASE DISCLOSURE (CONTD.)

II. Company as a lessor - The Company has recognised rent income under the head of other income as follows:

Particulars	31 March, 2026	31 March, 2025
Rent received during the year	62.74	4.25

56 The Company is required to spent 2% of average net profit of last three preceding financial years towards Corporate Social Responsibility (CSR) activities under section 135 of the Companies Act, 2013 and accordingly the Company has spent ₹ 248.81 Lakhs (Previous Year ₹ 254.40 Lakhs) during the year and the same is recognised in Statement of Profit and Loss. Necessary details are disclosed below:

Particulars	Amount required to spent by company during the year	Amount of expenditure incurred	shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall
FY 2025-26*	248.76	248.81	-	-	
FY 2024-25**	254.36	254.40	-	-	

*CSR activities includes promoting health care including preventive health care, skill development & livelihood/ employment enhancement, promoting education, environmental sustainability and conservation of natural resources.

**CSR activities includes promoting health care including preventive health care, health and sanitation, skill development & livelihood/ employment enhancement, promoting education, environmental sustainability and conservation of natural resources and administration expenses.

The Company has spent ₹ 248.81 Lakhs (previous year ₹ 254.40 Lakhs) through H. L. Somany Foundation which is related party of the Company. Details of Related party transactions are given in Note No. 41

57 There are following charges appearing on the website of the MCA. These are very old charges against which the Company has no loan outstanding as at reporting date. The Company is taking up with the MCA to rectify it at their end.

S. No.	Lender Name	Amount	Location of the Registrar
1	L.I.C. OF INDIA	24.00	Kolkata
2	L.I.C. OF INDIA	24.00	Kolkata
3	L.I.C. OF INDIA	24.00	Kolkata
4	H.D.F.C. LTD.	19.65	Kolkata

58 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO BE DISCLOSED IN THE FINANCIAL STATEMENTS:

i) The Company does not have transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act 1956.

ii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

iii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

58 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO BE DISCLOSED IN THE FINANCIAL STATEMENTS: (CONTD.)

v) There is no undisclosed income under the tax assessments under the Income Tax Act, 1961 for the year ending 31 March, 2026 and 31 March, 2025 which needs to be recorded in the books of account.

vi) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

vii) Utilisation of borrowed funds and share premium:-

a) The Company during the year has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

b) The Company during the year has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) Borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

ix) The Board of Directors of the Company at its Board Meeting held on 7 November, 2025, subject to requisite approvals/consents, approved the proposed Scheme of Amalgamation of wholly owned subsidiaries Somany Bathware Limited, Somany Excel Vitrified Private Limited and SR continental Limited with and into the Company ("Scheme") in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The aforementioned scheme, having appointed date of 1 April, 2025, is subject to required regulatory and other necessary approvals.

59 The Company has been sanctioned working capital limit from bank on the basis of security of current assets. The quarterly returns/ statements filed by the Company with the bank, are in agreement with the books of accounts of the Company of the respective quarters.

60 During the financial year 2018-19, the Company had discovered defalcation of ₹ 1,585.82 Lakhs committed by an employee. The Company has filed a civil as well as a criminal suit against him and his wife, being the beneficiaries. During the pendency of the suit, he and his wife have signed a 'Memorandum of Understanding' (MOU) dated 11 February, 2021 with the Company, duly acknowledged by Hon'ble High Court of Gujarat vide its order dated 12 February, 2021, under which he and his wife offered their immovable properties to the tune of ₹ 660.00 Lakhs (net off loan of ₹ 40.17 Lakhs), which has since been transferred in the name of the Company, as value determined by the Hon'ble High Court of Gujarat and a sum of ₹ 40.00 Lakhs deposited by them in the Court towards compliance of their Bail condition. In terms of the said MOU, the Company is obligated to attempt to sell the properties in a diligent manner and quantify the amount received upon sale of such properties (net of expenses) and submit a purshis(s) of the same with the Hon'ble Civil Court. The Company has during the year sold two properties and increased the "Liability under Defalcation Suit". Awaiting the final decree of the Hon'ble Civil Court, the Company is holding the properties in fiduciary capacity and disclosed the same as 'Properties held in trust' under Note no. 15 amounting to ₹ 239.81 Lakhs (Previous year ₹ 363.77 Lakhs) and also recognised 'Liability under Defalcation Suit' amounting to ₹ 642.92 Lakhs (net of Expenses) (Previous year ₹ 639.73 Lakhs) under Note no 26. The final accounting and taxation of the amounts mentioned in the purshis(s) would be done based on the final verdict of the Hon'ble Civil Court.

Notes to Standalone Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

61 The Company, in the earlier years, had fully impaired its investment of ₹ 1,844.73 Lakhs in NCDs, issued by SREI Equipment Finance Limited. In the previous year, Hon'ble NCLT Kolkata approved resolution plan under Insolvency & Bankruptcy Code, 2016. In terms of the Approved Resolution Plan, the implementation notice was issued by National Asset Reconstruction Company Limited ("NARCL") and Implementation and Monitoring Committee ("IMC") authorized the administrator for commencement of the distribution against claims with the record date set as at 6 October, 2023. In terms of the Approved Resolution Plan, the Company was awarded ₹ 590.45 Lakhs to be received in cash and by way of allotment of Security Receipts (SRs)/ Optionally Convertible Debentures (OCDs)/Equity.

As per aforementioned resolution plan upto 31 March, 2026, the Company has received ₹ 198.55 Lakhs. (FY 2025-26 ₹ 33.00 Lakhs against SRs; FY 2024-25 ₹ 36.35 Lakhs against SRs)

Pending ascertainment of the issue terms and conditions, these SRs/ OCDs has been disclosed under the head "Other Financial Assets" at an estimated value of ₹ 168.07 Lakhs (previous year ₹ 225.08 Lakhs).

62 a) The Company has been maintaining its books of accounts in a ERP Software having the feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of Rule 3 of The Companies (Accounts) Rules, 2014 (the "Rules"), except audit trail feature has not been enabled for certain tables at application and database level to capture direct changes made to such tables through privilege access. However, the Company continues to ensure that privilege access is granted only via approved change management process.

b) Evidence of audit trail enablement in respect of third-party software, used by the Company for supplier finance arrangement has not been provided by the vendor to the Company. Although no access for direct change in database is with the company and vendor has control over privilege access through change management process.

63 The figures of the previous period have been regrouped/reclassified, wherever considered necessary, to conform current period classifications.The impact of the such regrouping/reclassification is not material.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO-Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 77330

Anuj Kalia
Company Secretary
M. No: A31850

Independent Auditor's Report

To the Members of Somany Ceramics Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Somany Ceramics Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2026, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements including a summary of the material 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 reports of the other auditors on separate financial statements of the subsidiaries and other financial information of the subsidiaries referred to in the "Other Matters" section below, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2026, the consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March, 2026. 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. We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

S.N.	Key Audit Matter	Auditor's Response
1.	**Valuation of trade receivables, loans and other financial assets** The Holding Company assesses periodically and at each financial year end, expected credit loss associated with its trade receivables, loans and other financial assets. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.	**How our audit addressed the key audit matter:** We obtained an understanding of the Holding Company's credit policy for trade receivables, process of approvals and terms and conditions for granting inter corporate deposits and business exigencies for other financial assets and evaluated the processes for identifying impairment indicators. We have reviewed and tested the ageing of trade and other financial assets and management's assessment on the credit worthiness

Independent Auditor's Report (Contd.)

S.N.	Key Audit Matter	Auditor's Response
	We focused on this area because of its significance and the degree of judgement required to estimate the expected credit loss and determining the carrying amount of trade receivables, loans and other financial assets as at the reporting date. Accordingly, due to complexity/ judgement involved in identification of expected credit loss, valuation of trade receivables, loans and other financial assets were determined to be a key audit matter in our audit of the consolidated financial statements.	of selected customers for trade receivables and recoverability of other financial assets. We have obtained year-end balance confirmations for inter corporate deposits and obtained confirmation from selected customers as on date determined by us. In case of confirmation not received from customers, we have verified the subsequent realization, wherever received. We further discussed with the key management on the adequacy of the allowance for credit losses recorded by the Holding Company and reviewed the supporting documents provided by management in relation to their assessment. We have also reviewed adequacy and appropriateness of allowance for credit losses based on available information. Based on our audit procedures performed, we found management's assessment of the recoverability of trade receivables, loans and other financial assets to be reasonable.
2.	**Valuation of inventories** The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Reviews are made periodically by management of Holding Company on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, and turnover rate. Accordingly, due to complexity/ judgement involved in inventory valuation, inventory valuation was determined to be a key audit matter in our audit of the consolidated financial statements.	**How our audit addressed the key audit matter:** We have analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventory obsolescence. We conducted a detailed discussion with the key management and considered their views on the adequacy of allowances for inventory obsolescence considering the current economic environment. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sample basis at the reporting date. We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence.

OTHER INFORMATION

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by other auditors. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies included in the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system with reference to consolidated 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 the 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 ability of the Holding Company and its subsidiaries 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.

Independent Auditor's Report (Contd.)

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 information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other Auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

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

OTHER MATTER

a. We did not audit the financial statements/financial information of seven subsidiaries incorporated in India, whose financial statements/ financial information reflect total assets of ₹ 9,800.24 Lakhs as at 31 March, 2026, total revenues of ₹ 13,768.11 Lakhs, total net profit/ (loss) after tax of ₹ 76.76 Lakhs, total comprehensive income of ₹ 74.41 Lakhs and net cash inflows of ₹ 78.30 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose financial statements/ financial information and audit reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b. We did not audit the financial statements/financial information of three subsidiaries incorporated in India, whose financial statements/financial information reflect total assets of ₹ 32,344.25 Lakhs as at 31 March, 2026, total revenues of ₹ 41,067.06 Lakhs, total net profit/(loss) after tax ₹ (800.45) Lakhs, total comprehensive income of ₹ (797.20) Lakhs and net cash inflows of ₹ 36.46 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These audited financial statements/financial information were adjusted to align with accounting policies of the Holding Company for preparing consolidated financial statements. These adjusted financial statements were audited by other auditors whose adjusted financial statements/financial information and audit reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, 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 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' 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 except for the matters stated in paragraph 2(B)(f) below reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;

(e) On the basis of the written representations received from the Directors of the Holding Company as on 31 March, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March, 2026 from being appointed as a director in terms of Section 164(2) of the Act;

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure B" to this report;

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also other financial information of subsidiary companies:

(a) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 37 to the consolidated financial statements;

(b) The Group did not have any material foreseeable losses in long-term contracts including derivative contracts;

(c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

Independent Auditor's Report (Contd.)

(d) i. The respective managements of the Holding Company and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, that to the best of their knowledge and belief, as disclosed in the Note 54(c)(viA) to the consolidated financial statements, 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. The respective managements of the Holding Company and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the Note 54(c)(viB) to the consolidated financial statements, no funds have been received by the 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii. Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the auditors to believe that the representations under sub-clause (i) and (ii) of rule 11(e) as provided under (d)(i) and (d)(ii) above, contain any material misstatement.

(e) As stated in Note 47 to the consolidated financial statements-

i. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

ii. The interim dividend declared by the Holding Company after the year ended 31 March, 2026 but before the date of the balance sheet is in accordance with the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this audit report.

iii. The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

iv. The Board of Directors of the one subsidiary Company have proposed dividend on preference shares for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

(f) Based on our examination which included test checks, consideration of Independent Service Auditor's Report on third party software used by the Holding Company and as communicated by the respective auditor of the subsidiaries incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary companies have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the respective softwares, except that:

Independent Auditor's Report (Contd.)

i. In case of the Holding Company and its 2 subsidiary companies incorporated in India, the feature of recording audit trail (edit log) facility at database level in SAP, the ERP accounting software used for maintaining general ledger and other accounting module has not been enabled throughout the year for certain tables at application and database level to capture direct changes made to such tables through privilege access.

ii. In case of the Holding Company and its one subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility at database level of a software provided by a third party which is used by the Holding Company and the subsidiary for maintaining payroll was not enabled for the period 01 April, 2025 to 02 April, 2025.

iii. In case of the Holding Company, the feature of recording audit trail (edit log) facility at database level and application level of a software provided by a third party which is used by the Holding Company for supplier finance arrangement was enabled throughout the year cannot be commented by us as evidence for such audit trail has not been provided by the third party to the Holding Company.

During the course of performing procedures and on the consideration of Independent Service Auditor's Report on the third party softwares used by the Holding Company and one subsidiary company, we and the respective auditor of such subsidiaries, did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Holding Company and such subsidiaries as per statutory requirements for records retention except that for the software provided by the third party for supplier finance arrangement used by the Holding Company the evidence for such preservation has not been provided by the third party to the Holding Company. Also, refer note 58 to the consolidated financial statements.

C. In our opinion and based on the reports of the statutory auditors of subsidiary companies incorporated in India, the remuneration paid/ provided during the year by the Holding Company and its subsidiary companies incorporated in India, to its directors is in accordance with the provisions of section 197 of the Act.

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580MBDCYC612

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Annexure A to Independent Auditor's Report of even date to the members of Somany Ceramics Limited on the Consolidated Financial Statements as of and for the year ended on 31 March, 2026 (refer to in paragraph 1 of our report on other legal and regulatory requirements)

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective subsidiary companies incorporated in India included in the consolidated financial statements, as provided to us by the management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in their reports of the said respective companies included in the consolidated financial statements.

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580MBDCYC612

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Annexure B to Independent Auditor's Report of even date to the members of Somany Ceramics Limited on the Consolidated Financial Statements as of and for the year ended on 31 March, 2026 (refer to in paragraph 2(A)(g) of our report on other legal and regulatory requirements)

We have audited the internal financial controls over financial reporting of Somany Ceramics Limited ('the Holding Company") and its subsidiary companies incorporated in India (the Holding Company and its subsidiaries together referred to as "the Group"), as of 31 March, 2026 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the respective 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. 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 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.

AUDITOR'S RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's 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 control over with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal; financial control 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 authorization 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 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 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.

Annexure B to Independent Auditor's Report (Contd.)

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 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 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 referred to in the" Other Matters" paragraph below, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to ten subsidiary companies incorporated in India, is based solely on the corresponding reports of the auditors of such subsidiary companies incorporated in India. Our opinion is not modified in respect of this matter.

For **Singhi & Co.**
Chartered Accountants
Firm Reg. No. 302049E

Shubham Dutta
Partner
Membership No. 500580
UDIN: 26500580MBDCYC612

Place: Noida (Delhi-NCR)
Date: May 15, 2026

Consolidated Balance Sheet as at 31 March, 2026

(All amounts in rupees Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March, 2026	As at 31 March, 2025
Assets			
Non-current Assets			
Property, Plant and Equipment	3 (i)	96,536.85	1,00,286.75
Capital work-in-progress	3 (ii)	1,889.27	1,627.57
Right of use Assets	3 (iii)	11,689.45	5,342.54
Other Intangible Assets	3 (iv)	165.43	111.25
Goodwill on Consolidation		725.53	603.45
Financial Assets			
(i) Investments	4	376.20	376.20
(ii) Loans	5	254.85	388.76
(iii) Other Financial Assets	6	2,097.14	1,696.10
Deferred Tax Assets (Net)	21	1,074.44	945.96
Other Non-Current Assets	7	885.04	739.36
		1,15,694.20	**1,12,117.94**
Current Assets			
Inventories	8	35,226.67	33,785.95
Financial Assets			
(i) Investments	9	1,224.80	1,264.78
(ii) Trade Receivables	10	30,075.56	36,882.10
(iii) Cash and Cash Equivalents	11	12,833.03	5,978.55
(iv) Bank Balances other than (iii) above	12	1,926.49	1,789.80
(v) Other Financial Assets	13	439.26	574.48
Current Tax Assets (net)	14	488.14	233.86
Other Current Assets	15	3,219.48	4,060.44
		85,433.43	**84,569.96**
Total Assets		**2,01,127.63**	**1,96,687.90**
Equity and Liabilities			
Equity			
Equity Share Capital	16	820.26	820.19
Other Equity	17	83,417.70	76,346.15
		84,237.96	**77,166.34**
Non-controlling Interest		7,751.49	7,257.95
Total Equity		**91,989.45**	**84,424.29**
Liabilities			
Non- current Liabilities			
Financial Liabilities			
(i) Borrowings	18	11,450.50	14,899.32
(ii) Lease Liabilities		11,046.27	4,807.87
(iii) Other Financial Liabilities	19	3,730.29	3,465.56
Provisions	20	895.55	1,245.59
Deferred Tax Liabilities (Net)	21	3,351.12	3,519.75
Other Non-Current Liabilities	22	920.05	915.98
		31,393.78	**28,854.07**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	13,675.43	15,295.35
(ii) Lease Liabilities		1,260.42	1,025.30
(iii) Trade Payables	24		
Outstanding dues of Micro Enterprises and Small Enterprises		12,622.89	6,771.44
Outstanding dues other than Micro Enterprises and Small Enterprises		20,757.76	26,654.71
(iv) Other Financial Liabilities	25	18,465.47	24,391.74
Other Current Liabilities	26	10,176.49	8,784.92
Provisions	27	688.81	422.79
Current Tax Liabilities (net)	28	97.13	63.29
		77,744.40	**83,409.54**
Total Equity and liabilities		**2,01,127.63**	**1,96,687.90**
Material Accounting Policies and Other Notes to Consolidated Financial Statements.	1 to 61		

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO - Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 773302

Anuj Kalia
Company Secretary
M. No. A 31850

Consolidated Statement of Profit and Loss for the year ended 31 March, 2026

(All amounts in rupees Lakhs, unless otherwise stated)

	Particulars	Note No.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
I.	**Income**			
	Revenue from Operations	29	2,78,983.85	2,65,876.76
	Other Income	30	1,132.31	901.58
	Total Income (I)		**2,80,116.16**	**2,66,778.34**
II.	**Expenses**			
	Cost of Materials Consumed	31	57,834.99	58,995.12
	Purchases of Stock-in-Trade		84,155.10	71,140.26
	Change in Inventories of Finished Goods and Work-in-progress & Stock-in-Trade	32	(383.81)	(2,095.79)
	Employee Benefits Expense	33	36,056.12	35,473.89
	Finance Costs	34	4,772.34	5,243.20
	Depreciation and Amortization Expenses	3	10,748.24	9,025.58
	Other Expenses	35	75,547.15	80,274.79
	Total Expenses (II)		**2,68,730.13**	**2,58,057.05**
III.	**Profit Before Exceptional Items and Tax (I-II)**		**11,386.03**	**8,721.29**
IV.	Exceptional Items - (Gain)/Loss	44	522.25	199.94
V.	**Profit before tax (III-IV)**		**10,863.78**	**8,521.35**
VI.	Tax Expense:			
	1) Current year	21	3,736.79	2,916.15
	2) Deferred Tax Charge/(Credit)	21	(206.67)	(101.38)
	3) For earlier years	21	(72.39)	(91.54)
VII.	**Profit for the year (V-VI)**		**7,406.05**	**5,798.12**
VIII.	**Other Comprehensive Income (OCI)**			
	(1) Items that will not be reclassified to profit & loss		111.14	(91.19)
	Income Tax relating to above	21	(26.36)	23.06
	(2) Items that will be reclassified to profit & loss		-	-
IX.	**Total Comprehensive Income for the year (VII+VIII)**		**7,490.83**	**5,729.99**
	Profit for the year attributable to:			
	Owners of the Company		8,119.12	6,006.76
	Non controlling interests		(713.07)	(208.63)
	Other Comprehensive Income attributable to:			
	Owners of the Company		82.83	(69.41)
	Non controlling interests		1.95	1.28
	Total Comprehensive Income attributable to:			
	Owners of the Company		8,201.95	5,937.35
	Non controlling interests		(711.12)	(207.35)
	Earnings Per Equity Share (Per Share Value of ₹ 2 each)	36		
	Basic (In ₹)		**19.80**	**14.65**
	Diluted (In ₹)		**19.76**	**14.65**
	Material Accounting Policies and Other Notes to Consolidated Financial Statements.	1 to 61		

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO - Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 773302

Anuj Kalia
Company Secretary
M. No. A 31850

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

(All amounts are in rupees Lakhs, unless otherwise stated)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
(a) Equity Share Capital & Reconciliation of number of shares outstanding at the beginning and end of the year :				
Balance at the beginning of the year*	4,10,09,605	820.19	4,10,03,620	820.07
Issued on exercise of employee share option	3,201	0.07	5,985	0.12
Balance at the end of the year	**4,10,12,806**	**820.26**	**4,10,09,605**	**820.19**

(b) Other Equity

Particulars	Owner's Other Equity								Non Controlling Interest	Total Other Equity
	Reserves and Surplus							Total		
	Share options outstanding account	Capital Reserve	Capital Redemption Reserve	Security Premium	General Reserve	Total Retained earnings				
						Retained earnings	OCI			
Balance at 31 March, 2025*	1,039.99	(4,377.32)	107.84	1,534.80	6,197.63	71,983.92	(140.71)	76,346.15	7,257.95	83,604.10
Profit /(Loss)for the year	-	-	-	-	-	8,119.05	-	8,119.05	(713.07)	7,405.98
Recognition of Share based payments	297.85	-	-	-	-	-	-	297.85	-	297.85
Share options Exercised/ Lapsed/ Forfeited	(62.86)	-	-	22.69	40.17	-	-	-	-	-
Acquisition of Non Controlling interest	-	-	-	-	-	(164.31)	-	(164.31)	164.31	-
Transaction cost related to acqisition of subsidiary (Net of taxes) (Refer Note 55)	-	-	-	(33.49)	-	-	-	(33.49)	(32.17)	(65.66)
Recognition on acquisition of a subsidiary (Refer Note 55)	-	-	-	-	-	-	-	-	872.52	872.52
Shares Issued by Subsidiaries to Non Controlling interest shareholders	-	-	-	-	-	-	-	-	200.00	200.00
Other comprehensive income for the year	-	-	-	-	-	-	82.83	82.83	1.95	84.78
Total Comprehensive Income for the year	**234.99**	**-**	**-**	**(10.80)**	**40.17**	**7,954.74**	**82.83**	**8,301.93**	**493.54**	**8,795.47**
Dividend Paid	-	-	-	-	-	1,230.38	-	1,230.38	-	1,230.38
Balance at 31 March, 2026	**1,274.98**	**(4,377.32)**	**107.84**	**1,524.00**	**6,237.80**	**78,708.28**	**(57.88)**	**83,417.70**	**7,751.49**	**91,169.19**
Balance at 31 March, 2024*	**687.43**	**(4,377.32)**	**107.84**	**1,478.36**	**6,161.60**	**67,198.90**	**(62.93)**	**71,193.88**	**11,282.21**	**82,476.09**
Profit/(Loss) for the year	-	-	-	-	-	6,006.76	-	6,006.76	(208.63)	5,798.13
Recognition of Share based payments	409.32	-	-	-	-	-	-	409.32	-	409.32
Share options Exercised/ Lapsed/ Forfeited	(56.76)			20.73	36.03	-	-	-	-	-
Shares Issued on exercise of employee share option	-	-	-	35.71	-	-	-	35.71	-	35.71
Transferred on divestment of Subsidiaries (Refer Note No.55)	-	-	-	-	-	8.37	(8.37)	-	-	-

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

(All amounts are in rupees Lakhs, unless otherwise stated)

Particulars	Owner's Other Equity								Non Controlling Interest	Total Other Equity
	Reserves and Surplus							Total		
	Share options outstanding account	Capital Reserve	Capital Redemption Reserve	Security Premium	General Reserve	Total Retained earnings				
						Retained earnings	OCI			
Derecognition on divestment in a subsidiaries (Refer Note No.55)	-	-	-	-	-	-	-	-	(4,076.91)	(4,076.91)
Shares Issued by Subsidiaries to Non Controlling interest shareholders	-	-	-	-	-	-	-	-	260.00	260.00
Other Comprehensive Income for the year	-	-	-	-	-	-	(69.41)	(69.41)	1.28	(68.13)
Total Comprehensive Income for the year	**352.56**	**-**	**-**	**56.44**	**36.03**	**6,015.13**	**(77.78)**	**6,382.38**	**(4,024.26)**	**2,358.12**
Dividend Paid	-	-	-	-	-	1,230.11	-	1,230.11	-	1,230.11
Balance at 31 March, 2025	**1,039.99**	**(4,377.32)**	**107.84**	**1,534.80**	**6,197.63**	**71,983.92**	**(140.71)**	**76,346.15**	**7,257.95**	**83,604.10**

*There are no changes in equity share capital and other equity due to prior period errors.

Share options outstanding account: This Reserve relates to stock options granted by the Company to employees under Somany Employee Stock Option Scheme(ESOP) 2021 and ESOP 2023. This Reserve is transferred to Securities Premium on exercise of vested options and to General reserve on lapse/ forfeit of vested options.

Capital Reserve : It comprises of difference between consideration and value of net assets, pursuant to the scheme of amalgamation in earlier years, amalgamation Reserve and others, which can be utilized in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: This Reserve has been created by an appropriation from one component of equity (Free reserves) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

General reserve: This Reserve has been created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO - Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 773302

Anuj Kalia
Company Secretary
M. No. A 31850

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

(All amounts are in rupees Lakhs, unless otherwise stated)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A.	**Cash Flow From Operating Activities**		
	Profit before Tax as per Statement of Profit & Loss	10,863.78	8,521.35
I.	Adjusted for:		
	Depreciation and Amortization Expenses	10,748.24	9,025.58
	Finance Costs	4,772.34	5,243.20
	Interest Income	(531.67)	(414.23)
	(Profit)/Loss on Sales of Investment (Net)	-	(7.49)
	Unrealized Foreign Exchange (Gain)/Loss (Net)	(41.27)	(0.11)
	Net movement on Fair Value of current Investments	23.97	65.52
	Provision for credit losses/ doubtful advances	93.15	150.76
	Bad Debts	0.42	4.13
	Loss on divestment in a subsidiaries*	-	199.94
	Provision for Employee stock option plan	297.85	409.32
	Sundry Balances Written Off	2.31	7.24
	Sundry Balances Written Back	(128.55)	(184.66)
	(Profit)/Loss on sale of Property, Plant and Equipment (net)	(195.06)	(123.41)
	Property, Plant and Equipment Discard /Written Off	82.86	78.20
	Operating Profit Before Working Capital Changes	**25,988.37**	**22,975.34**
II.	Adjusted For :		
	Trade and Other Receivables[$]	8,292.70	(5,187.64)
	Inventories	(1,240.88)	(3,426.41)
	Trade and Other Payables	(4,517.25)	1,989.53
	Cash Generated from Operation	**28,522.94**	**16,350.82**
	Income Taxes Refund/ (Paid)	(3,846.62)	(2,234.11)
	Net Cash Inflow/(Outflow) From Operating Activities (A)	**24,676.32**	**14,116.71**
B.	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment and Intangible Assets	(5,560.51)	(8,338.81)
	Aquisition of subsidiary and expenses thereon	(1,095.86)	-
	Sale of Property, Plant and Equipment	590.90	356.87
	Consideration received from divestment in a Subsidiary	-	1,039.20
	Purchase of Non-Current Investments	-	(375.71)
	Sale of Current Investments	73.00	76.34
	Interest Received	446.05	450.20
	Inter Corporate Deposits given	-	(525.00)
	Inter-Corporate Deposits Received Back	130.00	135.00
	Net Cash Inflow/(Outflow) From Investing Activities (B)	**(5,416.42)**	**(7,181.91)**

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

(All amounts are in rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
C. Cash Flow from Financing Activities		
Proceeds from Non Current Borrowings	726.58	537.36
Repayment of Non Current Borrowings	(4,313.03)	(4,374.41)
Proceeds/(Repayment) of Current Borrowings (net)	(3,651.63)	3,056.17
Proceeds from Short Term Loans	12,153.04	6,623.31
Repayment of Short Term Loans	(10,603.04)	(5,623.31)
Payment of Lease Liabilities	(1,025.60)	(867.74)
Proceeds from issue of equity shares by subsidiaries to Non Controlling Interest shareholders	200.00	260.00
Proceeds from issue of equity shares	0.07	35.84
Finance Costs Paid	(4,663.21)	(5,175.77)
Dividend Paid	(1,230.38)	(1,230.11)
Net Cash Inflow/(Outflow) From Financing Activities (C)	**(12,407.20)**	**(6,758.66)**
Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	**6,852.70**	**176.14**
Cash And Cash Equivalents		
At the beginning of the year	5,978.55	5,919.83
Add: Cash and Cash Equivalents acquired /(transferred on divestment in a subsidiaries)	1.78	(117.42)
	5,980.33	**5,802.41**
At the end of the year	**12,833.03**	**5,978.55**

Notes :

a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows".

b) Cash and Cash Equivalents represents cash and bank balances (Refer note no. 11).

c) Additional Disclosure required under Ind AS 7 (Refer note no. 51).

d) *includes Item disclossed under Exceptional items in Statement of Profit & Loss (Refer note no. 44).

e) $ includes Government grant received (Refer note no.45).

f) The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO - Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 773302

Anuj Kalia
Company Secretary
M. No. A 31850

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

1 REPORTING ENTITY

The Consolidated Financial Statements comprises financial statements of Somany Ceramics Ltd. ("the Company" or "Parent") and its subsidiaries (collectively, "the Group") for the year ended 31 March, 2026. The Company is a public company domiciled in India and having registered office at 2, Red Cross Place, Kolkata – 700001 India. Equity shares of the Company are listed in India on the BSE Ltd. and the National Stock Exchange Ltd.

The Group has manufacturing plants in Kassar (Haryana), Velampadu (Andhra Pradesh), Derabassi (Punjab), Kadi and Morbi (Gujarat) India. The Group is a manufacturer and trader of a complete decor solutions and its extensive range of products include Ceramic Wall and Floor Tiles, Polished Vitrified Tiles, Glazed Vitrified Tiles, Sanitaryware, Bath Fittings and allied products.

The Consolidated Financial Statements of the Company for the year ended 31 March, 2026 were approved for issue by board of directors on 15 May, 2026. However, the shareholders have the power to amend the Consolidated Financial Statements after the issue.

2 MATERIAL ACCOUNTING POLICIES

The Group has consistently applied accounting policies except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

2.1 Statement of compliance

The Consolidated Financial Statements of the Group comply with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

2.2 Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when only if the Group:

- has power over the investee;
- is exposed or has rights to variable return from its involvement with the investee, and
- has the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the Parent Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, expenses and other comprehensive income of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements to control listed below. Loss of Control is determined when the Group:

- has no power over the investee;
- is not exposed to, or not has rights, to variable returns from its involvement with the investee; and
- not has the ability to use its power to affect its returns.

When loss of control over subsidiary is established, the parent shall derecognises the assets (including goodwill), liabilities and non-controlling interests of the former subsidiary from the consolidated balance sheet at their carrying amounts at the date when control is lost. The parent shall recognise any resulting difference as a gain or loss in profit or loss attributable to the parent.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

List of entities considered in Consolidated Financial Statements are as disclosed in Note no. 59.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses, other comprehensive income and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra group transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra group transactions or undistributed earnings of Group's entity included in consolidated Profit & Loss, if any.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Consolidated Statement of Profit & Loss in the period in which they are incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquire is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss or other comprehensive income as appropriate. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

2.3 Basis of preparation and measurement

The Consolidated Financial Statements have been prepared under the historical cost convention on accrual basis except for the followings :

- Non-current borrowings are initially measured at amortized cost.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

- Current investments are measured at fair value at each reporting date.
- Defined benefit plans and other long-term employee benefits are measured at fair value net off fair valuation of plan assets at each reporting date.
- Share based payments are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- **Level 2** inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.4 Functional and presentation currency

These Consolidated Financial Statements are presented in Indian National Rupee ('INR'), which is the Group's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.5 Use of judgements and estimates

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the Consolidated Financial Statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most material effects on the amounts recognized in the Consolidated Financial Statements have been given below:

- Assessing the lease term (including anticipated renewals) and the applicable discount rate.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the Consolidated Financial Statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts;
- Useful life and residual value of Property, Plant and Equipment, Intangible assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Assessment of recoverability of receivables and advances which requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors;

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

- Assessment of reliability of inputs considered for fair valuation of financial assets and liabilities falls under hierarchy Level 3;
- Assessment of appropriate inputs to the Black Scholes model for valuation of Share based payments including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.6 Classification of Assets and Liabilities as Current and Non-Current

The Group presents assets and liabilities in the Consolidate balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash and Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An liability is treated as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

The Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.7 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 01 April, 2016 measured as per the previous Generally Accepted Accounting Principles (GAAP).The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready for intended use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed on qualifying assets less any impairment loss, if any.

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

Foreign exchange loss/gain arising on long-term foreign currency monetary items existing as on 01 April, 2016 used for depreciable assets, which are capitalised as per transitional provision of Ind AS 101 “First time adoption”.

Subsequent Measurement

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

Depreciation

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation.

Particulars	Useful Life
Plant and Machinery	5 - 25 Years
Vehicles	5 - 8 Years
Dies & Punches	8 Years
Polishing Lines	10 Years
Digital Printers	10 Years

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Individual assets costing below ₹ 5,000 are fully depreciated in the year of purchase.

Leasehold improvements are depreciated over the lease period or estimated useful life of assets in line with schedule II of the Companies Act, 2013, which ever is lower.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Individual assets costing below ₹ 5000 are fully depreciated in the year of purchase.

Capital work-in-progress

Capital work-in-progress comprises of assets in the course of construction for production or/and supply of goods or services or administrative purposes, are carried at cost, less any recognized impairment loss. ed at cost, less any recognized impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use and commissioning has been completed.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Consolidated Statement of Profit & Loss.

2.8 Intangible assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 01 April, 2016 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software and designs is considered as 5 years.

Amortization methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Consolidated Statement of Profit & Loss when the asset is derecognized.

2.9 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are Grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit & Loss.

2.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortized on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

All other borrowing costs are recognized in the Consolidated Statement of Profit & Loss in the period in which they are incurred.

2.11 Foreign currency transactions

Transactions in foreign currencies are recorded by the Group at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Consolidated Statement of Profit & Loss with the exception of the following:

- exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- In respect of long term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind as financial reporting period, the Group has elected to recognise exchange differences on translation of such long term foreign currency monetary items in line with its Previous GAAP accounting policy.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.12 Employee benefits

Short term employee benefits

Short term employee benefits are expensed in the year in which the related services are provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Employee benefits in the form of Provident Fund and Employees' pension Scheme are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available on government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI and such re-measurement gain / loss are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:"

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the Consolidated Statement of Profit & Loss in the line item employee benefits expense.

The retirement benefit obligation recognized in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is Ltd. to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

Other long-term employee benefits

The Group has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement/ termination of service. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Consolidated Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

Share Based Payments

The Group recognises compensation expense relating to share-based payment in statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payment".

The Group initially measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of the liability incurred which has been considered most appropriate model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note no. 47

2.13 Revenue Recognition

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment and delivery of the product. The Group considers shipping and handling activities as costs to fulfill the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue.

Revenue (other than sale of goods) is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Transaction price represents net value of goods and services provided to customers after deducting for certain incentives including, but not Ltd. to discounts, volume rebates, incentive programs etc.

For incentives offered to customers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice."

Interest income are recognized on an accrual basis using the effective interest method.

Dividends are recognized at the time the right to receive payment is established.

2.14 Inventories

Inventories are valued at lower of cost and net realisable value. Cost of manufactured finished goods and work in progress is determined by taking cost of material consumed, labour and related overheads. Finished goods, raw materials and packing materials, stock in trade and stores & spares are valued at weighted average cost method. Purchases cost of raw materials and packing materials, finished goods, stock in trade and stores & spares are net of input tax credits, rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Provision for cost of obsolescence and other anticipated losses, wherever considered necessary, are recognized in the books of account.

2.15 Provisions, Contingent Liabilities

Based on the best estimate, provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

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and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the Consolidated Financial Statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the Consolidated Financial Statements but disclosed, where an inflow of economic benefit is probable.

2.16 Measurement of fair value

a) Financial instruments

The estimated fair value of the Group's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b) Marketable and non-marketable equity securities

Fair value for quoted securities is based on quoted market prices as of the reporting date. Fair value for unquoted securities is calculated based on commonly accepted valuation techniques utilizing significant unobservable data. If fair value cannot be measured reliably unlisted shares are recognized at cost.

2.17 Financial instruments

A Financial Assets

i) Initial recognition and measurement

Financial assets (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii) Classifications and Subsequent measurement

The Group classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

a) Financial Assets at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the Consolidated Statement of Profit & Loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit & Loss.

b) Financial Assets at fair value through Other Comprehensive Income (FVOCI)

Financial Assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

c) Financial Assets at fair value through Profit & Loss (FVTPL)

Any Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified at FVTPL.

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(All amounts are in rupees Lakhs, unless otherwise stated)

In addition, the Group may elect to classify a financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit & Loss.

iii) Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value as FVOCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's Consolidated Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in Consolidated Statement of Profit & Loss.

v) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable and loans given, the Group applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables and loans given.

B Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of amortized cost, net of directly attributable transaction costs.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

ii) **Classifications and Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Consolidated Statement of Profit & Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Consolidated Statement of Profit & Loss.

b) **Financial liabilities at fair value through Profit & Loss**

Financial liabilities at FVTPL includes financial liabilities designated upon initial recognition as at fair value through Profit & Loss.

Gains or losses on liabilities held for trading are recognized in the Consolidated Statement of Profit & Loss.

Financial liabilities designated upon initial recognition at fair value through Profit & Loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to Consolidated Statement of Profit & Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Consolidated Statement of Profit & Loss.

iii) **Derecognition of financial liabilities**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

2.18 Income tax

Income tax expense comprises current and deferred tax. It is recognized in Consolidated Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Group:

a) Has a legally enforceable right to set off the recognized amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Consolidated Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognized if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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(All amounts are in rupees Lakhs, unless otherwise stated)

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Consolidated Statement of Profit & Loss and included in deferred tax assets. The Group reviews the same at each Consolidated Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

2.19 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. 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 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 leases is recognized 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 recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group'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."

Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, wherein, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value as that of right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term or useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Balance Sheet and details of assets are given ROU note under "Notes forming part of the Financial Statement".

The Group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.20 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.21 Government Grants

Government grants are recognized at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met. Grants such accrued are credited to the statement of profit and loss. Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received.

2.22 Standard issued but not yet effective

Ind AS 1- This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 01 April, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8. The Company does not expect this amendment to have an impact on its operations or financial statements."

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

3

(i) Property, Plant and Equipment (FY 2025-26)

Particulars	Gross Block					Depreciation					Net Block	
	As at 31 March, 2025	Addition on acquisition of subsidiary	Additions	Deletions / Adjustments	As at 31 March, 2026	As at 31 March, 2025	Addition on acquisition of subsidiary	For the year	Deletions/ Adjustments	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Tangible Assets												
Freehold land	3,724.33	1,085.61	-	(51.94)	4,861.88	-	-	-	-	-	3,724.33	4,861.88
Buildings	28,559.00	245.15	972.86	249.19	29,527.82	5,938.80	11.86	1,090.13	12.42	7,028.37	22,620.20	22,499.45
Plant and equipment	90,044.22	34.33	2,593.61	521.83	92,150.33	21,588.33	6.28	6,764.68	(3.55)	28,362.84	68,455.89	63,787.49
Office equipment	2,791.59	2.43	311.38	463.80	2,641.60	2,499.33	0.70	298.46	1,041.41	1,757.08	292.26	884.52
Furniture and fixtures	3,652.89	0.22	513.38	391.75	3,774.74	2,173.59	0.05	399.35	381.86	2,191.13	1,479.30	1,583.61
Vehicles	5,314.93	18.44	1,070.16	839.17	5,564.36	1,600.16	6.86	941.90	(95.54)	2,644.46	3,714.77	2,919.90
Total	**134,086.96**	**1,386.18**	**5,461.39**	**2,413.80**	**1,38,520.73**	**33,800.21**	**25.75**	**9,494.52**	**1,336.60**	**41,983.88**	**100,286.75**	**96,536.85**

During the year, the Group has reassessed the estimated life of certain assets, consequently additional depreciation of amounting ₹1,858.29 Lakhs has been charged to Statement of Profit or loss.

₹ 550.26 Lakhs (Previous year Nil) included under "Deletion/adjustments" comprised of subsidy received by the subsidary company as Government grant under Gujrat Industrial Policy 2020 Scheme.

(ii) Capital Work in Progress (FY 2025-26)

Capital work-in-progress as at Mar 31, 2026 is ₹ 1,889.27 Lakhs.

₹ 4,306.56 Lakhs is addition to Capital works in progress during the year ended Mar 31, 2026.

₹ 4,044.86 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended Mar 31, 2026.

For CWIP ageing, Refer note no. 43

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

3 (CONTD.)

(iii) Right of Use Assets (FY 2025-26)

Particulars	Gross Block					Amortization					Net Block	
	As at 31 March, 2025	Addition on acquisition of subsidiary	Additions	Deletions / Adjustments	As at 31 March, 2026	As at 31 March, 2025	Addition on acquisition of subsidiary	For the year	Deletions/ Adjustments	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Right of use Assets												
Leasehold lands	343.97	-	-	-	343.97	28.57	-	4.13	-	32.70	315.40	311.27
Buildings	7,857.98	-	1,453.88	705.45	8,606.41	2,830.84	-	1,217.84	502.64	3,546.04	5,027.14	5,060.37
Plant and equipment*	-	-	6,317.81	-	6,317.81	-	-	-	-	-	-	6,317.81
Total	**8,201.95**	**-**	**7,771.69**	**705.45**	**15,268.19**	**2,859.41**	**-**	**1,221.97**	**502.64**	**3,578.74**	**5,342.54**	**11,689.45**

Notes :

The Parent company has entered into lease agreements

(a) for usage of Offices, lands and other premises/warehouse facilities and ;

(b) usages of electricity generated from solar power.

*Under the terms of the Power Purchase Agreement (PPA), the Parent company holds the exclusive right to use of specifically identified solar panels and obtains substantially all economic benefits from the electricity generated by these assets.

(iv) Other Intangible Assets (FY 2025-26)

Particulars	Gross Block					Amortization					Net Block	
	As at 31 March, 2025	Addition on acquisition of subsidiary	Additions	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	Addition on acquisition of subsidiary	For the year	Deletions/ Adjustment	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026
Intangible Assets												
Computer Softwares and Designs	1,108.21	0.84	85.37	0.04	1,194.38	996.96	0.26	31.76	0.03	1,028.95	111.25	165.43
Total	**1,108.21**	**0.84**	**85.37**	**0.04**	**1,194.38**	**996.96**	**0.26**	**31.76**	**0.03**	**1,028.95**	**111.25**	**165.43**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

3 (CONTD.)

(i) Property, Plant and Equipment (FY 2024-25)

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Tangible Assets										
Freehold land	4,080.38	-	356.05	3,724.33	-	-	-	-	4,080.38	3,724.33
Building	27,724.59	1,555.23	720.82	28,559.00	5,159.92	967.15	188.27	5,938.80	22,564.67	22,620.20
Plant and equipment	94,020.81	4,117.10	8,093.69	90,044.22	18,418.83	5,500.86	2,331.36	21,588.33	75,601.98	68,455.89
Office equipment	3,854.24	454.83	1,517.48	2,791.59	1,715.99	894.83	111.49	2,499.33	2,138.25	292.26
Furniture and fixtures	3,612.58	407.10	366.79	3,652.89	2,134.92	351.31	312.64	2,173.59	1,477.66	1,479.30
Vehicles	3,444.74	1,260.81	(609.38)	5,314.93	1,803.28	308.25	511.37	1,600.16	1,641.46	3,714.77
Total	**136,737.34**	**7,795.07**	**10,445.45**	**134,086.96**	**29,232.94**	**8,022.40**	**3,455.13**	**33,800.21**	**107,504.40**	**100,286.75**

(ii) Capital Work in Progress (FY 2024-25)

Capital work-in-progress as at 31 March, 2025 is ₹ 1,627.57 Lakhs.

₹ 6,286.74 Lakhs is addition to Capital works in progress during the year ended 31 March, 2025.

₹ 5,618.75 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31 March, 2025.

For CWIP ageing, Refer note no. 43

(iii) Right of Use Assets (FY 2024-25)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Right of use Assets										
Leasehold lands	343.97	-	-	343.97	24.48	4.09	-	28.57	319.49	315.40
Buildings	7,200.09	2,561.76	1,903.87	7,857.98	3,683.93	981.05	1,834.14	2,830.84	3,516.16	5,027.14
Total	**7,544.06**	**2,561.76**	**1,903.87**	**8,201.95**	**3,708.41**	**985.14**	**1,834.14**	**2,859.41**	**3,835.65**	**5,342.54**

(iv) Other Intangible Assets (FY 2024-25)

Particulars	Gross Block				Amortization				Net Block	
	As at 31 March, 2024	Additions	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	For the year	Deletions/ Adjustment	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025
Intangible Assets										
Computer Softwares and Designs	1,110.96	109.56	112.31	1,108.21	1,091.23	18.03	112.30	996.96	19.73	111.25
Total	**1,110.96**	**109.56**	**112.31**	**1,108.21**	**1,091.23**	**18.03**	**112.30**	**996.96**	**19.73**	**111.25**

Note:

1. Assets pledged and Hypothecated against borrowings: Please Refer note no. 18 & 23.
2. Title deeds of all the immovable property held by the Group are in the name of the Group as at 31 March, 2026 and 31 March, 2025.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

4 NON-CURRENT INVESTMENTS

Particulars		As At 31 March, 2026	As At 31 March, 2025
Investment in Equity Instruments (unquoted, fully paid up)			
I	**Others (measured at FVTPL)**		
	36,340 Equity Shares (Previous year - 36,340) of ₹10/- each of Clean Max Ananta Pvt. Ltd. (Refer note c. below)	376.20	376.20
		376.20	**376.20**
a.	**Aggregate amount of investments are given below:**		
	Aggregate cost of Unquoted investments	376.20	**376.20**

b. Above investment is not listed on any stock exchange in India or outside India and these investments are carried at cost. There is no accumulated impairment as at current and previous year end.

c. The Company has made investment in 49% equity shares of Clean Max Ananta Pvt. Ltd("CMAPL") on 7 March, 2024 and became associate of the Company. Subsequently, the Company has made further investment and has entered into the various agreements with the other shareholder of CMAPL which restrict the Company to participate in the financial and operating policy decisions of the CMAPL. Therefore, the CMAPL cease to be an associate under IND AS, however, CMAPL continue as associate under the Companies Act, 2013.

5 LOANS

Particulars	As At 31 March, 2026	As At 31 March, 2025
(Unsecured, Considered Good Unless Stated Otherwise)		
Inter Corporate Deposits (ICD)		
- With Others	260.00	390.00
Less : Allowance for Losses	5.15	1.24
	254.85	**388.76**

6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
(Unsecured, Considered Good Unless Stated Otherwise)		
Bank Deposit (Pledged with Government Departments)	0.25	0.25
Bank Deposits held as Margin Money	388.27	378.03
Government grant receivable (Refer note 45)	336.09	
Security Deposits with others	1,372.53	1,317.82
	2,097.14	**1,696.10**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

7 OTHER NON-CURRENT ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Capital Advances*	549.66	419.02
Prepaid Expenses	11.04	21.52
Deposits with Government Departments (Including under-Protest)	324.34	298.82
	885.04	**739.36**

*Capital Advances includes ₹ 326.50 Lakhs (Previous Year - ₹ 326.50 Lakhs), represents payment made to a party for purchase of parcel of land in Rajasthan who had offered different parcels of land to the subsidiary Company. The management is in the process of assessing/ scrutinising the location, title deeds, etc considering its plan for setting up manufacturing unit and had also asked the party for alternative parcels of land. Management is confident of completing the process of acquisition in near future, hence considered the same good.

8 INVENTORIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
(Valued at Lower of Cost and Net Realisable Value)		
Raw Materials & Packing Materials	6,202.16	5,511.19
Work -in-Progress	2,501.82	2,828.36
Finished Goods	16,268.69	18,042.07
Stock in Trade	6,901.52	4,384.00
Stores and Spares	3,352.48	3,020.33
	35,226.67	**33,785.95**

a. Inventories are hypothecated to secured borrowings. Refer note no. 18 & 23.

b. Stock in trade is net off write down provisions for slow moving inventories amounting to ₹ 310.52 Lakhs (previous year 348.94 Lakhs).

c. Raw Materials, Packing Materials and Stores & spares is net off write down provisions for slowing moving inventories amounting to ₹ 421.53 Lakhs (previous year 114.05 Lakhs).

d. Finished Goods is net off write down provisions for slow moving inventories amounting to ₹ 112.70 Lakhs (previous year Nil).

e. Goods in transit of ₹ 2,663.17 Lakhs (Previous year ₹ 160.41 Lakhs) and ₹ Nil (Previous year 155.54 Lakhs) is included in Finished Goods and Raw material respectively.

9 CURRENT INVESTMENTS

Particulars		As At 31 March, 2026	As At 31 March, 2025
A	**Investments in Non Convertible Debentures (Quoted) (valued at fair value through profit & loss - fully paid up)**		
a)	400 Units (Previous Year - 400 Units) 9.70% U P Power Corporation Ltd Bonds (NCD)	220.00	260.00
b)	103 Units (Previous Year - 103 Units) 9.00% Shriram Transport Finance Co. Ltd. (NCD)	1,004.25	1,004.25
B)	**Investments in Equity Instruments (Quoted) (valued at fair value through Profit & Loss - fully Paid up)**		
	550 Equity Shares (Previous Year - 550) of ₹ 2/- each of Punjab National Bank Ltd.	0.55	0.53
		1,224.80	**1,264.78**
	Aggregate cost of Quoted Investment	1,236.67	1,278.61
	Aggregate Market Value of Quoted Investments	1,224.80	1,264.78

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

10 TRADE RECEIVABLES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured*		
Considered Good	1,024.48	1,196.84
Unsecured		
Considered Good	29,135.53	35,604.12
Have Significant increase in Credit Risk	467.65	260.14
Considered Doubtful - Credit Impaired	2,098.30	2,139.96
	32,725.96	**39,201.06**
Less: Allowances for losses	2,650.40	2,318.96
	30,075.56	**36,882.10**

*Secured trade receivables are secured against security deposit received from customers.

a. Trade Receivables are hypothecated to secured borrowings. Refer note no. 18 & 23.

b. Refer note no. 49 (A) - Trade Receivables ageing.

11 CASH AND CASH EQUIVALENTS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Balance with Banks		
- In Current Accounts	1,277.11	2,947.71
Cash on Hand	12.09	22.70
Bank Deposits with original maturity of 3 months or less	11,543.83	3,008.14
	12,833.03	**5,978.55**

12 OTHER BANK BALANCES

Particulars	As At 31 March, 2026		As At 31 March, 2025	
Bank Deposit (Pledged with Government Departments)	0.25		0.25	
Less:- Maturity more than 12 months Shown Under "Other Non Current Financial Assets"	0.25	-	0.25	-
Bank Deposit held as Margin Money	1,751.37		1,677.26	
Less:- Maturity more than 12 months Shown Under "Other Non Current Financial Assets"	388.27	1,363.10	378.03	1,299.23
Fixed Deposits with Banks		538.05		462.46
Earmarked Balances with Banks				
Unclaimed Dividend Accounts		25.34		28.11
		1,926.49		**1,789.80**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

13 OTHER CURRENT FINANCIAL ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Accrued Interest	147.55	61.93
Deposit with others	4.20	5.84
Insurance claims receivable	108.87	271.65
Other Receivables#	178.64	235.06
	439.26	**574.48**

#Refer Note No.57.

14 CURRENT TAX ASSETS (NET)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Advance Income Tax / Tax Deducted at Source [Net of Income Tax Provision of ₹ 12,781.95 Lakhs, (Previous year ₹ 9,460.03 Lakhs)]	488.14	233.86
	488.14	**233.86**

15 OTHER CURRENT ASSETS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Prepaid Expenses	451.46	658.80
Export Incentives Receivable	33.76	69.54
Properties held in Trust (Refer note no. 56)	239.81	363.77
Vendor Advances*	1,346.10	1,387.82
Other Receivables*$	987.38	1,194.42
Indirect Tax Recoverable/adjustable	302.92	526.05
	3,361.43	**4,200.40**
*Less: Provision for Doubtful	141.95	139.96
	3,219.48	**4,060.44**

$ Includes receivable towards sale of Investment in a Subsidiary Company, advance to staff and workers against salary and expenses etc.

16 EQUITY SHARE CAPITAL

Particulars	As At 31 March, 2026	As At 31 March, 2025
Authorized		
Equity Shares 16,15,00,000 (Previous Year - 16,15,00,000) of ₹ 2/-each	3,230.00	3,230.00
Issued, Subscribed and Paid up		
Equity Shares 4,10,12,806 (Previous Year - 4,10,09,605) of ₹ 2/- each fully paid up	820.26	820.19
	820.26	**820.19**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

16 EQUITY SHARE CAPITAL (CONTD.)

a. Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held and carry a 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.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of Shares Issued	Amount Issued
Outstanding as on 01 April, 2024	41,003,620	820.07
Equity Shares issued/(bought back) during the year	5,985	0.12
Outstanding as on 31 March, 2025	41,009,605	820.19
Equity Shares issued/(bought back) during the year*	3,201	0.07
Outstanding as on 31 March, 2026	**41,012,806**	**820.26**

*Refer note no. 46.

c. Shareholdings of Promoters at the end of 31 March, 2026

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	9,772,190	23.83%	-
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	4,205,385	10.25%	-
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	4,205,385	10.25%	-
iv)	Abhishek Somany (HUF)	1,855,633	4.52%	-
v)	Ms. Anjana Somany	1,051,346	2.56%	-
vi)	Ms. Minal Somany	669,030	1.63%	-
vii)	Ms. Aanvi Somany	290,837	0.71%	-
viii)	Ms. Anushree Chopra	195,255	0.48%	-
ix)	Mr. Shrivatsa Somany	142,662	0.35%	23.10%
x)	Mr. Shreekant Somany	141,625	0.35%	22.21%
xi)	Mr. Ameya Somany	63,014	0.15%	-
xii)	Mr. Abhishek Somany	45,442	0.11%	139.90%

Shareholdings of Promotors at the end of 31 March, 2025

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	9,772,190	23.83%	-
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	4,205,385	10.25%	-
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	4,205,385	10.25%	-
iv)	Abhishek Somany (HUF)	1,855,633	4.52%	-

Notes to Consolidated Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

16 EQUITY SHARE CAPITAL (CONTD.)

S. No.	Promoter Name	Numbers of Shares	% of total Shares	% Change during the year
v)	Ms. Anjana Somany	1,051,346	2.56%	-
vi)	Ms. Minal Somany	669,030	1.63%	-
vii)	Ms. Aanvi Somany	290,837	0.71%	-
viii)	Ms. Anushree Chopra	195,255	0.48%	-
ix)	Mr. Shrivatsa Somany	115,887	0.28%	-
x)	Mr. Shreekant Somany	115,887	0.28%	-
xi)	Mr. Ameya Somany	63,014	0.15%	-
xii)	Mr. Abhishek Somany	18,942	0.05%	-

d. List of shareholders holding more than 5% of the Equity Share

Particulars		As At 31 March, 2026	As At 31 March, 2025
i)	Mr. Abhishek Somany - in capacity of Trustee of Shakthi Family Trust	9,772,190	9,772,190
ii)	Mr. Shrivatsa Somany - in capacity of Trustee of Sanrakshith Family Trust	4,205,385	4,205,385
iii)	Mr. Shreekant Somany - in capacity of Trustee of Srijan Family Trust	4,205,385	4,205,385
iv)	Franklin Build India Fund	#	2,145,441
v)	Kotak Small CAP Fund	2,828,824	2,828,824
		21,011,784	**23,157,225**

Holding as on 31 March, 2026 was not more than 5%.

e. Equity shares movement during five years preceding 31 March, 2026

(i) Aggregate number of shares issued for consideration other than cash

Particulars	As At 31 March, 2026	As At 31 March, 2025
Equity shares issued pursuant to Scheme of Amalgamation (in FY 2021-22)	94,782	94,782

(ii) Equity shares extinguished on buy-back

The shareholders of the Company vide postal ballot notice dated 26 October, 2023 approved the proposal of buyback 14,70,588 fully paid-up Equity Shares of the Company on a proportionate basis, through the tender offer route, at a price of ₹ 850/- per Equity Share payable in cash for an aggregate amount not exceeding ₹ 12,500 Lakhs (excluding transaction cost and taxes) on 02 December, 2023. The Company bought back 14,70,588 fully paid-up Equity Shares and settled all valid bids and extinguished equity shares bought back year ended 31 March, 2024.

f. Share reserved for issue under options

Information relating to Somany Ceramics Employee Stock Option Plan 2021 (ESOP 2021) and Somany Ceramics Employee Stock Option Plan 2023 (ESOP 2023), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 46.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

17 OTHER EQUITY

Particulars	As At 31 March, 2026	As At 31 March, 2025
Share options outstanding account		
Balance at the beginning of the year	1,039.99	687.43
Employee stock option expenses	297.85	409.32
Transferred to General Reserve (Share options - lapsed/ forfeited)	(40.17)	(36.03)
Transferred to Security Premium (Exercise of share options)	(22.69)	(20.73)
Closing balance	**1,274.98**	**1,039.99**
Capital Reserve		
Balance at the beginning of the year	(4,377.32)	(4,377.32)
Addition/ (Transfer) during the year	-	-
Closing balance	**(4,377.32)**	**(4,377.32)**
Capital Redemption Reserve		
Balance at the beginning of the year	107.84	107.84
Addition/ (Transfer) during the year	-	-
Closing balance	**107.84**	**107.84**
Security Premium		
Balance at the beginning of the year	1,534.80	1,478.36
"Transaction cost related to acqisition of subsidiary (net of taxes) [Refer Note 55(a)]"	(33.49)	-
Exercise of Share options (including transfer from Share options Outstanding account)	22.69	56.44
Closing balance	**1,524.00**	**1,534.80**
General Reserve		
Balance at the beginning of the year	6,197.63	6,161.60
Transferred From General Reserve	40.17	36.03
Closing balance	**6,237.80**	**6,197.63**
Retained earnings		
Balance at the beginning of the year	71,983.92	67,198.90
Profit /(loss)for the year	8,119.05	6,006.76
Transferred on divestment of Subsidiary (Refer Note No.55)	-	8.37
Acquisition of Non Controlling Interest	(164.31)	-
Amount available for appropriation	**79,938.66**	**73,214.03**
Less : Appropriation:		
Less: Dividend Distributed	1,230.38	1,230.11
Closing Balance	**78,708.28**	**71,983.92**
Remeasurement of defined benefit plans		
Balance at the beginning of the year	(140.71)	(62.93)
Other comprehensive income for the year	82.83	(69.41)
Transferred to Retained earning on divestment of Subsidiary (Refer Note No.55)	-	(8.37)
Closing Balance	**(57.88)**	**(140.71)**
Total Retained Earnings	**78,650.40**	**71,843.21**
Total Other Equity	**83,417.70**	**76,346.15**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

18 BORROWINGS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured		
Rupee Term Loan		
- from Banks	11,288.44	14,906.62
Car Loan		
- from Banks	1,441.19	1,379.64
Unsecured		
Rupee Term Loan		
- from Others	1,438.63	1,318.51
1,38,00,000 11% Cumulative Redeemable Preference shares of ₹ 10/- each (CRPS)	1,380.00	1,380.00
	15,548.26	**18,984.77**
Less: Current Maturities of Non Current Borrowings		
Rupee Term loan		
- from Banks	3,636.88	3,631.05
Car Loan		
- from Banks	460.88	454.40
	4,097.76	**4,085.45**
	11,450.50	**14,899.32**

Notes

a Rupee loan of ₹ 283.57 Lakhs (Previous Year : ₹ 380.28 Lakhs) from banks is secured by first pari passu charge on all fixed assets (both present and future) including equitable mortgage of land and building and entire current assets (both present and future) and personal guarantee of certain promoters. Repayment of aforsaid loan is ₹ 106.30 Lakhs, ₹ 114.83 Lakhs and ₹ 62.44 Lakhs in FY 2026-27, FY 2027-28 and FY 2028-29 respectively

b Rupee term loan of ₹ 999.09 Lakhs (Previous Year : ₹ 1,998.18 Lakhs) from ICICI Bank is secured by Pari Passu First charge over the entire movable and immovable fixed assets of the Borrower including movable and immovable fixed assets situated at about 54.0 acres at Srikalahasthi Mandal, Chithoor District, Andhra Pradesh, both present & future ranking pari passu with other lenders and other facilities of ICICI bank. Pari Passu First charge over the entire current assets of the Borrower, both present and future, ranking pari passu with other lenders and other facilities of the bank. Repayment of aforesaid loan is ₹ 999.09 Lakhs in FY2026-27.#

c Rupee term loan of ₹ 175.00 Lakhs (Previous Year : ₹ 350.00 Lakhs) from ICICI Bank is secured by Pari passu first charge over the entire movable and immovable fixed assets of the Borrower including movable & immovable fixed assets situated at about 54.0 acres at Srikalahsthi Mandal, Chithoor District, Andhra Pradesh, both present & future, ranking pari passu with other lenders and other facilities of ICICI bank. Pari Passu First charge over the entire current assets of the Borrower, both present and future, ranking pari passu with other lender sand other facilities of the bank. Repayment of aforesaid loan is ₹ 175.00 Lakhs in FY2026-27.#

d Rupee term loan of ₹ 1,500.00 Lakhs (Previous Year : ₹ 1,906.25 Lakhs) from ICICI Bank is secured by Pari Passu First Charge over the entire movable and immovable fixed assets of the Borrower including movable & immovable fixed assets situated at about 54.0 acres of land at Srikalahsthi Mandal, Chithoor District, Andhra Pradesh, both present & future, ranking pari passu with other lenders and other facilities of ICICI bank. Pari Passu First charge over the entire current assets of the Borrower, both present and future, ranking pari passu with other lenders and other facilities of the bank. Repayment of aforesaid loan is ₹ 500 Lakhs, ₹ 531.25 Lakhs and ₹ 468.75 Lakhs in FY2026-27, FY2027-28 and FY2028-29 respectively.#

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

18 BORROWINGS (CONTD.)

e Rupee term loan of ₹ 362.40 Lakhs (Previous Year : ₹ 494.25 Lakhs) from ICICI Bank is secured by Parri Passu First Charge over the entire movable and immovable fixed assets of the Borrower including movable & immovable fixed assets situated at about 54.0 acres of land at Srikalahsthi Mandal, Chithoor District, Andhra Pradesh, both present & future, ranking pari passu with other lenders and other facilities of ICICI bank.Pari Passu First charge over the entire current assets of the Borrower, both present and future, ranking pari passu with other lenders and other facilities of the bank. Repayment of aforesaid loan is ₹ 131.86 Lakhs, ₹ 131.85 Lakhs and ₹ 98.68 Lakhs in FY2026-27, FY2027-28 and FY2028-29 respectively.[#]

f Rupee term loan of ₹ 1,351.75 Lakhs (Previous Year: ₹ 1,813.79 Lakhs) from Axis Bank is secured by Pari Passu First charge over the entire movable and immovable fixed assets of the Borrower including movable & immovable fixed assets situated at about 54.0 acres of land at Srikalahasthi Mandal, Chithoor District, Andhra Pradesh, both present & future, ranking first pari passu with AXIS Bank and other facilities of ICICI Bank. Parri Passu First charge over the entire current assets of the Borrower, both present & future, ranking first pari passu with AXIS Bank and other facilities of ICICI Bank. Repayment of aforesaid loan is ₹ 462.04, ₹ 563.42 Lakhs and ₹ 326.29 Lakhs in, FY2026-27, FY2027-28 and FY2028-29 respectively.[#]

g Rupee term loan of ₹ 431.82 Lakhs (Previous Year : ₹ 500.00 Lakhs) from ICICI Bank is secured by Parri Passu First Charge over the entire movable and immovable fixed assets of the Borrower including movable & immovable fixed assets situated at about 54.0 acres of land at Srikalahsthi Mandal, Chithoor District, Andhra Pradesh, both present & future, ranking pari passu with other lenders and other facilities of ICICI bank.Pari Passu First charge over the entire current assets of the Borrower, both present and future, ranking pari passu with other lenders and other facilities of the bank. Repayment of aforesaid loan is ₹ 90.91 Lakhs, ₹ 90.91 Lakhs, ₹ 90.91 Lakhs, ₹ 90.91 Lakhs, ₹ 68.18 Lakhs in FY2026-27, FY2027-28, FY2028-29, FY2029-30 and FY 2030-31 respectively.[#]

h Term loan of ₹ 7.58 Lakhs (Previous Year : Nil) also includes Machinery loan of ₹ 7.58 Lakhs (31 March, 2025 ₹ Nil Lakhs) from Axis Bank and same is secured by hypothecation of asset financed by the bank . Repayment of aforesaid loan is ₹ 3.28 Lakhs, ₹ 3.66 Lakhs and ₹ 0.64 Lakhs in FY26-27, FY27-28 and FY28-29 respectively.[#]

Finance cost pertaining to loans mentioned in note no. b to h above has been measured under amortized cost using Effective Interest Rate (EIR) Method and consequently the loan amount has been reduced by ₹ 4.69 Lakhs (Previous Year : ₹ 6.57 Lakhs).

i Term loan of ₹ Nil(Previous Year: ₹ 300.00 Lakhs) from Bank of India is secured by hypothecation of all existing and proposed plant & machineries and other assets, equitable mortgage of factory land and building, personal guarantee from certain directors & their relatives. It is further secured by equitable mortgage of Open Industrial land Located at village : Bhadiyad.

j Term loan of ₹ 15.04 Lakhs (Previous Year: ₹ 45.04 Lakhs) from Bank of India are secured by hypothecation of all existing and proposed plant & machineries and other assets, equitable mortgage of factory land and building, personal guarantee from certain directors & their relatives. It is further secured by equitable mortgage of Open Industrial land Located at village : Bhadiyad . Repayment of aforesaid loan is ₹15.04 Lakhs in FY 2026-27.

k Term Loan of ₹ 127.62 Lakhs (Previous Year: ₹ 196.37 Lakhs) from Bank of India are secured by hypothecation of all existing and proposed plant & machineries and other assets, equitable mortgage of factory land and building,personal guarantee from certain directors & their relatives. It is further secured by equitable mortgage of Open Industrial land Located at village : Bhadiyad. Repayment of aforesaid loan is ₹ 75 Lakhs and ₹ 52.62 Lakhs in FY 2026-27 and FY 2027-28 respectively .

l Term Loan of ₹ Nil(Previous Year: ₹ 90.91 Lakhs) from Bank of India are secured by hypothecation of all existing and proposed plant & machineries and other assets, equitable mortgage of factory land and building,personal guarantee from certain directors & their relatives. It is further secured by equitable mortgage of Open Industrial land Located at village : Bhadiyad .

m Rupee loan of ₹ 5,220.00 Lakhs (Previous Year : ₹ 5,790.00 Lakhs) from a Bank is secured by first pari passu charge by way of hypothecation of all movable and immovable fixed assets including current assets, both present and future, of the Company at Morbi excluding assets those exclusively charged to other Banks. Repayment of aforesaid loan is ₹ 840 Lakhs, ₹ 1,320 Lakhs, ₹ 1,500 Lakhs and ₹ 1,560 Lakhs in FY 2026-27, FY 2027-28, FY 2028-29 and FY 2029-30 respectively.[$]

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

18 BORROWINGS (CONTD.)

n Rupee loan of ₹ 840.00 Lakhs (Previous Year : ₹ 1,080.00 Lakhs) from a Bank is secured by first pari passu charge by way of hypothecation of all movable and immovable fixed assets including current assets, both present and future, of the Company at Morbi excluding assets those exclusively charged to other Banks. Repayment of aforesaid loan is ₹ 240 Lakhs, ₹ 240 Lakhs, ₹ 240 Lakhs and ₹ 120 Lakhs in FY 2026-27, FY 2027-28, FY 2028-29 and FY 2029-30 respectively.$

Finance cost pertaining to the loans mentioned in note no. m & n above has been measured under amortized cost using Effective Interest Rate (EIR) Method and consequently the loan amount has been reduced by ₹ 20.74 Lakhs (Previous Year : ₹ 31.87 Lakhs).

o 11% Cumulative Redeemable Preference Shares of ₹ 700.00 Lakhs (Previous Year : ₹ 700.00 Lakhs) issued on 06 June, 2023 redeemable in 20 years from the date of issue or earlier, it can be redeemed in tranches in part or in full.

p 11% Cumulative Redeemable Preference Shares of ₹ 680.00 Lakhs (Previous Year : ₹ 680.00 Lakhs) issued on 26 March, 2025 redeemable in 20 years from the date of issue or earlier, it can be redeemed in tranches in part or in full.

q Other unsecured loans of ₹ 1,438.63 Lakhs (Previous Year : ₹ 1,318.51 Lakhs) Other unsecured loans repayable in one or more tranches over the period of 10 years.

r Car loan from Banks are secured by hypothecation of cars purchased there under and are repayable in monthly instalments over the period of loan having maturity upto 5 years.

s As per the bank loan sanction requirements unsecured loan has been brought in by the directors and/or Promoters of the Company. These amounts will be repaid once the loan is fully repaid or as may be mutually agreed between the Company and the bank.

t Rate of interests are variable and linked with Some Benchmark rate such as Repo, EBLR, MCLR etc. ranging between 7.40% to 9.85% and few car loans which are at fixed interest rate ranging between 9.00% to 10.25%.

#The lenders have also taken shortfall undertaking from the Parent company. and ER Ceramics Pvt. Ltd. in the event of default by the Sudha Somany Pvt Ltd to infuse equity/unsecured loan during the tenor of the facility. The Lenders have also taken additional comfort from Sudha Agro Oil and Chemical Industries Ltd. to cover any shortfall from ER Ceramics Ltd. in infusion of equity/unsecured loan during the tenor of the facility as mentioned above.

$The lenders have also taken shortfall undertaking from the Parent company and certain promoters of Somany Max Pvt. Ltd.("SMPL") in the event of default by SMPL to infuse equity/unsecured loan during the tenor of the facility.

19 OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Trade Deposits	3,710.79	3,446.06
Security Deposits	19.50	19.50
	3,730.29	**3,465.56**

20 PROVISIONS (NON CURRENT)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Gratuity (Refer note no. 40)	122.95	100.16
Compensated absences	772.60	1,145.43
	895.55	**1,245.59**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 DEFERRED TAX

A. Deferred tax Assets

Particulars	As At 31 March, 2026	As At 31 March, 2025
Deferred tax Assets	3,732.78	3,982.80
Less: Deferred tax Liabilities	2,658.34	3,036.84
	1,074.44	**945.96**

Movement in deferred tax balances

Particulars	As at 31 March, 2025	Addition on Acquisition of Subsidiary	Recognised in P&L		Recognized in OCI	As at 31 March, 2026
			Others	At current tax rate		
Deferred Tax Assets						
Accrued expenses	15.70	145.40	(5.15)	(0.23)	(0.70)	155.02
MAT Credit Entitlement	190.41	-	-	(185.62)	-	4.79
Carry forward business losses including unabsorbed depreciation	3,802.48	18.86	-	174.13	-	3,995.47
Others	(25.79)	-	(532.76)	113.96	-	(444.59)
Sub- Total (a)	**3,982.80**	**164.26**	**(537.91)**	**102.24**	**(0.70)**	**3,710.69**
Deferred Tax Liabilities						
Property, plant and equipment & Intangible assets	3,036.84	10.19	(512.50)	123.81	-	2,658.34
Sub- Total (b)	**3,036.84**	**10.19**	**(512.50)**	**123.81**	**-**	**2,658.34**
Impact of Deferred tax expenses on share issue expenses directly recognized through Other equity **(c)**	-	22.09	-	-	-	22.09
Net Deferred Tax Assets (a)-(b)+(c)	**945.96**	**154.07**	**(25.41)**	**(21.57)**	**(0.70)**	**1,074.44**

Particulars	As at 31 March, 2024	Addition on Acquisition of Subsidiary	Recognised in P&L		Recognized in OCI	As at 31 March, 2025
			Others	At current tax rate		
Deferred Tax Assets						
Accrued expenses	9.65	-	-	6.63	(0.58)	15.70
MAT Credit Entitlement	108.58	-	-	81.83	-	190.41
Carry forward business losses including unabsorbed depreciation	3,631.64	-	-	170.84	-	3,802.48
Others	(304.19)	-	-	278.40	-	(25.79)
Sub- Total (a)	**3,445.68**	**-**	**-**	**537.70**	**(0.58)**	**3,982.80**
Deferred Tax Liabilities						
Property, plant and equipment & Intangible assets	2,638.70	-	-	398.14	-	3,036.84
Sub- Total (b)	**2,638.70**	**-**	**-**	**398.14**	**-**	**3,036.84**
Net Deferred Tax Assets (a)-(b)	**806.98**	**-**	**-**	**139.56**	**(0.58)**	**945.96**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 DEFERRED TAX (CONTD.)

B. Deferred tax Liabilities

Particulars	As At 31 March, 2026	As At 31 March, 2025
Deferred tax Liabilities	8,940.91	6,804.33
Less: Deferred tax assets	5,589.79	3,284.58
	3,351.12	**3,519.75**

Particulars	As at 31 March, 2025	Addition on Acquisition of Subsidiary	Recognised in P&L		Recognized in OCI	As at 31 March, 2026
			Others	At current tax rate		
Deferred Tax Assets						
Accrued expenses	1,416.42	-	5.15	111.49	(2.74)	1,530.32
MAT Credit Entitlement	297.50	-	-	-	-	297.50
Lease Liabilities	1,468.09	-	-	1,629.25	-	3,097.34
Carry forward business losses including unabsorbed depreciation	102.08	-	-	130.20	-	232.28
Others	0.49	-	532.76	(100.90)	-	432.35
Sub- Total (a)	**3,284.58**	**-**	**537.91**	**1,770.04**	**(2.74)**	**5,589.79**
Deferred Tax Liabilities						
Property, plant and equipment & Intangible assets	6,273.42	-	512.50	1,299.18	-	8,085.10
Others	530.91	-	-	324.90	-	855.81
Sub- Total (b)	**6,804.33**	**-**	**512.50**	**1,624.08**	**-**	**8,940.91**
Net Deferred Tax Liability (b)-(a)	**3,519.75**	**-**	**(25.41)**	**(145.96)**	**2.74**	**3,351.12**

Particulars	As at 31 March, 2025	Addition on Acquisition of Subsidiary	Recognised in P&L		Recognized in OCI	As at 31 March, 2025
			Others	At current tax rate		
Deferred Tax Assets						
Accrued expenses	1,188.28	(7.99)	-	236.80	(0.67)	1,416.42
MAT Credit Entitlement	283.85	-	-	13.65	-	297.50
Lease Liabilities	1,127.44	-	-	340.65	-	1,468.09
Carry forward business losses including unabsorbed depreciation	158.56	-	-	(56.48)	-	102.08
Others	352.26	(449.79)	-	98.02	-	0.49
Sub- Total (a)	**3,110.39**	**(457.78)**	**-**	**632.64**	**(0.67)**	**3,284.58**
Deferred Tax Liabilities						
Property, plant and equipment & Intangible assets	6,738.76	(828.81)	-	363.47	-	6,273.42
Others	64.70	0.12	-	466.09	-	530.91
Sub- Total (b)	**6,803.46**	**(828.69)**	**-**	**829.56**	**-**	**6,804.33**
Net Deferred Tax Liability (b)-(a)	**3,693.07**	**(370.91)**	**-**	**196.92**	**0.67**	**3,519.75**

The Group has recognized deferred tax assets on unabsorbed depreciations, carried forward tax losses and MAT Credit Entitlement. The Group has MAT Credit Entitlement, unabsorbed depreciations and incurred tax losses due to substantial expansion in earlier financial years. The Group has concluded that deferred tax assets on MAT Credit Entitlement, unabsorbed depreciations and carried forward tax losses will be recoverable using estimated future taxable income based on approved business plans and budgets. The Group is expected to generate taxable income in near future. MAT Credit Entitlement, unabsorbed depreciation and tax losses can be carried forward as per local tax regulations and the Group expects to recover the same in due course.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 DEFERRED TAX (CONTD.)

C. Amounts recognized in Statement of profit and loss

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current tax expense		
Current year	3,736.79	2,916.15
Income tax for earlier year	(154.66)	(250.28)
	3,582.13	**2,665.87**
Deferred Tax (Charge)/Credit		
Origination and reversal of temporary differences	(206.67)	(101.38)
Relating to earlier year	82.27	158.74
	(124.40)	**57.36**
Total Tax Expense	**3,457.73**	**2,723.23**

D. Amounts recognized in Other Comprehensive Income

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current tax expense		
Current year	(22.92)	24.31
	(22.92)	**24.31**
Deferred Tax (Charge)/Credit		
Remeasurements of defined benefit liability	(3.44)	(1.25)
	(3.44)	**(1.25)**
Total	**(26.36)**	**23.06**

E. Reconciliation of Income Tax expense

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
	Rate	Amount	Rate	Amount
Accounting Profit before tax		10,863.78		8,521.35
Tax using the Company's domestic tax rate	25.168%	2,734.20	25.168%	2,144.65
Tax effect of:				
Non-deductible expenses/ (Exempted income) (net)		457.30		274.34
Lower tax rate on (gain)/loss on sale of investment		-		(49.16)
Changes in estimates related to prior years		(72.37)		(91.54)
Tax impact of capital gain arised on sale of investment		0.21		(58.94)
Effect of Tax paid at Higher Rate		131.01		228.04
Others		207.38		275.84
At the Effective Income Tax Rate		**3,457.73**		**2,723.23**

Note:

The Holding company and Six (6) subsidiary companies had exercised the option permitted under section 115BAA of the Income Tax Act, 1961 in earlier years.

Two (2) subsidiary companies had exercised the option permitted under section 115BAB of the Income Tax Act, 1961 in the earlier years.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

21 DEFERRED TAX (CONTD.)

Four (4) Subsidiary companies have not exercised these options and continue to recognise the taxes on income for year ended 31 March, 2026 as per the normal tax rate at which management expect to recover or settle the deferred tax at this reporting date. Further these subsidiary companies are having unabsorbed depreciation and unutilised MAT Credit and Business Losses accumulation as on the reporting date. As per the projections, the management of subsidiary companies expects to utilize the MAT Credit and Business losses within the prescribed period and will review the above position at each year end.

22 OTHER NON-CURRENT LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Security Deposits	1,354.09	1,175.74
Less: Current Maturities	434.04	259.76
	920.05	**915.98**

23 BORROWINGS

Particulars	As At 31 March, 2026	As At 31 March, 2025
Secured Loans:		
Working Capital Facilities from Banks*		
Working Capital Demand Loans	4,850.00	3,300.00
Cash Credit	4,727.52	7,909.90
Current Maturities of Long term Borrowings (Refer note no. 18)	4,097.76	4,085.45
Unsecured Loans:		
- From Banks & financial Institutions	0.15	-
	13,675.43	**15,295.35**

*Working Capital Facilities from Banks are secured by:

a First charge by way of hypothecation of stocks of raw materials, finished goods, stock in trade and stock in process, stores & spares and book debts and ranking pari-passu; in few Subsidiaries, First charge by way of hypothecation on movable and immovable property as well and

b Second and subservient charge by way of (i) Equitable Mortgage (EM) on all properties, both present and future, and (ii) hypothecation of current assets, all movable fixed assets ranking pari-passu, excluding assets exclusively charged. EM over certain land pieces is yet to be created.(iii) in case of few subsidiaries also guaranteed by certain directors.

c Rate of interests are variable and linked with Some Benchmark rate such as Repo, EBLR, MCLR etc. ranging between 6.75% to 10.25%.(Previous year 8.50% to 10.25%).

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

24 TRADE PAYABLES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Outstanding dues of Micro Enterprises and Small Enterprises	12,622.89	6,771.44
Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20,757.76	26,654.71
	33,380.65	**33,426.15**

a. For details of payables to related parties, Refer note no. 41, Related Party Transactions.

b. Refer note no. 49 (B) - Trade Payables ageing.

c. Refer note 49(C) - Supplier Financing Arrangements

25 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Interest Accrued	336.13	229.78
Capital Creditors*	329.07	479.22
Unclaimed Dividends	25.34	28.11
Employees related payable$	2,752.65	3,382.30
Others#	15,022.28	20,272.33
	18,465.47	**24,391.74**

*Includes Outstanding dues of Micro Enterprises and Small Enterprises of ₹ 43.66 Lakhs (Previous year ₹ 21.34 Lakhs)

Includes liability towards supplier financing arrangement of ₹ 13,175.16 Lakhs (Previous year ₹ 20,080.73 Lakhs) etc. refer note 49(C)

$ For details of payables to related parties, Refer note no. 41, Related Party Transactions.

26 OTHER CURRENT LIABILITIES

Particulars	As At 31 March, 2026	As At 31 March, 2025
Statutory Dues	3,851.03	2,909.18
Security Deposits - current maturities of Other Non Current Liabilities	437.89	259.76
Advance from Customers	730.52	697.60
Sales Incentive	3,983.16	3,583.87
Liability under Defalcation Suit (Refer note no. 56)	642.92	639.73
Others#	530.97	694.78
	10,176.49	**8,784.92**

Includes claim payables etc.

27 PROVISIONS (CURRENT)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Employee Benefits		
Gratuity (Refer note no. 40)	593.11	219.58
Compensated absences	95.70	203.21
	688.81	**422.79**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

28 CURRENT TAX LIABILITIES (NET)

Particulars	As At 31 March, 2026	As At 31 March, 2025
Income Tax [Net of Advance income tax of ₹ 45.61 Lakhs, (Pervious year ₹ 57.46 Lakhs)]	97.13	63.29
	97.13	**63.29**

29 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Sales of Goods	277,050.64	264,331.36
Other Operating Revenue		
Export incentives	117.60	142.06
Scrap Sales	1,188.97	1,179.18
Insurance Claims and Other Incomes	265.85	186.73
Income from Government Grants (refer note 45)	276.08	-
Income From Services	84.71	37.43
	1,933.21	**1,545.40**
	278,983.85	**265,876.76**

a) Unsatisfied performance obligation (contract liabilities - Advance from customers) Refer note no. 26.

b) Reconciliation of contract price vis a vis revenue recognized in the statement of profit and loss is as follows:

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Contract Price				
(i) Sales of goods				
Tiles	241,428.15		234,041.84	
Others	45,671.39	287,099.54	40,164.53	274,206.37
(ii) Sales of services		84.71		37.43
(iii) other operating revenue		1,848.50		1,507.97
Adjustments:				
Discount/rebate/ Sales incentives		(10,048.90)		(9,875.01)
Revenue recognized in statement of profit and loss		**278,983.85**		**265,876.76**

c) The above revenues have been recognized at point of time.

d) Payment terms with customers generally ranges between 0 to 60 days from the completion of performance obligation. Considering the same, the Group elects to use practical expedient as given in IND AS 115 "Revenue from contracts with customers", hence there are no significant financing component in any transaction with the customers.

e) Sale of the products and services within India ₹ 2,69,787.95 Lakhs (Previous Year ₹ 2,56,000.78 Lakhs) and outside India ₹ 7,262.69 Lakhs (Previous Year ₹ 8,330.58 Lakhs).

f) For contract assets - Trade Receivables and balances refer note no. 10.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

30 OTHER INCOME

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Interest Income		531.67		414.23
Dividend Income		0.02		0.01
Other non-operating revenue:				
Net Profit on Sale of Property, Plant and Equipment		195.06		123.41
Profit on Sale of Current Investments measured at FVTPL	-		7.49	
Less:- Reversal of Fair Value of Current Investments measured at FVTPL	-	-	-	7.49
Net Gain on Foreign Currency Translations and Transactions		118.05		69.16
Sundry balances written back		128.55		184.66
Miscellaneous Income		158.96		102.62
		1,132.31		**901.58**

31 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Raw Materials Consumed	48,688.32	50,113.77
Packing Materials Consumed	9,146.67	8,881.35
	57,834.99	**58,995.12**

32 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening Stock		
Finished Goods#	18,073.38	19,522.98
Stock-in-Trade	4,384.00	4,364.74
Total Finished Goods	22,457.38	23,887.72
Work-in-Progress#	2,830.84	2,581.52
	25,288.22	26,469.24
Less : Closing Stock		
Finished Goods$	16,268.69	20,872.12
Stock-in-Trade$	6,901.52	4,571.49
Total Finished Goods	23,170.21	25,443.61
Work-in-Progress$	2,501.82	3,121.42
	25,672.03	28,565.03
(Increase)/ Decrease in Stock	**(383.81)**	**(2,095.79)**

$ Previous Year includes ₹ 2,830.08 Lakhs in Finished goods, ₹ 187.49 Lakhs in Stock-in-Trade and ₹ 293.07 Lakhs in Work-in-progress, pertaining to subsidiaries divested w.e.f 01 December, 2024. Also refer note no. 55(b).

Current Year includes ₹ 31.34 Lakhs in Finished goods, and ₹ 2.49 Lakhs in work in progress, balance as on 14 July, 2025, w.r.t subsidiary acquired during the year w.e.f 15 July, 2025 refer note no. 55(a).

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

33 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salary, Wages, Bonus etc.$	33,922.25	33,390.28
Contribution towards Provident Fund and Gratuity Fund (Refer note no. 40 & 44)	1,176.15	1,161.67
Staff Welfare expenses	957.72	921.94
	36,056.12	**35,473.89**

$ includes ₹ 297.85 Lakhs (Previous Year ₹ 409.32 Lakhs) towards share based payments refer note no. 46.

34 FINANCE COSTS

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest	3,965.22	4,711.73
Interest expense on lease liabilities	561.64	425.03
Other Borrowing Costs	245.48	106.44
	4,772.34	**5,243.20**

35 OTHER EXPENSES

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025	
Stores and Spare Parts Consumed		7,190.69		7,537.56
Power & Fuel		47,079.06		50,225.20
Repairs and Maintenance:				
Buildings		176.91		195.66
Plant & Machinery		876.23		935.21
Others		215.01		176.64
Rent		237.97		282.49
Rates & Taxes		226.57		142.40
Insurance		1,587.32		1,517.93
Travelling and Conveyance		2,991.78		3,049.96
Freight Outward and Handling Charges		4,388.42		4,314.01
Advertisement & Sales Promotion		4,733.77		5,248.28
Commission to Agents		601.96		813.39
CSR Expenses		249.03		254.98
Provision for credit losses/ doubtful advances		93.15		150.76
Bad Debts	5.47		122.65	
Less: Provision for Credit Losses	5.05	0.42	118.52	4.13
Sundry Balances Written Off		2.31		7.24

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

35 OTHER EXPENSES (CONTD.)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Technical Support and Services	6.00	-
Property, Plant and equipment Discard /Written Off	82.86	78.20
Net Loss on Fair Value of Current Investments	23.97	65.52
Others	4,783.72	5,275.23
	75,547.15	**80,274.79**

36 EARNING PER SHARE (EPS)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit for the year (a)	8,119.12	6,006.76
Weighted average number of equity shares for calculation of EPS		
Weighted average number of equity shares for basic EPS (b)	41,005,619	41,005,619
Effect of potential Ordinary shares on Employee Stock Options outstanding (c)	73,490	3,185
Weighted average number of Ordinary shares in computing diluted earnings per share [(d) = (b) + (c)]	**41,079,109**	**41,008,804**
EPS - Basic (Per share in ₹) [(a) /(b)]	19.80	14.65
EPS - Diluted (Per share in ₹) [(a) /(d)]	19.76	14.65

37 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

	Particulars	As at 31 March, 2026	As at 31 March, 2025
A.	Contingent liabilities (not provided for) in respect of:		
1.	Claim and other demands against the Group not acknowledged as debts.#	561.02	407.73
2.	Sales Tax demands against which the Group has preferred appeals.	27.77	27.77
3.	Goods and Service Tax (excluding interest and penalty), Excise duty (excluding interest and penalty), service tax demands and show-cause notices issued against which the Group/Department has preferred appeals/filed replies.	2,227.39	2,147.40
4.	Income tax demand disputed by the Group which excludes penalty, if any, as same can not be measured at this stage.	77.51	149.62
5.	a) Local Area Development Tax imposed by the State of Haryana disputed by the Group.	810.78	810.78
	b) Entry Tax matter pending before Hon'ble High Court of Calcutta.	-	38.88
6.	Demand from ESIC disputed by the Group.	15.41	15.41
7.	Pollution control Board penalty, which is levied by GPCB as per Hon. NGT Committee's recommendation and GPCB's direction.	56.30	56.30

#Group has some subjudice labour dispute matters impact of which cannot be ascertained at this stage.

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities. However, the Group has reviewed all its pending litigation and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Group does not expects any payment in respect of the above contingent liabilities.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

37 CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (CONTD.)

B. Others

(i) The Group has procured certain capital goods under EPCG scheme at concessional rate of duty. As on 31 March, 2026, The Group is contingently liable to pay differential custom duty of Nil (Previous year - ₹ 155.88 lakhs) on such procurement. If such capital goods are dispossed or removed in domestic market.

(ii) The Subsidiary Companies have availed duty deferrement benefit on capital goods under MOOWR-2 scheme of bonded warehouse unit amounting to ₹ 2,812.97 Lakhs(Previous year ₹ 2,812.97 Lakhs). As per the terms and conditions attached to the scheme, the Subsidiary Companies have to pay amount of deferral duty on disposal/removal of such capital goods in domestic market.

C. Commitments

Particulars	As at 31 March, 2026	As at 31 March, 2025
(i) Estimated amount of Contracts remaining to be executed on Capital Account not provided for [Net of Advances]	74.03	1,356.46

38 FOREIGN EXCHANGE DERIVATIVES AND EXPOSURES OUTSTANDING AT THE YEAR-END:

Particulars		Amount (Foreign Currency in lakhs)	Amount (Equivalent Rupees in lakhs)	Amount (Foreign Currency in lakhs)	Amount (Equivalent ₹ in lakhs)
		31 March, 2026		31 March, 2025	
Open Exposures					
Receivables	USD	7.38	696.45	7.15	610.27
Receivables	EURO	-	-	0.01	0.11
Receivables	NPR	49.13	30.71	86.42	54.01
Receivables	AUD	0.12	7.58	-	-
Payables	USD	0.36	34.18	0.06	4.75
Payables	CNY	0.14	1.91	0.10	1.13
Payables	EURO	0.02	2.50	0.11	10.08
Payables	NPR	5.68	3.55	5.72	3.57

39 DETAILS OF INVESTMENT MADE, LOAN AND GUARANTEE GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

a) Loan given for business purpose

Name	Terms of repayments	For the year ended		Outstanding as at	
		31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
Amora Tiles Pvt. Ltd. (refer note 55)	After one year	-	135.00	260.00	390.00

The above unsecured loans carried interest rate 10.50% to 11.00% (Previous Year 11.00%)

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Particulars	For the year ended	
	31 March, 2026	31 March, 2025
Contribution to Provident Funds	946.34	925.95

Above amounts have been included in Contributions to Provident and Gratuity Fund (Refer note no. 33) of the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits and based on the actuarial valuation, the consequent impact of the wage code has been treated as a past service cost and recognized in the profit or loss in accordance with Ind AS 19. Also refer Note No. 44.

The Group provides for gratuity for employees in India as per the Labour Code. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liability is being contributed to the gratuity fund formed by the Group.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March, 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	31 March, 2026			31 March, 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Opening Balance	3,205.24	2,885.50	319.74	2,889.18	2,506.65	382.53
Other Adjustment-Acquisition of subsidiary	27.10	27.10	-	-	-	-
Included in profit & loss						
Current service cost	252.27	-	252.27	246.46	-	246.46
Interest cost / (income)	224.09	(202.06)	22.03	206.88	(181.24)	25.64
Other Adjustment-Disinvestment of subsidiary	-	-	-	(30.54)	-	(30.54)

Notes to Consolidated Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

Particulars	31 March, 2026			31 March, 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Past Service Cost including curtailment Gains/Losses	418.42	-	418.42	-	-	-
	894.78	**(202.06)**	**692.73**	**422.80**	**(181.24)**	**241.56**
Included in OCI						
Remeasurements loss / (gain)						
Actuarial loss / (gain) arising from:						
- financial assumptions	(268.15)	-	(268.15)	70.11	-	70.11
- experience adjustment	11.53	-	11.53	53.85	-	53.85
- on plan assets	-	145.48	145.48	-	(32.99)	(32.99)
Other Adjustment-Divestment of subsidiary	-	-	-	0.22	-	0.22
	(256.62)	**145.48**	**(111.14)**	**124.18**	**(32.99)**	**91.19**
Other						
Contributions paid by the employer	-	185.27	(185.27)	-	394.00	(394.00)
Benefits paid	(263.77)	(263.77)	-	(230.92)	(229.38)	(1.54)
	(263.77)	**(78.50)**	**(185.27)**	**(230.92)**	**164.62**	**(395.54)**
Closing Balance	**3,606.73**	**2,777.51**	**716.06**	**3,205.24**	**2,885.50**	**319.74**

B. Plan assets

Particulars	31 March, 2026	31 March, 2025
Fund managed by insurer	100%	100%

Above amounts have been included in Contributions to Provident and Gratuity Fund (note no. 33) of the Statement of Profit and Loss and Other Comprehensive Income.

In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

C. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

(i) Economic Assumptions	31 March, 2026	31 March, 2025
Discount rate	7.02%-7.9%	6.55%-7.36%
Expected rate of future salary increase	5.00%	3.50%-5.00%

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

(ii) Demographic Assumption

Attrition rates are the Company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the Company, business plan, HR Policy etc as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the Company.

	31 March, 2026	31 March, 2025
Retirement Age (Years)	58	58
Mortality	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Assumptions regarding future mortality have been based on published statistics and mortality tables.
The Group expects to contributes ₹ 368.77 Lakhs (Previous Year ₹ 286.03 Lakhs) towards plan assets in the next year.

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March, 2026		31 March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(130.88)	136.52	(123.35)	132.41
Expected rate of future salary increase (0.5% movement)	129.95	(125.81)	124.59	(117.34)

Sensitivities due to mortality & withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

E. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow :-

A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.

B) Investment Risk – Assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability / Assets.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

40 EMPLOYEE BENEFITS (CONTD.)

F. Maturity Profile of Defined Benefit Obligation

Year	31 March, 2026	31 March, 2025
Within 1 year	320.20	309.02
From 1 year to 2 Year	188.36	125.09
From 2 year to 3 Year	162.72	161.94
From 3 year to 4 Year	697.96	155.18
From 4 year to 5 Year	196.34	650.73
From 5 year to 6 Year	168.61	173.07
6 Year onwards	1,872.53	1,630.21
Total	**3,606.73**	**3,205.24**

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES"

A. Related parties and their relationships as per Ind AS 24

i Key Managerial Personnel (KMP) and their relatives

Name	Relationship
Mr. Shreekant Somany	Chairman & Managing Director (CMD)
Mr. Abhishek Somany	Managing Director & CEO
Mr. Amit Sahai^	CEO -Tiles Business
Mr. Sailesh Raj Kedawat^	Chief Financial Office (CFO)
Mr. Anuj Kalia^	Company Secretary (w.e.f. 08 May, 2025)
Mr. Ambrish Julka^	Sr. GM (Legal) & Company Secretary (till 07 May, 2025)
Mrs. Anjana Somany	Wife of Mr. Shreekant Somany
Mrs. Minal Somany	Wife of Mr. Abhishek Somany
Mr. Shrivatsa Somany	Son of Mr. Shreekant Somany
Mr. Ameya Somany	Son of Mr. Abhishek Somany
Mr. G.G. Trivedi #	Non - Executive Director
Mr. Siddharath Bindra*	Non - Executive Director (till 25 May, 2024)
Mr. Ravinder Nath*	Non - Executive Director (till 12 August, 2024)
Mr. Salil Singhal*	Non - Executive Director (till 12 August, 2024)
Mr. Rameshwar Singh Thakur*	Non - Executive Director
Mrs. Rumjhum Chatterjee*	Non - Executive Director
Mr. Vineet Agarwal*	Non - Executive Director
Mr. Manit Rastogi*	Non - Executive Director (w.e.f. 15 May, 2024)
Mr. Zubair Ahmed*	Non - Executive Director (w.e.f. 01 October, 2024)

^ KMP under the Companies Act, 2013.

Non Independent Directors

* Independent Directors

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

ii. Enterprise over which Company exercise significant influence and with whom transactions have taken place during the year:

H. L. Somany Foundation

iii. Employees Trusts

Somany Employees Gratuity Fund (Formerly known as SPL Employees Gratuity Fund)

iv. Other related parties with which Company has transactions:

Name	
Trans India Ceramics Pvt. Ltd.	Private company in which a director is director
Vidres India Ceramics Pvt. Ltd.	Private company in which a director is director
Transport Corporation of India Ltd.	Public company in which a director is director and holds more than 2% shares alongwith relatives
TCI Express Ltd.	Public company in which a director is director and holds more than 2% shares alongwith relatives
TCI-Concor Multimodal Solutions Pvt. Ltd.	Private company in which a director is director

B. Transactions with the above in the ordinary course of business

Nature of Transactions	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a) Payments to Key Managerial Personnel and their relatives		
Mr. Shreekant Somany		
- Remuneration	292.47	296.17
- Commission	230.00	221.91
Outstanding at the year-end:		
- Remuneration Payable	-	10.67
- Commission Payable	230.00	221.91
Mr. Abhishek Somany		
- Remuneration	506.54	513.64
- Commission	150.35	4.44
Outstanding at the year-end:		
- Remuneration Payable	-	17.15
- Commission Payable	150.35	4.44
Mrs. Anjana Somany		
- Remuneration	32.14	32.33
- Rent Paid	4.05	4.05
Outstanding at the year-end:		
- Remuneration Payable	-	1.12
Mrs. Minal Somany		
- Remuneration	53.67	45.45
- Rent Paid	5.89	5.89
Outstanding at the year-end:		
- Remuneration Payable	-	2.65

Notes to Consolidated Financial Statements for the year ended 31 March, 2026
(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Nature of Transactions	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Mr. Shrivatsa Somany		
- Remuneration	75.40	58.07
Outstanding at the year-end:		
- Remuneration Payable	-	1.46
Mr. Ameya Somany		
- Remuneration	54.59	8.19
Outstanding at the year-end:		
- Remuneration Payable	-	2.00
Mr. Amit Sahai		
- Remuneration	313.67	282.83
- Sale of Goods	0.82	-
Outstanding at the year-end:		
- Remuneration Payable	-	4.93
Mr. Sailesh Raj Kedawat		
- Remuneration	151.90	139.28
Outstanding at the year-end:		
- Remuneration Payable	-	3.06
Mr. Ambrish Julka		
- Remuneration	4.29	43.81
- Sale of Goods	-	0.35
Outstanding at the year-end:		
- Remuneration Payable	-	1.47
Mr. Anuj Kalia		
- Remuneration	21.95	-
b) Non- Executive/Independent Directors		
Mr. G.G. Trivedi		
- Commission	5.00	3.00
- Sitting Fees	1.20	1.55
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Siddharath Bindra		
- Commission	-	3.00
- Sitting Fees	-	0.30
Outstanding at the year-end:		
- Commission Payable	-	3.00
Mr. Ravindra Nath		
- Commission	-	3.00
- Sitting Fees	-	0.25
Outstanding at the year-end:		
- Commission Payable	-	3.00

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Nature of Transactions	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Mr. Salil Singhal		
- Commission	-	3.00
- Sitting Fees	-	0.65
Outstanding at the year-end:		
- Commission Payable	-	3.00
Mr. Zubair Ahmed		
- Commission	5.00	3.00
- Sitting Fees	0.70	0.45
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Rameshwar Singh Thakur		
- Commission	5.00	3.00
- Sitting Fees	1.20	1.70
- Reimbursement of expenses	0.08	-
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Manit Rastogi		
- Commission	5.00	3.00
- Sitting Fees	0.90	0.40
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mrs. Rumjhum Chatterjee		
- Commission	5.00	3.00
- Sitting Fees	0.85	0.80
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Mr. Vineet Agarwal		
- Commission	5.00	3.00
- Sitting Fees	1.05	0.80
Outstanding at the year-end:		
- Commission Payable	5.00	3.00
Summary of payment made to KMP#		
Short term employee benefits* (Remuneration, Commission and Sitting Fees)	1,707.07	1,535.98
Other Payments - Reimbursement of expense	0.08	-
	1,707.15	**1,535.98**
Share Base Payments	**54.98**	**32.76**

* excludes provision in respect of gratuity, compensated absences etc. as the same is determined on an actuarial basis for company as whole.

The Company has granted 41,000 (previous year - 10,663) options to KMPs out of which Nil (previous year - Nil) options has been lapsed during the year, value of which shall be disclosed at the time of exercise of options.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

41 RELATED PARTIES DISCLOSURES IN ACCORDANCE WITH IND AS 24 "RELATED PARTY DISCLOSURES" (CONTD.)

Nature of Transactions	For the year ended 31 March, 2026	For the year ended 31 March, 2025
c) With Employees Trusts are as under:-		
Somany Employees Gratuity Fund (Formerly known as SPL Employees Gratuity Fund)		
- Contribution made	184.20	394.00
d) With Other Related Parties are as under:-		
H. L. Somany Foundation		
- Contribution towards CSR Activities	248.81	254.40
- Rent Received	0.24	0.24
Trans India Ceramics Pvt. Ltd.		
- Purchase of goods	28.00	164.28
- Services received	1.05	22.36
Outstanding at the year-end:		
- Trade Payable	-	35.19
Vidres India Ceramics Pvt. Ltd.		
- Purchase of goods and services	4,447.58	4,206.21
- Sale of goods	-	10.33
- Payment made on their behalf	-	0.65
Outstanding at the year-end:		
- Trade Payable	1,140.03	1,053.19
Transport Corporation of India Ltd.		
- Services received	94.91	68.40
Outstanding at the year-end:		
- Trade Payable	9.02	7.30
TCI Express Ltd.		
- Services received	17.26	20.02
Outstanding at the year-end:		
- Trade Payable	4.98	8.49
TCI-Concor Multimodal Solutions Pvt. Ltd.		
- Services received	15.29	2.65
Outstanding at the year-end:		
- Trade Payable	5.45	1.45

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured, Interest Free and settlement occurs in cash.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

I. Fair value measurements

A. Financial instruments by category

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
Non Current	376.20	-	376.20	-
Current	1,224.80	-	1,264.78	-
Loans				
Non Current	-	254.85	-	388.76
Trade receivables	-	30,075.56	-	36,882.10
Cash and cash equivalents	-	12,833.03	-	5,978.55
Bank balances other than above	-	1,926.49	-	1,789.80
Others				
Non Current	-	2,097.14	-	1,696.10
Current	-	439.26	-	574.48
	1,601.00	**47,626.33**	**1,640.98**	**47,309.79**
Financial Liabilities				
Borrowings				
Non Current	-	11,450.50	-	14,899.32
Current	-	13,675.43	-	15,295.35
Lease Liability				
Non Current	-	11,046.27	-	4,807.87
Current	-	1,260.42	-	1,025.30
Other Financial Liabilities				
Non-current	-	3,730.29	-	3,465.56
Current	-	18,465.47	-	24,391.74
Trade payables	-	33,380.65	-	33,426.15
	-	**93,009.03**	**-**	**97,311.29**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognized and measured at fair value and

(b) measured at amortized cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 March, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	376.20	376.20
Current	1,224.80	-	-	1,224.80
Total financial assets	**1,224.80**	**-**	**376.20**	**1,601.00**

Particulars	As at 31 March, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	376.20	376.20
Current	1,264.78	-	-	1,264.78
Total financial assets	**1,264.78**	**-**	**376.20**	**1,640.98**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, debt instruments that have quoted price. The fair value is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, mutual funds, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

C. Financial assets and liabilities measured at amortized cost

Particulars	Level	As at 31 March, 2026		As at 31 March, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Loans					
Non Current	3	254.85	254.85	388.76	388.76
Trade receivables - current	3	30,075.56	30,075.56	36,882.10	36,882.10
Cash and cash equivalents	3	12,833.03	12,833.03	5,978.55	5,978.55
Bank balances other than above	3	1,926.49	1,926.49	1,789.80	1,789.80
Others					

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Particulars	Level	As at 31 March, 2026		As at 31 March, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non Current	3	2,097.14	2,051.26	1,696.10	1,615.45
Current	3	439.26	439.26	574.48	574.48
		47,626.33	**47,580.45**	**47,309.79**	**47,229.14**
Financial liabilities					
Borrowings					
Non Current	3	11,450.50	11,450.50	14,899.32	14,899.32
Current	3	13,675.43	13,675.43	15,295.35	15,295.35
Lease Liability					
Non Current	3	11,046.27	11,046.27	4,807.87	4,807.87
Current	3	1,260.42	1,260.42	1,025.30	1,025.30
Other financial liabilities					
Non-current	3	3,730.29	3,730.29	3,465.56	3,465.56
Current	3	18,465.47	18,465.47	24,391.74	24,391.74
Trade payables - current	3	33,380.65	33,380.65	33,426.15	33,426.15
		93,009.03	**93,009.03**	**97,311.29**	**97,311.29**

The fair value of Current financial assets and liabilities carried at amortized cost is considered equal to the carrying amounts of these items due to their short- term nature. The fair value of items that are Non-current in nature, has been determined using discounted cash flow basis

II. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors of respective entities in the group has established the processes to control risks through defined framework.

The Company's risk management policy is established to identify and analyse the risks faced by the Group, to set appropriate controls. Risk management policy is reviewed by the board of the Company annually to reflect changes in market conditions and the Group's activities.

The Company's Audit Committee oversees compliance with the Company's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

ii. Credit risk

Financial loss to the Group, arising, if a customer or counterparty to a financial instrument fails to meet its contractual obligations principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Group monitor credit risk closely both in domestic and export market.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Group also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The Company's Management has established a credit policy under which each new customer is analyzed individually for creditworthiness vis-a-vis the standard payment and delivery terms and conditions are then offered and followed by the Group. Sales credit limits are set up for each customer and reviewed periodically. The credit risk from loans to other corporates is managed in accordance with the Company's fund management policy that includes parameters of safety, liquidity and post tax returns. The Group's review includes market check, industry feedback, past Financial and external ratings, if they are available, and in some cases bank reference checks are also done.

The Group creates allowances for impairment that represents its expected credit losses in respect of trade and other receivables. The Group's management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31 March, 2026							
Gross Carrying amount	17,734.66	12,157.81	194.48	291.40	132.59	2,215.02	32,725.96
Specific Provision	(17.87)	(33.14)	(12.15)	(66.37)	(29.34)	(2,212.96)	(2,371.83)
Expected credit losses	(205.05)	(71.42)	(1.34)	(0.64)	(0.12)	-	(278.57)
Expected loss rate	1.16%	0.59%	0.69%	0.22%	0.09%	0.00%	0.85%
Carrying amount	17,511.74	12,053.25	180.99	224.39	103.13	2.06	30,075.56

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31 March, 2025							
Gross Carrying amount	26,162.68	10,475.60	220.75	145.33	55.60	2,141.09	39,201.06
Specific Provision	-	(1.74)	(27.12)	(24.42)	(22.50)	(2,030.11)	(2,105.89)
Expected credit losses	(163.04)	(49.23)	(0.62)	(0.13)	(0.05)	-	(213.07)
Expected loss rate	0.62%	0.47%	0.28%	0.09%	0.09%	0.00%	0.54%
Carrying amount	25,999.64	10,424.63	193.01	120.78	33.05	110.98	36,882.10

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Reconciliation of loss allowance provision – Trade receivables

	For the year ended	
	31 March, 2026	31 March, 2025
Opening balance	2,318.96	2,330.34
Addition due to acquisition of a subsidiary	249.24	-
Changes in loss allowance	82.20	(11.38)
Closing balance	**2,650.40**	**2,318.96**

Investments and Cash Deposits

Cash Deposits Credit risk from balances with banks is managed by the Group's finance department.

Group invests in Bonds, Debentures, Liquid Mutual Funds, Equity instruments etc., in accordance with the Group's Investment Policy that includes parameters of safety, liquidity and post tax returns. Group avoids the concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position as well as held to maturity policy. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Based on historical experience and credit profiles of counterparties, the Group does not expect any significant risk of default other than as disclosed.

iii. Liquidity risk

Liquidity risk is the risk that the Group may face difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to manage liquidity is to ensure, as far as possible, sufficient liquidity to meet its obligations, under both normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

Particulars	Carrying Amount 31 March, 2026	Contractual cash flows			
		On demand	Less than 1 year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	15,548.26	-	4,097.76	8,631.87	2,818.63
Lease Liability	12,306.69	-	2,229.34	7,207.69	12,424.01
Other non-current financial liabilities	3,730.29	-	-	-	3,730.29
Current Borrowings	9,577.67	4,727.50	4,850.17	-	-
Trade payables	33,380.65	-	33,380.65	-	-
Other current financial liabilities	18,465.47	-	18,465.47	-	-
Total financial liabilities	**93,009.03**	**4,727.50**	**63,023.39**	**15,839.56**	**18,972.93**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Particulars	Carrying Amount 31 March, 2025	Contractual cash flows			
		On demand	Less than 1 year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	18,984.77	-	4,085.45	7,483.32	7,416.00
Lease Liability	5,833.17	-	1,495.39	4,658.52	1,304.62
Other non-current financial liabilities	3,465.56	-	-	-	3,465.56
Current Borrowings	11,209.90	7,909.90	3,300.00	-	-
Trade payables	33,426.15	-	33,426.15	-	-
Other current financial liabilities	24,391.74	-	24,391.74	-	-
Total financial liabilities	**97,311.29**	**7,909.90**	**66,698.74**	**12,141.84**	**12,186.18**

* Including current maturity of non current borrowings.

iv. Market risk

Risk on account of changes in foreign exchange rates, interest rates etc. that may affect the Group's income or the value of its holdings of financial instruments. The objective of market risk is to optimize the return by managing and controlling the market risk exposures within acceptable parameters.

v. Currency risk

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EURO, CNY, AUD & NPR. The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has no significant currency exposure.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Company is as follows (Foreign currency in lakhs)

	As at 31 March, 2026					As at 31 March, 2025			
	USD	CNY	EUR	AUD	NPR	USD	CNY	EUR	NPR
Receivables (A)	7.38	-	-	0.12	49.13	7.15	-	0.01	86.42
Payables (B)	0.36	0.14	0.02	-	5.68	0.06	0.10	0.11	5.72
Net statement of financial position exposure (B-A)	**(7.02)**	**0.14**	**0.02**	**(0.12)**	**(43.45)**	**(7.09)**	**0.10**	**0.10**	**(80.70)**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The following significant exchange rates have been applied

	Average Rates		Year end spot rates	
	31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
USD 1	89.92	84.25	94.43	85.41
CNY 1	12.72	11.71	13.66	11.77
EUR 1	101.29	91.93	109.51	93.06
AUD 1	58.95	53.75	64.46	53.43
NPR 1	0.63	0.63	0.63	0.63

Sensitivity analysis

Every percentage point depreciation / appreciation in the exchange rate for the closing balances between the Indian Rupee and respective currencies would affect the Group's incremental profit before tax and equity, net of tax as per below :

	Profit or (loss) before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March, 2026				
USD (10% movement)	(66.29)	66.29	(49.61)	49.61
CNY (10% movement)	0.19	(0.19)	0.14	(0.14)
EUR (10% movement)	0.22	(0.22)	0.16	(0.16)
AUD (10% movement)	(0.76)	0.76	(0.57)	0.57
NPR (10% movement)	(2.72)	2.72	(2.03)	2.03

	Profit or (loss) before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March, 2025				
USD (10% movement)	(60.56)	60.56	(45.32)	45.32
CNY (10% movement)	0.12	(0.12)	0.09	(0.09)
EUR (10% movement)	0.93	(0.93)	0.70	(0.70)
NPR (10% movement)	(5.04)	5.04	(3.77)	3.77

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March, 2026 and 31 March, 2025, the Group's borrowings at variable rate were denominated mainly in Indian Rupees.

Currently the Group's borrowings are within acceptable risk levels, as determined by the management, hence the Group has not taken any derivative instruments to hedge the interest rate risk.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Company is as follows:

	Nominal Amount	
	31 March, 2026	31 March, 2025
Fixed-rate instruments		
Borrowings	2,926.35	2,882.57
	2,926.35	**2,882.57**
Variable-rate instruments		
Borrowings	22,199.58	27,312.10
	22,199.58	**27,312.10**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or (loss)		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31 March, 2026				
Variable-rate instruments	(111.00)	111.00	(83.06)	83.06
Cash flow sensitivity	**(111.00)**	**111.00**	**(83.06)**	**83.06**
31 March, 2025				
Variable-rate instruments	(136.56)	136.56	(102.19)	102.19
Cash flow sensitivity	**(136.56)**	**136.56**	**(102.19)**	**102.19**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

43

Capital-Work-in Progress (CWIP) Ageing Schedule as on 31 March, 2026

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,888.68	0.60	-	-	1,889.28
Total	**1,888.68**	**0.60**	**-**	**-**	**1,889.28**

Capital-Work-in Progress (CWIP) Ageing Schedule as on 31 March, 2025

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,581.28	46.29	-	-	1,627.57
Total	**1,581.28**	**46.29**	**-**	**-**	**1,627.57**

There were no temporarily suspended projects and/or no time overrun and/or cost overrun for the projects under CWIP as on 31 March, 2026 and 31 March, 2025

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

44 EXCEPTIONAL ITEMS

(i) The Government of India has notified and brought into force on 21 November, 2025 four new Labour Codes viz the Code on Social Security, 2020 ("Social Security Code"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the "Labour Codes"), which subsume, amend and replaces numerous existing central labour legislations. Till date certain specific rules and corresponding State-level notifications are yet to be notified.

Pursuant to the guidance issued by the Institute of Chartered Accountants of India (ICAI) and based on independent actuarial valuations, the Group has recognized additional provisions for past service obligations relating to gratuity and compensated absences amounting to ₹ 522.25 Lakhs for the year ended 31 March, 2026.

(ii) The Parent Company has divested its investment in one of its subsidiary "Acer Granito Pvt. Ltd.", w.e.f. 01 December, 2024 through an agreement, dated on 04 February, 2025, with the existing shareholders of the subsidiary resulting loss on divestment of ₹ 186.60 Lakhs, during the year ended 31 March, 2025.

(iii) The Parent Company has divested its investment in one of its subsidiary "Amora Tiles Pvt. Ltd.", w.e.f. 01 December, 2024 through an agreement, dated on 04 February, 2025, with the existing shareholders of the subsidiary resulting loss on divestment of ₹ 13.33 Lakhs, during the year ended 31 March, 2025.

45 GOVERNMENT GRANTS

During the year, the Group became entitled to a capital subsidy, under the Scheme for Capital Subsidy to Large Industries and Thrust Sector, investment in manufacturing facilities. The subsidy is receivable over a specified period subject to compliance with the conditions prescribed under the scheme.

The grant has been assessed as an asset-related government grant in accordance with Ind AS 20, "Accounting for Government Grants and Disclosure of Government Assistance". The grant receivable over the period has been initially recognized at its fair value by discounting the future expected cash inflows using an appropriate discount rate. The fair value of the grant of ₹ 550.26 Lakhs has been deducted from the carrying amount of the related property, plant and equipment.

The difference between the fair value of the grant receivable and the total amount receivable under the scheme is recognized as finance income using the effective interest rate method over the period of receipt.

Particulars	31 March, 2026
Government Grant Receivable	682.78
Less: Fair value adjustment on initial recognition	132.52
Fair value of grant recognized and adjusted against PPE	550.26
Interest income recognized during the year on unwinding of discount	24.80
Grant received during the year	(238.97)
Government grant receivable as on 31 March, 2026	**336.09**

The Group has fulfilled with conditions relating to the government grant and there are no contingencies as on date of the balance sheet

46 SHARE BASED PAYMENTS

a). Scheme Details

Nomination and Remuneration Committee (NRC) and Board of Directors at its respective meetings held on 10 December, 2021 and 23 May, 2023, approved an issue of stock options aggregating 4,23,794 and 12,74,226 equity shares of the face value of ₹ 2 each, up to a maximum of 1% and 3% of the then issued equity capital of the Company respectively. The shareholders of the Company vide their special resolutions passed through postal ballot on 07 April, 2022 and passed at its 55th Annual General Meeting (AGM) held on 25 August, 2023 approved the issue of equity shares of the Company under Somany Ceramics Employee Stock Option Plan 2021 and Somany Ceramics Employee Stock Option Plan 2023 respectively.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

46 SHARE BASED PAYMENTS (CONTD.)

Details of options granted by NRC under the said scheme are as follows:

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
No. of Options Granted :	3,50,102	1,01,107	93,411	33,165	10,000	3,201	52,454	50,966	1,59,000
Grant Date :	Apr 29, 2022	Feb 07, 2023	Nov 8, 2023	Nov 8, 2023	Nov 8, 2023	May 29, 2024	Feb 06, 2025	Feb 06, 2025	Mar 28, 2026
Vesting Schedule :	**The vesting period for conversion of Options for ESOP 2021 Grant 1, Grant 2 and ESOP 2023 Grant 1, Grant 5:** • On completion of 24 months from the date of grant of the Options: 25% vests • On completion of 36 months from the date of grant of the Options: 25% vests • On completion of 48 months from the date of grant of the Options: 25% vests • On completion of 60 months from the date of grant of the Options: 25% vests **The vesting period for conversion of Options for ESOP 2023 Grant 2 and Grant 6:** • On completion of 12 months from the date of grant of the Options: 25% vests • On completion of 24 months from the date of grant of the Options: 25% vests • On completion of 36 months from the date of grant of the Options: 25% vests • On completion of 48 months from the date of grant of the Options: 25% vests **The vesting period for conversion of Options for ESOP 2023 Grant 3 and Grant 4:** • On completion of 12 months from the date of grant of the Options: 100% vests **The vesting period for conversion of Options for ESOP 2023 Grant 7 :** • On completion of 12 months from the date of grant of the Options: 33% vests • On completion of 24 months from the date of grant of the Options: 33% vests • On completion of 36 months from the date of grant of the Options: 34% vests								
Maximum term of Exercise period : :	7 years from the date of vesting								
Method of settlement: :	Equity								
General terms and conditions :	Each Option entitles the holder thereof to apply for and be allotted 1 Ordinary Share of the Company of ₹ 2.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of seven years from the date of vesting in respect of Options granted under the plan.								

b). Compensation expenses arising on account of share based payment

Particulars	31-Mar-26	31-Mar-25
Expenses arising from equity settled share-based payment transactions	297.85	409.32

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

46 SHARE BASED PAYMENTS (CONTD.)

c). Fair Value on the grant date

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date, expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. Details for which are as under:

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Grant Date	Apr 29, 2022	Feb 07, 2023	Nov 8, 2023	Nov 8, 2023	Nov 8, 2023	May 29, 2024	Feb 06, 2025	Feb 06, 2025	Mar 28, 2026
Exercise price	647.85	536.05	647.85	493.46	493.46	2.00	514.95	493.46	190.38
Weighted Average Fair value	329.74	270.33	350.98	381.85	357.33	708.99	268.35	256.25	244.8
Risk-free interest rate	6.73%-7.15%	7.19%-7.25%	7.20%-7.23%	7.20%-7.23%	7.20%	6.93%	6.53%-6.63%	6.51%-6.59%	6.43%-6.72%
Expected life	5.5-8.5 years	5.5-8.5 years	5.5-8.5 years	4.5-7.5 years	4.5 years	4.5 years	5.5-8.5 years	4.5-7.5 years	4.5-6.5 years
Expected volatility	41.01%-43.24%	39.36%-40.92%	41.03%-46.37%	41.56%-46.37%	46.37%	44.13%	42.87%	42.87%	36.14%
Expected dividends	0.88%	0.85%	0.65%	0.65%	0.65%	0.65%	0.63%	0.63%	0.63%
The price of the underlying shares in market at the time of Option grant	647.85	536.05	657.95	657.95	657.95	731.65	514.95	514.95	380.75

Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the Options.
Expected life	The expected option life is assumed to be average between the option vesting and expiry (total time period available with an employee to exercise an option). Since there are multiple vesting and expiry period of each tranche, consequently the expected life will be different for each vesting schedule.

d). Movement in share options during the year (in Numbers):

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Balance at the beginning of the year	2,49,647	86,104	90,572	26,395	10,000	3,201	52,454	50,966	-
Granted during the year	-	-	-	-	-	-	-	-	1,59,000
Exercised during the year	-	-	-	-	-	3,201	-	-	-

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

46 SHARE BASED PAYMENTS (CONTD.)

Particulars	ESOP 2021		ESOP 2023						
	Grant-1	Grant-2	Grant-1	Grant-2	Grant-3	Grant-4	Grant-5	Grant-6	Grant-7
Forfeited/lapsed during the year	18,156	25,102	-	-	-	-	2,467	3,043	-
Expired during the year	-	-	-	-	-	-	-	-	-
Balance at the end of the year	2,31,491	61,002	90,572	26,395	10,000	-	49,987	47,923	1,59,000
Exercisable as at 31 March, 2026	1,15,745.00	30,501.00	22,643.00	12,246.00	10,000	-	-	11,980.75	-

47 DIVIDEND

During the year, the Company has paid dividend of ₹ 3/- per equity share aggregating ₹ 1,230.38 Lakhs towards final dividend for the year ended 31 March, 2025, also the Board of Directors of the Company at their Meeting held on 04 May, 2026 has approved payment of interim dividend of ₹ 4/- per equity share of face value of ₹ 2/- each for FY 2025-26.

Further, the Board of directors has recommended dividend of ₹ 2/- per equity share aggregating ₹ 820.26 Lakhs in their meeting held on 15 May, 2026 for the financial year ended 31 March, 2026 and same is subject to approval of shareholders at the ensuing Annual General Meeting.

48 SEGMENT REPORTING

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the Group falls within one broad business segment viz. "Ceramic Tiles and Allied products" and substantially sale of the products and Non-current assets are within the country. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

49 (A) - Trade Receivables ageing

Trade Receivables ageing schedule for the period ended 31 March, 2026

Particulars		Outstanding for following periods from due date of payment						
		Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	17,734.66	12,130.80	169.48	111.33	11.68	2.06	**30,160.01**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	26.88	1.99	6.95	20.03	73.35	**129.20**
(ii)	Disputed Trade Receivables – which have significant increase in credit risk	-	0.13	23.01	173.12	100.88	41.31	**338.45**
(iii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	2,098.30	**2,098.30**
		17,734.66	**12,157.81**	**194.48**	**291.40**	**132.59**	**2,215.02**	**32,725.96**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

49 (CONTD.)

Trade Receivables ageing schedule for the period ended 31 March, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	26,162.68	10,438.07	141.73	47.70	9.64	1.13	**36,800.96**
(ii) Disputed Trade Receivables – which have significant increase in credit risk	-	37.53	79.02	97.63	45.96	-	**260.14**
(iii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	2,139.96	**2,139.96**
	26,162.68	**10,475.60**	**220.75**	**145.33**	**55.60**	**2,141.09**	**39,201.06**

(B) - Trade Payables ageing

Trade Payables ageing schedule for the period ended 31 March, 2026

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME*	-	12,617.83	0.86	-	-	-	**12,618.69**
ii) Others	881.39	11,180.28	8,593.32	61.77	0.53	40.47	**20,757.76**
iii) Disputed dues – MSME	-	4.20	-	-	-	-	**4.20**
	881.39	**23,802.31**	**8,594.18**	**61.77**	**0.53**	**40.47**	**33,380.65**

Trade Payables ageing schedule for the period ended 31 March, 2025

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME*	-	6,766.38	0.86	-	-	-	**6,767.24**
ii) Others	590.14	16,080.54	9,925.89	9.96	19.76	27.03	**26,653.32**
iii) Disputed dues – MSME	-	4.20	-	-	-	-	**4.20**
iv) Disputed dues - Others	-	-	-	1.39	-	-	**1.39**
	590.14	**22,851.12**	**9,926.75**	**11.35**	**19.76**	**27.03**	**33,426.15**

*Outstanding dues of Micro Enterprises & Small Enterprises only.

(C) - Supplier Financing Arrangements

The Group has entered into supplier financing arrangements under which the suppliers may elect to an early payment from financing partners or continued to be paid in line with the agreed payment terms. In cases where supplier opts for early payment under supplier finance arrangement, such amounts are disclosed under other current financial liabilities. In either case, the liability payable by the Group remains unchanged and no additional security is provided to the financer.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

49 (CONTD.)

The Group evaluates these arrangements to assess the characteristics of such payables, and all such liabilities were classified as mentioned below:

Particulars	31 March, 2026	31 March, 2025
Carrying amount of liabilities that are part of supplier financing arrangements		
Presented within trade payables and other current financial liabilities (Refer Note No. 24 & 25)	18,427.64	-*
-of which suppliers have received payment from finance provider (Refer Note No.25)	13,175.16	-*
Presented within trade payables (Refer Note No. 24)	5,252.48	-*
Range of payment due dates		
Liabilities that are part of the arrangement	45 - 90 days	-*
Trade payables that are not part of an arrangement	45 - 90 days	-*

The Group has applied transitional relief available under Supplier Finance Arrangement (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative informations in the first year of adoption.

In its liquidity assessment, the Group does not see any liquidity risk on account of these supplier financing arrangements, as terms for the Group do not vary materially based on whether the supplier avails such financing arrangements.

There is no non cash changes in the carrying amount of financial liabilities subject to Supplier finance arrangements.

50 CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. For the purpose of Group's capital management, capital includes equity share capital and other equity as per balance sheet and Net Debt includes borrowings and lease liabilities less cash and cash equivalent (including other bank balance). The following table summarises the capital of the Group.

Particulars	31 March, 2026	31 March, 2025
Equity Share Capital	820.26	820.19
Other Equity	83,417.70	76,346.15
Non Controlling Interest	7,751.49	7,257.95
Total Equity	**91,989.45**	**84,424.29**
Non-Current Borrowings	11,450.50	14,899.32
Current maturities of Non-Current Borrowings	4,097.76	4,085.45
Current Borrowings	9,577.67	11,209.90
Lease Liabilities	12,306.69	5,833.17
Total Debts	**37,432.62**	**36,027.84**
Less: Cash and cash equivalent	12,833.03	5,978.55
Less: Bank balances other then cash and cash equivalent	1,926.49	1,789.80
Net Debt (A)	**22,673.10**	**28,259.49**
Capital and Net Debt (B)	**1,14,662.55**	**1,12,683.78**
Gearing Ratio (A/B)	**19.8%**	**25.1%**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

51 CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES ARE AS UNDER:

Particulars	31 March, 2026	Cash Flow changes	Non- Cash Changes			31 March, 2025
			Obtaining/ losing Control of Subsidiary	Expense Accrued	Others	
Non Current borrowings*	15,548.26	(3,586.45)	149.94	-	-	18,984.77
Current borrowings	9,577.67	(2,101.63)	469.40	-	-	11,209.90
Lease Liability	12,306.69	(1,025.60)	-	-	7,499.12	5,833.17
Accrued Interest	336.13	(4,663.21)	(2.78)	4,772.34	-	229.78
Total liabilities from financing activities	**37,768.75**	**(11,376.89)**	**616.56**	**4,772.34**	**7,499.12**	**36,257.62**

Particulars	31 March, 2025	Cash Flow changes	Non- Cash Changes			31 March, 2024
			Obtaining/ losing Control of Subsidiary	Expense Accrued	Others	
Non Current borrowings*	18,984.77	(3,837.05)	-	-	-	22,821.82
Current borrowings	11,209.90	4,056.17	(3,535.28)	-	-	10,689.01
Lease Liability	5,833.17	(867.74)	-	-	2,459.92	4,240.99
Accrued Interest	229.78	(5,175.77)	-	5,243.20	-	162.35
Total liabilities from financing activities	**36,257.62**	**(5,824.39)**	**(3,535.28)**	**5,243.20**	**2,459.92**	**37,914.17**

* Including current maturity of non current borrowings.

52 LEASE DISCLOSURE

I. Group as a lessee :- The Group incurred following expenses towards short-term leases and leases of low-value assets.

Lease payments not recognized as a Lease Liability.

Particulars	31 March, 2026	31 March, 2025
Short-term Leases	237.43	281.97
Leases of Low Value Assets	0.54	0.52

Movement of Lease Liabilities during the year

Particulars	31 March, 2026	31 March, 2025
Opening Lease Liabilities	5,833.17	4,240.99
New Leases recognized	7,743.74	2,500.19
Remeasurements and withdrawls	(272.57)	(100.66)
Interest expense on Lease Liabilities	561.64	425.03
Payment of Lease Liabilities (including Interest)	(1,559.29)	(1,232.38)
Closing Lease Liabilities	**12,306.69**	**5,833.17**
Non Current	11,046.27	4,807.87
Current	1,260.42	1,025.30

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

52 LEASE DISCLOSURE (CONTD.)

II. Group as a lessor :- The Group has recognized rent income under the head of other income as follows:

Particulars	31 March, 2026	31 March, 2025
Rent received during the year	67.85	6.65

53 There are following charges appearing on the website of the MCA. These are very old charges against which the Company has no loan outstanding as at reporting date. The Company is taking up with the MCA to rectify it at their end.

S. No.	Lender Name	Amount	Location of the Registrar
1	L.I.C. OF INDIA	24.00	Kolkata
2	L.I.C. OF INDIA	24.00	Kolkata
3	L.I.C. OF INDIA	24.00	Kolkata
4	H.D.F.C. LTD.	19.65	Kolkata

54 a) None of entities in the Group have transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act 1956.

b.) The Group has been sanctioned working capital limit from bank on the basis of security of current assets. The quarterly returns/ statements filed by the Group with the bank, are in agreement with the respective quarters books of accounts of the Group and differences, if any. are not material.

c.) Other disclosures required under Schedule III amendments:

i) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

iii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

iv) There is no undisclosed income under the tax assessments under the Income Tax Act, 1961 for the year ending 31 March, 2026 and 31 March, 2025 which needs to be recorded in the books of account of any of the entities consolidated in the Group.

v) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

vi) Utilization of borrowed funds and share premium:

A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The Group during the year has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

54 (CONTD.)

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.

vii) Borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

ix) The Board of Directors of the Company at its Board Meeting held on 07 November, 2025, subject to requisite approvals/consents, approved the proposed Scheme of Amalgamation of wholly owned subsidiaries Somany Bathware Limited, Somany Excel Vitrified Private Limited and SR continental Limited with and into the Company ("Scheme") in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The aforementioned scheme, having appointed date of 01 April, 2025, is subject to required regulatory and other necessary approvals.

55 BUSINESS COMBINATION

(a) Acquisition of a Subsidiary

On 15 July, 2025, the Parent company has acquired 51% equity interest in Dura Build Care Private Limited ("Dura Build"), having Construction Chemical manufacturing facility at Bahadurgarh, Haryana for a cash consideration of ₹ 1,030.20 Lakhs.

This acquisition has further strengthened the Group's existing position by enabling entry into the construction chemicals segment. The acquired business complements the Group's existing ceramics and allied products portfolio, allowing it to provide integrated solutions across a wider range of construction and renovation requirements. The acquisition is expected to enhance the Group's ability to leverage its established distribution network, expand its customer offerings, realize cross-selling opportunities, and support sustainable long-term growth.

The operations of Dura Build have been consolidated in the financial statements of the Group from 15 July, 2025. Dura Build has contributed net revenue of ₹ 743.38 Lakhs and loss of ₹ 42.38 Lakhs to the Group's result. Hence, consolidated income and expenditures of the Group reported for the current year are not comparable with those of the previous year.

Purchase Consideration:

Purchase consideration for the above acquisition has been fair valued at ₹ 1030.20 Lakhs as at 15 July, 2025 which has been duly paid to the sellers.

The fair values of the identifiable assets and liabilities of globe as at the date of acquisition were:

Particulars	Amount
Net working capital (including cash)	398.87
Property, plant and equipment	1,360.42
Intangible Assets	0.57
Non Current Financial Assets	6.65
Deferred tax asset	154.07
Non current Borrowings	(132.97
Non Current Financial liabilities	(7.00)
Total identifiable net assets at fair value	**1,780.61**
Identifiable net assets attributable to controlling interest	**908.11**
Goodwill	122.08
Total purchase consideration	**1,030.20**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

55 BUSINESS COMBINATION (CONTD.)

Particulars	Amount
Analysis of cash flows on acquisition:	
Net cash acquired with the subsidiary	1.78
Cash paid	(1,030.20)
Net cash flow on acquisition	**(1,028.42)**

The goodwill recognized is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Dura Build with those of the Group. The goodwill is not deductible for income tax purposes.

(b) Divestment in Subsidiary (Loss of Control)

During the year ended 31 March, 2025, the Parent company has divest its investment in two of its subsidiaries Acer Granito Pvt. Ltd. and Amora Tiles Pvt. Ltd. w.e.f. 01 December, 2024 for the consideration of ₹ 1,055.30 lakhs and 928.20 lakhs respectively.

Summary of Consolidated Assets and Liabilities of Subsidiary in which divestment made during the previous year:

Particulars	30 November, 2024	
	Acre Granito Pvt. Ltd.	Amora Tiles Pvt. Ltd.
Non Current Assets	3,101.26	3,707.31
Current Assets	4,534.04	1,951.66
Non Current Liabilities	602.06	1,523.16
Current Liabilities	2,743.56	2,289.67
Net Assets	**4,289.68**	**1,846.14**

Summary of Revenue and Expenditure of Subsidiary for the period 01 April, 2024 to 30 November, 2024, in which divestment made during the previous year, included in Consolidated Statement of Profit & Loss:

Particulars	For the Period 01 April, 2024 to 30 November, 2024	
	Acre Granito Pvt. Ltd.	Amora Tiles Pvt. Ltd.
Revenue	5,381.60	5,038.72
Less Expenses	5,455.39	5,243.64
Profit before tax	(73.79)	(204.92)
Tax Expense	(18.39)	(56.87)
PAT	**(55.40)**	**(148.05)**

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

55 BUSINESS COMBINATION (CONTD.)

Summary of Gain on divestment in subsidiary

Particulars	For the Period 01 April, 2024 to 30 November, 2024	
	Acre Granito Pvt. Ltd.	Amora Tiles Pvt. Ltd.
Net Assets Disposed off (including goodwill of ₹ 124.52 Lakhs)	(4,414.20)	(1,846.14)
Non Controlling interests	3,172.30	904.61
Consideration received on divestment	1,055.30	928.20
Gain/(Loss) on divestment	**(186.60)**	**(13.33)**

56 During the financial year 2018-19, the Company had discovered defalcation of ₹ 1,585.82 Lakhs committed by an employee. The Company has filed a civil as well as a criminal suit against him and his wife, being the beneficiaries. During the pendency of the suit, he and his wife have signed a 'Memorandum of Understanding' (MOU) dated 11 February, 2021 with the Company, duly acknowledged by Hon'ble High Court of Gujarat vide its order dated 12 February, 2021, under which he and his wife offered their immovable properties to the tune of ₹ 660.00 Lakhs (net off loan of ₹ 40.17 Lakhs), which has since been transferred in the name of the Company, as value determined by the Hon'ble High Court of Gujarat and a sum of ₹ 40.00 Lakhs deposited by them in the Court towards compliance of their Bail condition. In terms of the said MOU, the Company is obligated to attempt to sell the properties in a diligent manner and quantify the amount received upon sale of such properties (net of expenses) and submit a purshis(s) of the same with the Hon'ble Civil Court. The Company has during the year sold two property and increased the "Liability under Defalcation Suit". Awaiting the final decree of the Hon'ble Civil Court, the Company is holding the properties in fiduciary capacity and disclosed the same as 'Properties held in trust' under Note no. 15 amounting to ₹ 239.81 Lakhs (Previous year ₹ 363.77 Lakhs) and also recognized 'Liability under Defalcation Suit' amounting to ₹ 642.92 Lakhs (net of Expenses) (Previous year ₹ 639.73 Lakhs) under Note no 26. The final accounting and taxation of the amounts mentioned in the purshis(s) would be done based on the final verdict of the Hon'ble Civil Court.

57 The Parent company, in the earlier years, had fully impaired its investment of ₹ 1,844.73 Lakhs in NCDs, issued by SREI Equipment Finance Limited. In the previous year, Hon'ble NCLT Kolkata approved resolution plan under Insolvency & Bankruptcy Code, 2016. In terms of the Approved Resolution Plan, the implementation notice was issued by National Asset Reconstruction Company Limited ("NARCL") and Implementation and Monitoring Committee ("IMC") authorized the administrator for commencement of the distribution against claims with the record date set as at 06 October, 2023. In terms of the Approved Resolution Plan, the Parent company was awarded ₹ 590.45 Lakhs to be received in cash and by way of allotment of Security Receipts (SRs) / Optionally Convertible Debentures (OCDs)/Equity.

As per aforementioned resolution plan upto 31 March, 2026, the Parent company has received ₹ 198.55 Lakhs. (FY 2025-26 ₹ 33.00 Lakhs against SRs; FY 2024-25 ₹ 36.35 Lakhs against SRs)

Pending ascertainment of the issue terms and conditions, these SRs/OCDs has been disclosed under the head "Other Financial Assets" at an estimated value of ₹ 168.07 Lakhs (previous year ₹ 225.08 Lakhs).

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

58 The Group has been maintaining its books of accounts in a ERP Software having the feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of Rule 3 of The Companies (Accounts) Rules, 2014 (the "Rules") , except in case of Parent company and few subsidiaries maintaining books of accounts in SAP, audit trail feature has not been enabled for certain tables at application and database level to capture direct changes made to such tables through privilege access. However, it is continuously ensured that privilege access is granted only via approved change management process.

Evidence of audit trail enablement in respect of third-party software, used by the Parent company for supplier finance arrangement has not been provided by the vendor to the Parent company. Although no access for direct change in database is with the Parent company and vendor has control over privilege access through change management process.

59 THE CONSOLIDATED FINANCIAL STATEMENTS INCLUDE THE ACCOUNTS OF SOMANY CERAMICS LTD. (PARENT COMPANY) AND ITS SUBSIDIARIES AS DETAILED BELOW:

Particulars	Country of Incorporation	Percentage of Ownership interest as at 31 March, 2026	Percentage of Ownership interest as at 31 March, 2025
SR Continental Ltd.	India	100.00%	100.00%
Somany Bathware Ltd.	India	100.00%	100.00%
Dura Build Care Pvt. Ltd. (w.e.f. 15 July, 2025)	India	51.00%	-
Somany Sanitaryware Pvt. Ltd.	India	51.00%	51.00%
Somany Excel Vitrified Pvt. Ltd.	India	100.00%	100.00%
Vintage Tiles Pvt. Ltd.	India	50.00%	50.00%
Vicon Ceramic Pvt. Ltd.	India	26.00%	26.00%
Sudha Somany Ceramics Pvt. Ltd.	India	60.00%	60.00%
Somany Bath Fittings Pvt. Ltd.	India	100.00%	100.00%
Somany Piastrelle Pvt. Ltd.	India	100.00%	100.00%
SRCL Buildwell Pvt. Ltd. (subsidiary of SR Continental Ltd.)	India	100.00%	100.00%
Somany Max Pvt. Ltd.	India	85.71%	80.00%

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

60 DISCLOSURE OF THE ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III:

a) As at and for the year ended 31 March, 2026

Name of the Entity	Net Assets,i.e., total assets minus total liabilities		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/(Loss)	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Somany Ceramics Ltd.	105.74%	89,073.39	122.05%	9,909.38	82.26%	68.14	121.65%	9,977.52
Subsidiaries (Indian)								
SR Continental Ltd.	0.58%	489.97	0.27%	22.16	0.00%	-	0.27%	22.16
Somany Bathware Ltd.	0.13%	110.86	0.05%	4.00	0.00%	-	0.05%	4.00
Dura Build Care Pvt. Ltd.	0.56%	471.41	(0.35)%	(28.39)	(3.44)%	(2.85)	(0.38)%	(31.24)
Somany Sanitaryware Pvt. Ltd.	1.64%	1,381.20	(0.30)%	(24.76)	0.53%	0.44	(0.30)%	(24.32)
Somany Excel Vitrified Pvt. Ltd	0.56%	475.22	0.62%	50.23	0.00%	-	0.61%	50.23
Vintage Tiles Pvt. Ltd.	1.52%	1,278.76	(5.51)%	(447.56)	(1.18)%	(0.98)	(5.47)%	(448.54)
Somany Piastrelle Pvt. Ltd.	4.16%	3,501.41	1.23%	99.71	12.22%	10.12	1.34%	109.83
SRCL Buildwell Pvt. Ltd. (subsidiary of SR Continental Ltd.)	0.25%	208.43	(0.32)%	(26.13)	0.00%	-	(0.32)%	(26.13)
Somany Max Pvt. Ltd.	6.88%	5,794.33	(22.61)%	(1,835.80)	6.80%	5.63	(22.31)%	(1,830.17)
Vicon Ceramic Pvt. Ltd.	1.60%	1,350.34	0.60%	48.81	4.02%	3.33	0.64%	52.14
Sudha Somany Ceramics Pvt Ltd.	7.70%	6,483.46	0.20%	16.05	1.07%	0.89	0.21%	16.94
Somany Bath Fittings Pvt. Ltd.	1.38%	1,161.39	1.15%	93.66	0.07%	0.06	1.14%	93.72
Non Controlling Interest in All Subsidiaries	(9.20)%	(7,751.49)	8.78%	713.07	(2.35)%	(1.95)	8.67%	711.12
Consolidated Adjustments/ Eliminations (Refer note a. below)	(23.49)%	(19,790.72)	5.85)%	(475.31)	0.00%	-	(5.80)%	(475.31)
	100.00%	**84,237.96**	**100.00%**	**8,119.12**	**100.00%**	**82.83**	**100.00%**	**8,201.95**

Note:

a. includes inter company eliminations, consolidation adjustments including accounting estimation difference.

b. The Company has made investment in 49% equity shares of Clean Max Ananta Pvt. Ltd("CMAPL") on 07 March, 2024 and became associate of the Company. Subsequently, the Company has made further investment and has entered into the various agreements with the other shareholder of CMAPL which restrict the Company to participate in the financial and operating policy decisions of the CMAPL. Therefore, the CMAPL cease to be an associate under IND AS, however, CMAPL continue as associate under the Companies Act, 2013.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

60 DISCLOSURE OF THE ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III: (CONTD.)

b) As at and for the year ended 31 March, 2025

Name of the Entity	Net Assets,i.e., total assets minus total liabilities		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/(Loss)	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Somany Ceramics Ltd.	103.71%	80,028.37	142.65%	8,568.76	104.12%	(72.27)	143.10%	8,496.49
Subsidiaries (Indian)								
SR Continental Ltd.	0.61%	467.82	0.62%	37.05	-	-	0.62%	37.05
Somany Bathware Ltd.	0.14%	106.86	0.04%	2.26	-	-	0.04%	2.26
Amora Tiles Pvt. Ltd. (Ceases w.e.f. 01 December, 2024)	0.00%	-	(3.89)%	(233.51)	(0.68)%	0.47	(3.92)%	(233.04)
Somany Sanitaryware Pvt. Ltd.	1.82%	1,405.53	0.85%	50.86	0.24%	(0.17)	0.85%	50.69
Somany Excel Vitrified Pvt. Ltd	0.55%	424.98	0.41%	24.65	-	-	0.42%	24.65
Vintage Tiles Pvt. Ltd.	2.24%	1,727.29	0.96%	57.77	(1.61)%	1.12	0.99%	58.89
Somany Piastrelle Pvt. Ltd.	4.40%	3,391.63	(2.23)%	(134.21)	(0.22)%	0.15	(2.26)%	(134.06)
SRCL Buildwell Pvt. Ltd. (subsidiary of SR Continental Ltd.)	0.30%	234.56	(0.10)%	(6.07)	-	-	(0.10)%	(6.07)
Somany Max Pvt. Ltd.	5.99%	4,624.49	(38.18)%	(2,293.30)	(2.56)%	1.78	(38.59)%	(2,291.52)
Acer Granito Pvt. Ltd. (Ceases w.e.f. 01 December, 2024)	0.00%	-	(1.15)%	(69.10)	0.46%	(0.32)	(1.17)%	(69.42)
Vicon Ceramic Pvt. Ltd.	1.68%	1,298.20	0.62%	37.49	(0.40)%	0.28	0.64%	37.77
Sudha Somany Ceramics Pvt Ltd.	7.73%	5,966.56	6.32%	379.85	(0.89)%	0.62	6.41%	380.47
Somany Bath Fittings Pvt. Ltd.	1.38%	1,067.67	2.50%	150.23	(0.30)%	0.21	2.53%	150.44
Non Controlling Interest in All Subsidiaries	(9.41)%	(7,257.97)	3.47%	208.63	1.84%	(1.28)	3.49%	207.35
Consolidated Adjustments/ Eliminations (Refer note a. below)	(21.15)%	(16,319.56)	(12.90)%	(774.60)	-	-	(13.05)%	(774.60)
	100.00%	**77,166.43**	**100.00%**	**6,006.76**	**100.00%**	**(69.41)**	**100.00%**	**5,937.35**

Note

a. includes inter company eliminations, consolidation adjustments including accounting estimation difference.

Notes to Consolidated Financial Statements for the year ended 31 March, 2026

(All amounts are in rupees Lakhs, unless otherwise stated)

61 The figures of the previous period have been regrouped/reclassified, wherever considered necessary, to conform current period classifications.The impact of the such regrouping/reclassification is not material.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Shubham Dutta
Partner
M. No. 500580
Place: Noida
Date: 15 May, 2026

For and on behalf of Board of Directors

Shreekant Somany
Chairman & Managing Director
DIN: 00021423

Abhishek Somany
Managing Director & CEO
DIN: 00021448

Amit Sahai
CEO - Tiles Business
PAN: AHOPS1790C

Sailesh Raj Kedawat
Chief Financial Officer
ICAI M.No. 773302

Anuj Kalia
Company Secretary
M. No. A 31850

SOMANY CERAMICS LIMITED
CIN: L40200WB1968PLC224116; Phone: 033-2248 7406/5913;
Registered Office: 2, Red Cross Place, Kolkata-700 001 West Bengal, India;
Email: sclinvestors@somanyceramics.com/corporateaffairs@somanyceramics.com;
Website: www.somanyceramics.com

NOTICE OF THE 58TH ANNUAL GENERAL MEETING

Notice is hereby given that the 58th Annual General Meeting ("AGM") of the Members of Somany Ceramics Limited will be held on Wednesday, 12 August, 2026 at 10:00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:-
   a) The Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2026 together with the reports of Board of Directors and Statutory Auditors thereon; and
   b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2026 together with the report of Statutory Auditors thereon.
2. To declare a final dividend of ₹ 2/- per equity share of the face value of ₹ 2/- each (@100%) for the financial year ended 31 March, 2026.
3. To appoint a Director in place of Mr. Ghanshyam Girdharbhai Trivedi (DIN: 00021470), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To Approve Material Related Party Transactions of the Company with M/s Sudha Somany Ceramics Private Limited.**

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

   "RESOLVED THAT pursuant to Regulations 2(1)(zc), 23(4) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act') read with the related rules framed thereunder and SEBI Circular dated 26 June, 2025 and Master Circular dated 30 January, 2026 with respect to Industry Standards on Minimum Information to be provided to the audit committee and shareholders for approval of Related Party Transactions (RPTs) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/ statutory provisions, if any and the Company's Policy on Related Party Transactions, each as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such conditions and modifications as may be prescribed or imposed by any authority(ies) while granting such approval(s), permission(s) and sanction(s) and on approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any Committee duly constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), to enter into and/ or to carry out and/ or continue to enter, carry out contracts/ arrangements/ transactions, whether by way of renewal(s) or extension(s) or modification(s) of earlier contracts/ arrangements/ transactions or otherwise and/or carrying out/ continuing with arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), as mentioned in the Explanatory Statement annexed to this notice, with M/s Sudha Somany Ceramics Private Limited (being a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations), which may exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such other materiality threshold, as may be prescribed from time to time, subject to an amount of up to ₹ 33,742.50 Lakhs, to be entered during the Financial Year 2026-27, provided that such transactions are undertaken at arm's length and in the ordinary course of business of the Company."

   "RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other documents and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle or resolve any question, difficulties or doubts that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any Committee, Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s)."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For Somany Ceramics Limited

Anuj Kalia
Company Secretary & Compliance Officer
(M. No. A31850)
Registered Office: 2, Red Cross Place,
Kolkata-700001, West Bengal

Place: Noida
Date: 13 July, 2026

NOTES:

1. An explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts concerning the business with respect to item number 4 to be transacted at the Annual General Meeting ("AGM") is annexed hereto and forms part of the Notice. Information of the Director proposed to be appointed/ re-appointed at the AGM as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ("**SS-2**") and other applicable provisions is provided in the **Annexure – A** to this Notice.

2. The Ministry of Corporate Affairs ("**MCA**") inter-alia vide Circular Nos.14/2020,17/2020, 20/2020, 02/2021,19/2021,02/2022,10/2022, 09/2023, 09/2024 and 03/2025 dated 08 April, 2020, 13 April, 2020, 05 May, 2020, 13 January, 2021, 08 December, 2021, 05 May, 2022, 28 December, 2022, 25 September, 2023, 19 September, 2024 and 22 September, 2025 respectively, ("**MCA Circulars**") and Securities and Exchange Board of India ("**SEBI**") vide Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/ CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 and SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2024/133 dated 12 May, 2020, 15 January, 2021, 13 May, 2022, 05 January, 2023, 07 October, 2023 and 03 October, 2024 ("**SEBI Circulars**") have permitted holding of the AGM by companies through Video Conferencing ("**VC**") or through Other Audio Visual Means ("**OAVM**"), without physical presence of the Members at a venue.

   In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars, the ensuing AGM of the Company will be held through VC/OAVM. Accordingly, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 58th Annual General Meeting of the Company shall be the Registered Office of the Company situated at 2, Red Cross Place, Kolkata, West Bengal - 700001. The detailed procedure for participating in the said AGM through VC/OAVM is given in the e-voting instructions section of this Notice.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and MCA Circulars, the Company is providing facility of remote e-voting to the Members of the Company 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 agency. The facility of casting votes by a member using remote e-voting as well as the e-voting facility on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM in the VC/OAVM mode 30 minutes before 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 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions on account of first come first serve basis.

5. 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.

6. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the facility to appoint a proxy to attend and cast vote on behalf of the members is not available. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members can attend the AGM through VC/ OAVM and cast their votes through e-voting.

7. The Notice of the AGM, inter alia, specifying the process and manner of voting along with Annual Report for FY 2025-26 is being sent in electronic mode only to those Members whose e-mail addresses are registered with the Company's RTA/ Depository Participant(s) as on Tuesday, 14 July, 2026. The Notice calling the AGM along with the Annual Report has been uploaded on the website of the Company at www.somanyceramics.com.

   Letter is being sent to the shareholders whose e-mail addresses are not registered, providing the web-link of Company's website from where the Annual Report can be accessed.

   The Notice shall also be available at the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of CDSL (agency for providing the remote e-voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9. Members having multiple folios in the same order of name(s) may inform the Company to consolidate them in one folio.

10. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the unpaid/unclaimed dividends upto the year 2017-18 have been transferred to Investor Education and Protection Fund ("IEPF"). Shareholders whose amounts have been transferred to IEPF as above may claim refund from IEPF in accordance with the provisions under the Companies Act, 2013 and rules made thereunder. Further, the unpaid/unclaimed dividend which was declared for the year ended 31 March, 2019 is due for transfer to IEPF on or after 24 September, 2026 in terms of the provisions of the said Act. The Company has also uploaded full details of such shareholders, whose dividend for seven consecutive years remained unclaimed, on its website www.somanyceramics.com. For the financial year ended 31 March, 2019 or any subsequent financial year(s), members are urged to claim such amount from the Company immediately.

11. Members desiring to claim unclaimed dividends are requested to correspond with the RTA of the Company at contact@mdplcorporate.com.

12. (a) Members may note that the Board, at its meeting held on 15 May, 2026, has recommended a final dividend of ₹ 2/- per equity share of ₹ 2/- each (@100%) for the financial year ended 31 March, 2026.

(b) The final dividend once approved by the members in the ensuing AGM, will be paid within 30 days from its declaration only through electronic mode.

(c) The Company has fixed Wednesday, 05 August, 2026 as the Record Date for determining the entitlement of Members to final dividend for the financial year ended 31 March, 2026.

(d) Members may note that pursuant to the Finance Act, 2020, dividend paid or distributed by a company on or after 01 April, 2020 is taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend as per the rates prescribed in Income Tax Act, 2025.

Pursuant to Regulation 12 of the Listing Regulations read with SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03 November, 2021 as amended from time to time, has mandated that with effect from 01 April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. To avoid delay in receiving dividend, members are requested to update their KYC including bank details with their Depository Participant ("DP") (where shares are held in dematerialized mode) and with the RTA of the Company (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

(e) Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf

13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Maheshwari Datamatics Private Limited/Company.

14. Members are requested to notify immediately the change of their name, postal address, email address, mobile number, PAN, nomination and bank particulars to their DP if the shares are held by them in electronic form and to the Registrar & Share Transfer Agent ("RTA") of the Company i.e. Maheshwari Datamatics Private Limited, if shares are held in physical form. The prescribed forms ISR-1, ISR-2, nomination form, as applicable, are available on the website of RTA at https://mdpl.in/form.

Further, the shareholders are requested to submit duly filled form along with all necessary documents at the address of RTA at 5th Floor, 23, R. N. Mukherjee Road, Kolkata- 700001. The Company has also sent individual letters to all the members holding shares of the Company in physical form requesting them to furnish their PAN, KYC and Nomination details.

15. Members holding shares in physical form and desirous of making a nomination or cancellation/variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH-13 to the RTA of the Company for nomination and Form SH-14 for cancellation/variation as the case may be. The forms are available on the website of the RTA i.e. www.mdpl.in/

form. Shareholders holding shares in demat form are also advised to avail nomination facility by submitting the prescribed form to their respective Depository Participants (DPs).

16. To prevent fraudulent transactions, members are advised to exercise due diligence and not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

17. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular number SEBI/HO/ MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 and SEBI Circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated 30 January, 2026 has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as well as to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

18. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their email ID's with the Company or its RTA and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs). If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

19. Members desiring any information relating to the Audited Financial Statement are requested to write to the Company well in advance so as to enable the management to keep the information ready.

20. The following documents will also be available for inspection at the registered office of the Company at 2, Red Cross Place, Kolkata-700001, India between 3:00 p.m. and 5:00 p.m. on working days till the date of AGM.

    (i) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013

    (ii) The Financial Statements of the subsidiaries of the Company are not attached to the 58th Annual Report of the Company. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements along with related information of the Company and audited accounts of each of its subsidiaries, are available on Company's website at www.somanyceramics.com.

    (iii) Any other document as may be mentioned in the Notice / Annual Report.

21. The Board of Directors of the Company has appointed Mr. Akshit Kumar Jangid, Partner of M/s Pinchaa & Co., Company Secretaries, (Membership No. FCS 11285, CP No. 16300), as Scrutinizer to scrutinize the remote e-voting and e-voting during the AGM in a fair and transparent manner. Post receiving the Scrutinizer's report, the Company shall communicate the voting results within two working days from the conclusion of the Meeting to the Stock Exchanges. The results declared along with the Scrutinizer's report shall be placed on the website of the Company viz. www.somanyceramics.com and at the website of CDSL viz. www.evotingindia.com.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

(i) The remote e-voting period begins on **Friday, 07 August, 2026 at 09:00 A.M**. and ends on **Tuesday, 11 August, 2026 at 05:00 P.M.** During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date i.e. **Wednesday, 05 August, 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut-off date should treat the Notice of this meeting for information purposes only.

(ii) The voting rights of the Members shall be in proportion to their share(s) in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 05 August, 2026.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting through e-voting system.

(iv) Any person or non-individual Shareholder who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date may follow the steps mentioned below for remote e-voting.

(v) Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 09 December, 2020 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable circulars thereto, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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

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

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

(vi) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for e-voting and joining virtual meeting 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 Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile Number & Email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a Mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a Mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on 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. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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 Forgot User ID and Forgot 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 toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

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

(vii) Login method for e-Voting and joining virtual meeting for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders / Members" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. 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 Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.

For Physical shareholders and other than individual shareholders holding shares in Demat.	
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

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

(ix) 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.

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

(xi) Click on the EVSN for Somany Ceramics Limited on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) 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.

(xviii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xix) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- It is mandatory for the Non Individual shareholders 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; ppincha@gmail.com and scl_agm@somanyceramics.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending the Meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / Tablets / iPads for better experience.

5. 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.

6. 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 by mentioning their name, demat account number/folio number, email id, mobile number at corporateaffairs@somanyceramics.com / scl_agm@somanyceramics.com. The speaker registration will be open from Monday, 03 August, 2026 to Friday, 07 August, 2026. The Company reserves the right to restrict the number of questions and number of speakers, depending upon the availability of time as appropriate for smooth conduct of the AGM.

7. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.

8. Further, speaker shareholders will be required to allow camera and use stable internet connection to avoid any disturbance during the meeting.

9. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance upto Friday, 07 August, 2026 mentioning their name, demat account number/folio number, email id, mobile number at scl_agm@somanyceramics.com. These queries will be replied to by the Company suitably by email.

10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast 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.

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

1. For Physical shareholders - You are requested to send the duly completed ISR 1, ISR 2 and Choice of nomination (https://mdpl.in/form) with signature of the holders attested by your banker along with a cancelled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send additionally bank attested copy of your pass book / bank statement showing your name, account no and IFSC Code.

   In case of any query, the member may send an email to RTA at contact@mdplcorporate.com mentioning their name, Folio No./ Client ID and DP 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.

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

Members may refer to the Frequently Asked Questions ("FAQs") and e-voting user manual available under the Help section of www.evotingindia.com for any assistance relating to e-voting.

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

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Approval for Material Related Party Transactions of the Company with M/s Sudha Somany Ceramics Private Limited.

M/s Sudha Somany Ceramics Private Limited ("SSCPL"), subsidiary company of Somany Ceramics Limited ("The Company" or "SCL") is a Related Party as defined under Section 2 (76) of the Act read with Regulation 2(1)(zb) of the Listing Regulations. The Company holds 60% of the equity shares and preference shares issued by SSCPL.

The Company in its ordinary course of business and on an arm's length basis, enters into contracts/ agreements/ arrangements for purchase of ceramic tiles from the Joint ventures/Subsidiaries. These activities have been essential for the Company to carry out its business operations and maximize its growth and performance. SSCPL operates a manufacturing facility in South India and manufactures tiles and allied products primarily for supply to the southern markets.

The Company estimates that during FY 2026-27, the transactions with SSCPL, either individual or taken together with previous transaction during the financial year, will be recurrent in the course of Company's business and are estimated to exceed the applicable materiality threshold limit of 10% of annual consolidated turnover of the Company as per the audited financial statements for FY 2025-26, pursuant to Regulation 23(1) of the Listing Regulations as amended time to time.

Considering the historical levels of such transactions, anticipated business transactions and business environment and as per the Listing Regulations, prior approval of the Members is being sought for an aggregate value of an amount up to ₹ 33,742.50 Lakhs for the related party transactions set out in the table below.

Further, SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November, 2024, SEBI Circular no. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26 June, 2025 and SEBI Master Circular No. HO/49/14/14(7)2025-CFDPOD2/I/3762/2026 dated 30 January, 2026 ('SEBI Circulars') prescribe the minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions as 'RPT Industry Standards' formulated by the Industry Standards Forum.

All relevant information pertaining to the proposed Related Party Transactions (RPTs) were placed before the Audit Committee in the format prescribed by the SEBI vide circular dated 26 June, 2025, on Industry Standards titled "Minimum Information to be provided to the Audit Committee and shareholders for approval of Related Party Transactions." Furthermore, the Company has obtained certificate from the Chief Executive Officer and Chief Financial Officer, as required under the said SEBI circular, confirming that the proposed transactions are in the best interest of the Company, which was also reviewed by the Audit Committee. These transactions will be monitored by Audit Committee on a quarterly basis.

The value of transactions (for which the approval is being sought) for the period commencing from 01 April, 2026 till the date of this Meeting has not exceeded the existing materiality threshold and is not likely to exceed the existing materiality threshold till the approval of these transactions by the members.

The value of related party transactions specified in the tables below exclude duties and levies.

Details of the proposed RPTs including the summary of information provided by the management to the Audit Committee for approval of the proposed related party transactions, information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circulars as per industry standards on minimum information to be provided to the audit committee and shareholders for approval of related party transactions are as follows:

MATERIAL RELATED PARTY TRANSACTIONS BETWEEN SOMANY CERAMICS LIMITED AND SUDHA SOMANY CERAMICS PRIVATE LIMITED

PART A

A(1) Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Sudha Somany Ceramics Private Limited (Sudha Somany / SSCPL)
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Manufacturing of Tiles and allied products

A(2) Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	Sudha Somany is a Subsidiary of Somany Ceramics Limited (SCL / Company)
	a) Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	SCL holds 60% of equity and preference share capital each
	b) Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	c) Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil

A(3) Details of previous transactions with the related party

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="2">Information provided by the management</th></tr>
<tr><td rowspan="10">1.</td><td rowspan="10">Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</td><td>Nature of Transactions</td><td>Amount (₹ in lakhs) (for FY 2025-26)</td></tr>
<tr><td>Purchase of goods and other transactions</td><td>23,532.57</td></tr>
<tr><td>ICD received back</td><td>600.00</td></tr>
<tr><td>Investment in equity shares</td><td>300.00</td></tr>
<tr><td>Interest on unsecured loan</td><td>90.73</td></tr>
<tr><td>Dividend income on Preference Shares</td><td>112.20</td></tr>
<tr><td>Rent Paid</td><td>6.00</td></tr>
<tr><td></td><td>24,641.50</td></tr>
<tr><td>Nature of Transactions</td><td>Amount (₹ in lakhs) (for FY 2025-26)</td></tr>
<tr><td>Purchase of goods and other transactions between other subsidiary of SCL (SR Continental Limited) & Sudha Somany</td><td>5.69</td></tr>
<tr><td rowspan="9">2.</td><td rowspan="9">Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought</td><td>Nature of Transactions by listed entity with the related party</td><td>Amount (₹ in lakhs) Q1 FY 2026-27</td></tr>
<tr><td>Purchase of goods and other transactions</td><td>6,398.85</td></tr>
<tr><td>Investment in preference shares</td><td>180.00</td></tr>
<tr><td>Interest on unsecured loan</td><td>12.69</td></tr>
<tr><td>Dividend income on Preference Shares</td><td>29.11</td></tr>
<tr><td>Rent Paid</td><td>1.50</td></tr>
<tr><td>Total</td><td>6,622.15</td></tr>
<tr><td>Nature of Transactions by subsidiaries with the related party</td><td>Amount (₹ in lakhs) Q1 FY 2026-27</td></tr>
<tr><td>Purchase of goods and other transactions</td><td>4.18</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td colspan="2">No</td></tr>
</table>

A(4) Amount of the proposed transaction(s)

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	33,742.50 lakhs
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	12.2%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	140.3%
6.	Financial performance of the related party for the immediately preceding financial year:	
	Particulars	**FY 2025-26 (₹ in lakhs)**
	Turnover	24,053.86
	Profit After Tax	16.07
	Net worth	6,483.54

A(5) Basic details of the proposed transaction

S. No.	Particulars of the information	Information provided by the management	
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	**Nature of Transactions**	
		Purchase of tiles, material conversion and other services	
		Interest on unsecured loan and security deposit	
		Dividend income on existing and / or proposed preference shares issued / to be issued by SSCPL	
		Payment of rent on the warehouse taken on rent from Sudha Somany	
		The Company proposes to make further investment in shares of Sudha Somany	
		For any reimbursement to be received with respect to the payment made on behalf of Sudha Somany	
2.	Details of each type of the proposed transaction	**Nature of Transactions**	**Details of transactions**
		Purchase of goods and other transactions	Purchase of approximately 8.00 million square metres of tiles, net of purchase returns, if any, together with material conversion and other related services.
		Interest on unsecured loan	Interest on unsecured loan and on security deposit
		Dividend income on Preference Shares	11% Dividend on preference shares issued / to be issued by SSCPL
		Investment in equity / preference shares of Sudha Somany	Investment in equity / preference shares of Sudha Somany
		Payment of Rent	For the Warehouse taken on rent
		Reimbursement received with respect to payment made on behalf of related party	For any reimbursement to be received with respect to the payment made on behalf of Sudha Somany
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year (for the financial year 2026-27)	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	**Nature of Transactions**	**Value of Proposed transactions (₹ in lakhs)**
		Purchase of goods and other transactions	32,000.00
		Interest on unsecured loan	80.90
		Dividend income on Preference Shares	150.00
		Investment in Equity / Preference shares	1,500.00
		Payment of Rent	6.60
		Reimbursement with respect to payment made on behalf of Sudha Somany	5.00
			33,742.50

S. No.	Particulars of the information	Information provided by the management	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	**Nature of Transactions**	**Justification**
		Purchase of goods and other transactions	SSCPL operates a manufacturing facility in South India for the manufacture of tiles and allied products primarily for supply to SCL and servicing the Company's southern markets. Procurement from SSCPL enables the Company to maintain a reliable and stable supply of products in the region, exercise greater oversight over product quality and production planning, reduce lead time and logistics dependence and efficiently meet market demand. SSCPL also undertakes material conversion and other related services for the manufacture of adhesives and epoxy products to cater to the requirements of the southern market.
		Interest on unsecured loan and security deposit	The Company charges interest on unsecured loan and security deposit at interest rate linked to the prevailing RBI repo rate, with an additional spread of 5% (approx.). The interest rate is reviewed periodically to ensure it remains aligned with market conditions and arm's length principles.
		Dividend income on Preference Shares	The rate of Dividend on preference shares of Sudha Somany has been benchmarked at coupon rate of 11%. The investment generates a stable return on surplus funds while supporting the capital requirements and long-term growth of SSCPL, thereby creating value for the Company as a strategic investor.
		Investment in Equity / Preference shares	The proposed investment is intended to strengthen SSCPL's capital base and enable it to undertake the proposed modernization and upgradation of its manufacturing facilities, which is expected to improve operational efficiencies, enhance production capabilities and support its long-term growth.
		Payment of Rent	The warehouse has been taken on rent to support the Company's storage and distribution requirements. The arrangement facilitates efficient inventory management, timely servicing of customers and smooth business operations while avoiding substantial capital expenditure on acquiring similar infrastructure.
		Reimbursement received with respect to payment made on behalf of related party	The reimbursements represent recovery of actual expenses incurred by the Company on behalf of Sudha Somany in the ordinary course of business. Such transactions are undertaken purely on a cost-to-cost basis without any profit element and facilitate operational and administrative efficiency within the group.

S. No.	Particulars of the information	Information provided by the management
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	None
	a. Name of the director / KMP	Not Applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	None
9.	Other information relevant for decision making.	None

PART B

B1 Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information		Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.		No Bidding or other process was conducted for this purpose
2.	Basis of determination of price.		The pricing adheres to internal guidelines and related party transaction protocols, ensuring transparency, objectivity, and compliance with arm's length principles.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:		Not Applicable
	a.	Amount of Trade advance	
	b.	Tenure	
	c.	Whether same is self-liquidating?	

B3 Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information		Information provided by the management
1.	Source of funds in connection with the proposed transaction.		Internal Accruals
2.	Where any financial indebtedness is incurred to make investment, specify the following:		No
	a.	Nature of indebtedness	Not Applicable
	b.	Total cost of borrowing	Not Applicable
	c.	Tenure	Not Applicable
	d.	Other details	Not Applicable
3.	Purpose for which funds shall be utilized by the investee company.		The objective of the investment is to finance its proposed capital expenditure towards modernization and upgradation of its existing plant and machinery at SSCPL.
4.	Material terms of the proposed transaction		Additional Investment of upto ₹ 1,500 lakhs by way of subscription of equity or preference shares in one or more tranches from time to time.

PART C

C1 Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Latest credit rating of the related party	Long term Rating: Crisil BBB+/Stable (Reaffirmed) Short term rating: Crisil A2 (Reaffirmed)
2.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No Default on borrowing by SSCPL over last three years
	In addition, state the following:	
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	No
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	No
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	No
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	No
	FY 2023-24	None
	FY 2024-25	None
	FY 2025-26	None

C2 Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Latest credit rating of the related party	Long term Rating: Crisil BBB+/Stable (Reaffirmed) Short term rating: Crisil A2 (Reaffirmed)
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	No

The above proposed transactions are at arm's length basis and are being done in the ordinary course of business.

All relevant information is mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the Directors, Key Managerial Personnel and/ or their respective relatives is in anyway, concerned or interested, financially or otherwise, in the Resolution mentioned under Item No.4 of the Notice except to the extent of his/her holding directorship/ KMP position and shareholding in the Company and SSCPL.

Based on the approval and recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth under Item No. 4 of the Notice for approval by the Members.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the agenda item and to take decision thereon.

The Members may note that in terms of the provisions of the Companies Act, 2013 and the Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth under Item No. 4 of the Notice, whether such Related Party is a related party to the particular transaction or not.

Annexure-A

Disclosure relating to Director pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings;

Name of the Director	**Mr. Ghanshyam Girdharbhai Trivedi** DIN: 00021470
Age	79 years
Qualification	CMA, M.Sc., LL.B.
Experience	More than 51 years
Terms and Conditions of Re-appointment	Re-appointment as Non - Executive Non - Independent Director, liable to retire by rotation.
Remuneration sought to be paid	Commission & Sitting Fee as approved by the Board of Directors and the Shareholders
Remuneration last drawn for the FY 2025-26 (₹ in Lakhs)	6.20
Date of first appointment on the Board	01 September, 2017
Shareholding in the Company	3,000 equity shares
Relationship with other Director, Manager and other KMP	Not related to any other Director or Key Managerial Personnel of the Company
Number of Board Meetings attended during the Year	4 out of 4
Other Directorship Details	• Somany Bathware Limited • Trans India Ceramics Private Limited • Yogi Cerachem Private Limited • Xphere India Foundation • Vidres India Ceramics Private Limited • Eurofrits India Private Limited • Xphere Global Private Limited • Dragon Specialities Private Limited
Membership/ Chairmanship of Committees of other Boards	NIL
Listed Entities from which the Director has resigned in the past three years	None

Note: Other details such as Brief Resume/Profile, nature of expertise, skill & capabilities of proposed appointee Director are provided in the Corporate Governance Report, forming part of Annual Report.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Shreekant Somany

Mr. Abhishek Somany

Mr. Ghanshyam Girdharbhai Trivedi

Mr. Rameshwar Singh Thakur

Mrs. Rumjhum Chatterjee

Mr. Vineet Agarwal

Mr. Manit Rastogi

Mr. Zubair Ahmed

CHIEF EXECUTIVE OFFICER- TILE BUSINESS

Mr. Amit Sahai

CHIEF FINANCIAL OFFICER

Mr. Sailesh Raj Kedawat

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Anuj Kalia

BANKERS

Punjab National Bank
Kotak Mahindra Bank
HDFC Bank
ICICI Bank

STATUTORY AUDITORS

Singhi & Co., Chartered Accountants

SECRETARIAL AUDITORS

Pinchaa & Co., Company Secretaries

WEBSITE

www.somanyceramics.com

OWN PLANTS

Kassar Plant
P.O- Kassar - 124 507, Bahadurgarh
Distt. Jhajjar, Haryana

Kadi Plant
14, G.I.D.C, Industrial Estate, Kadi - 382 715
Distt. Mehsana, Gujarat

SUBSIDIARY COMPANIES

Somany Bath Fittings Pvt. Ltd.

Somany Bathware Ltd.

Somany Excel Vitrified Pvt. Ltd.

Somany Max Pvt. Ltd.

Somany Piastrelle Pvt. Ltd.

Somany Sanitary Ware Pvt. Ltd.

SR Continental Ltd.

SRCL Buildwell Pvt. Ltd.
(Subsidiary of SR Continental Limited)

Sudha Somany Ceramics Pvt. Ltd.

Dura Build Care Pvt. Ltd.

ASSOCIATE COMPANIES

Vintage Tiles Pvt. Ltd.

Vicon Ceramic Pvt. Ltd.

Clean Max Ananta Pvt. Ltd.

REGISTERED OFFICE

2, Red Cross Place, Kolkata (W.B.) - 700 001

CORPORATE OFFICE

F-36, Sector 6, Noida (U.P) - 201 301
Phone: 0120-4627900

CIN: L40200WB1968PLC224116

REGISTRAR AND SHARE TRANSFER AGENT

Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor,
Kolkata - 700 001
Phone: 033-2243 5029/2248 2248,
E-mail: compliance@mdplcorporate.com

Disclaimer:

This document contains statements about expected future events and financials of Somany Ceramics Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Office: F-36, Sector 6, Noida (U.P.) - 201301
Phone: 0120-4627900 | www.somanyceramics.com

Annexure B

SOMANY CERAMICS LIMITED

CIN : L40200WB1968PLC224116
Registered Office : 2, Red Cross Place, Kolkata – 700 001, West Bengal, India
Phone : +91-033-2248 7406/5913
E-mail : sclinvestors@somanyceramics.com/ corporateaffairs@somanyceramics.com
Website : www.somanyceramics.com

Srl : **Date :**
Name of Shareholder
Address

Folio No. / DP & Client ID :-

Dear Member(s),

Sub : Web-link and path of Notice of 58th Annual General Meeting and Annual Report for FY 2025-26

We are pleased to inform you that the **58th Annual General Meeting(AGM)** of the Members of Somany Ceramics Limited ('the Company') will be held on **Wednesday, 12th August, 2026** at **10:00 A.M** (IST) through Video Conferencing/Other Audio-Visual Means (OAVM) in compliance with the various circulars issued by MCA and SEBI from time to time.

The Notice of the 58th AGM (AGM Notice) along with the Annual Report for the Financial Year 2025-26 is being sent by electronic mode to Members whose e-mail ids are registered with the Company / Registrar & Share Transfer Agent (RTA) or Depository Participant(s) (DPs).

Based on the records available with the Company and/or RTA, we find your email address is not registered against your demat account/folio number. Therefore, we are unable to send the copy of the AGM Notice along with Annual Report 2025-26 electronically to you. In accordance with Regulation 36(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 this letter is being sent with the web link and the exact path to access the AGM Notice and the Annual Report for FY 2025-26, details whereof are given herein below.

AGM Notice	**Web-link**	https://d3joggurz1vobr.cloudfront.net/investorrelations/1b68d108-0847-4edb-9f1f-e6d9b23317de-1784201054467.pdf
	Path	www.somanyceramics.com> Investor Relations >Corporate Announcements with Stock Exchanges >AGM/EGM/Board > Notice of 58th Annual General Meeting | 12.08.2026
Annual Report	**Web-link**	https://d3joggurz1vobr.cloudfront.net/investorrelations/472e3ea0-3c57-4e53-9bf2-6732412e5283-1784201054467.pdf
	Path	www.somanyceramics.com> Investor Relations >Financial Information > Annual Reports>Annual Report | 2025-2026

Additionally, AGM Notice and Annual Report for FY 2025-26 are also available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Furthermore, AGM Notice is also available on website of CDSL i.e. www.evotingindia.com.

You are requested to register your complete KYC including email ID with your DPs for shares held in electronic form and for Shares held in physical form by writing to the Company's RTA, M/s Maheshwari Datamatics Pvt Ltd having Registered Office at 23, R N Mukherjee Road, 5th Floor, Kolkata 700 001; Tel : +91 33 22482248; E-mail : contact@mdplcorporate.com

Thanking You,

Yours Sincerely,
For Somany Ceramics Limited

Sd/-
Anuj Kalia
Company Secretary & Compliance Officer
Membership No.: A31850

Note : This is computer generated letter, no signature required.