



Dated: 28.04.2016

The Deputy General Manager,
BSE Limited
Corp. Relation Department, (e-mail : corp.relations@bseindia.com)
1st Floor, New trading Ring, Rotunda Bldg
P J Towers, Dalal Street,
Fort, Mumbai-400001 (Stock Code : 500233)

Dear Sir,

Sub: Audited Financial Results for the year ended on 31st March 2016

We wish to inform you that Board of Directors of the Company at its meeting held today i.e 28th April 2016, approved the Audited Financial Results of the Company for the year ended on 31st March 2016.

1. Pursuant to regulation 33 of SEBI (LODR) Regulations, please find enclosed herewith the following:
 - i. Audited Financial Results (both standalone and consolidated) of the Company for the quarter and year ended 31st March 2016.
 - ii. Form A (for audit report with unmodified opinion) (both standalone and consolidated).
 - iii. Auditors' Report on Audited Financial Results (both standalone and consolidated).
2. The Board has also recommended a dividend of Rs.5 /- per equity share of face value of Rs. 2 each for the financial year ended on 31st March 2016, subject to the approval of the shareholders in the ensuing Annual General Meeting.
3. The Copy of the publication in the newspapers of the audited financial results for the financial year ended on 31st March 2016.

You are requested to take the same on record.

Thanking you

Yours faithfully
For Kajaria Ceramics Ltd

R C Rawat
Executive V P (A&T) & Co Secretary

Copy to
Mr. Hari K- Vice -President
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex (E-mail: cmlist@nse.co.in)
Bandra (E), Mumbai-400051 (Stock Code : KAJARIACER)

Kajaria Ceramics Limited

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

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

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

FOR THE QUARTER/YEAR ENDED 31ST MARCH 2016

Rs in crores

PART - I										RS in Crores									
STANDALONE					CONSOLIDATED														
Quarter Ended			Year Ended		Quarter ended			Year Ended											
31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015										
(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)										
710.28	644.23	640.91	2607.63	2372.32	737.06	670.84	650.97	2695.94	2407.00										
47.65	41.65	37.28	166.41	145.06	81.94	71.74	65.74	287.13	229.49										
662.63	602.58	603.63	2441.22	2227.26	655.12	599.10	585.23	2408.81	2177.51										
1.64	1.74	1.66	6.82	5.88	2.69	2.49	2.88	9.68	9.38										
664.27	604.32	605.29	2448.04	2233.14	657.81	601.59	588.11	2418.49	2186.89										
100.08	87.70	79.62	345.04	334.65	185.77	169.85	154.46	668.35	564.15										
262.28	248.73	266.16	1,035.77	967.54	50.49	46.23	68.49	243.72	361.10										
(1.30)	(4.14)	2.54	(8.99)	(45.56)	4.01	(22.77)	(2.24)	(65.72)	(91.86)										
50.72	47.33	45.06	190.04	169.20	66.11	64.59	56.92	252.66	207.32										
13.16	11.59	9.58	47.20	39.38	19.93	18.42	15.29	72.62	55.88										
64.51	64.40	69.11	254.63	288.13	120.93	121.76	127.17	480.48	485.35										
67.99	62.69	62.51	239.70	233.13	96.61	104.62	80.25	375.65	306.70										
557.44	518.30	534.58	2103.39	1986.47	543.85	502.70	500.34	2027.76	1888.64										
106.83	86.02	70.71	344.65	246.67	113.96	98.89	87.77	390.73	298.25										
4.24	3.96	4.25	17.61	8.49	1.65	0.08	6.40	3.79	7.22										
111.07	89.98	74.96	362.26	255.16	115.62	98.97	94.17	394.53	305.47										
3.79	1.52	0.96	9.32	5.97	10.88	8.98	7.85	36.82	29.39										
107.28	88.46	74.00	352.94	249.19	104.74	89.99	86.32	357.71	276.08										
1.51	-	5.75	1.51	5.75	-	-	5.75	-	5.75										
105.77	88.46	68.25	351.43	243.44	104.74	89.99	80.57	357.71	270.33										
35.54	30.00	20.74	116.54	75.08	38.79	31.11	24.95	123.73	85.43										
70.23	58.46	47.51	234.89	168.36	65.95	58.88	55.62	233.98	184.90										
70.23	-	-	-	-	-	58.88	55.62	233.98	-										
70.23	58.46	47.51	234.89	168.36	65.95	58.88	55.62	233.98	184.90										
15.89	15.89	15.89	15.89	15.89	0.09	(0.69)	(3.96)	(4.78)	(9.30)										
70.23	58.46	47.51	234.89	168.36	66.04	58.19	51.66	229.20	175.60										
15.89	15.89	15.89	15.89	15.89	15.89	15.89	15.89	15.89	15.89										
-	-	-	893.47	706.24	-	-	-	906.43	725.08										
8.84	7.36	5.98	29.56	21.80	8.31	7.32	6.50	28.84	22.74										
8.81	7.34	5.98	29.52	21.80	8.29	7.31	6.50	28.80	22.74										

Note:

Rs in crores

1 Statement of Assets & Liabilities

PARTICULARS	STANDALONE	
	As At	
	31.03.2016 (Audited)	31.03.2015 (Audited)
A EQUITY AND LIABILITIES		
1 SHAREHOLDERS' FUNDS:		
(a) Share Capital	15.89	15.89
(b) Reserves and Surplus	893.47	706.24
Sub total Shareholders funds	909.36	722.13
2 Share application Money pending Allotment	-	-
3 MINORITY INTEREST	-	-
4 NON-CURRENT LIABILITIES		
a) Long Term Borrowings	5.47	1.23
b) Deferred Tax Liabilities	81.20	69.54
c) Long Term provisions	9.31	9.73
c) Other Long Term Liabilities	-	-
Sub Total Non Current Liabilities	95.98	80.50
5 CURRENT LIABILITIES		
a) Short Term Borrowings	39.61	78.63
b) Trade payables	218.90	178.63
c) Other Current Liabilities	127.95	87.29
d) Short Term provisions	68.19	48.12
Sub Total Current Liabilities	454.65	392.67
TOTAL EQUITY AND LIABILITIES	1,459.99	1,195.30

	CONSOLIDATED	
	As At	
	31.03.2016 (Audited)	31.03.2015 (Audited)
	15.89	15.89
	906.43	725.05
	922.32	740.94
	2.75	-
	76.13	62.49
	144.87	96.40
	91.61	79.09
	9.56	10.27
	4.26	-
	250.30	185.76
	110.36	125.63
	280.43	241.84
	206.81	152.17
	69.38	50.41
	666.98	570.05
	1,918.48	1,559.24

B ASSETS		
1 NON CURRENT ASSETS		
a) Fixed Assets		
Tangible Assets	660.63	512.45
Intangible Assets	1.99	1.78
Capital Work-in-progress	5.81	3.71
b) Non Current Investments	108.89	79.19
c) Long Terms Loans and Advances	153.15	108.73
Sub Total Non Current Assets	930.47	705.86
2 CURRENT ASSETS		
a) Inventories	219.99	201.96
b) Trade receivables	252.32	191.78
c) Cash and Cash equivalents	4.81	6.05
d) Short term loans and advances	52.28	88.94
e) Other current assets	0.12	0.71
Sub Total Current Assets	529.52	489.44
TOTAL ASSETS	1,459.99	1,195.30

	1,106.58	852.75
	13.93	7.33
	7.83	77.76
	0.08	0.08
	25.74	41.00
	1,154.16	978.92
	384.17	303.32
	274.23	207.10
	21.51	11.16
	83.37	56.95
	1.04	1.79
	764.32	580.32
	1,918.48	1,559.24

- 2 The above results were reviewed by the Audit Committee, and approved by the Board of Directors in their meeting held on 28th April 2016.
- 3 The Board of Directors has recommended 250% dividend (Rs 5/- per equity share of face value of Rs 2/- each) for the financial year ended 31.03.2016 subject to the approval of the share holders in the ensuing Annual General Meeting.
- 4 Based on the internal technical evaluation, the company has revised useful lives of some items of plant and machinery. This has resulted in a higher depreciation charge of Rs 0.75 crores and Rs 3.93 crore during the quarter and year ended March 2016 respectively.
- 5 The investment of Rs 1.51 crores made in previous year in foreign subsidiary, "Kajaria Ceramics Kazakh LLP", in Kazakhstan has been written off due to erosion of entire network of the entity and has been shown as exceptional item in the statement of profit and loss account.
- 6 The Company is primarily engaged in the business of manufacturing/trading of tiles. The gross income and profit from the other segments are below the norms prescribed in AS-17, hence separate disclosures have not been made.
- 7 The figures of the last quarter is the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarters of the respective financial year.
- 8 The figures for the corresponding previous year/period have been regrouped/rearranged wherever necessary to make them comparable.

For and on behalf of the Board

Ashok Kajaria
Chairman & Mg. Director

Place: New Delhi
Date: 28th April 2016

KAJARIA CERAMICS LIMITED

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CIN NO. : L26924HR1985PLC056150, E-mail: investors@kajariaceramics.com Website: <http://www.kajariaceramics.com>



**ADDITIONAL DISCLOSURE UNDER REGULATION 52 (4) OF SEBI (LODR)
REGULATIONS 2015**

FOR FY- 2015-16

- | | |
|---|---|
| 1. Credit Rating and Change in Credit rating (if any) : | Improved from ICRA AA-
to ICRA AA for long term
and kept at the same level
i.e A1+ for non fund based
and unsecured loans |
| 2. Debt equity ratio : | 0.05 |
| 3. Debt service coverage ratio : | NA (No interest / repayment
of loan during the year) |
| 4. Interest service coverage ratio : | 36.98 |
| 5. Capital redemption reserve /
debenture redemption reserve : | Rs. 5.00 Crores |
| 6. Net worth : | Rs. 909.36 Crores |
| 7. Net Profit after tax : | Rs. 234.89 Crores |
| 8. Earnings per share : | Basic Rs. 29.56
Diluted Rs. 29.52 |

For Kajaria Ceramics Limited


Ashok Kajaria
Chairman & Managing Director

Kajaria Ceramics Limited

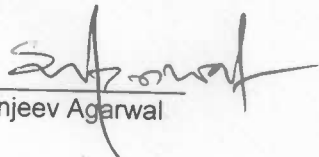
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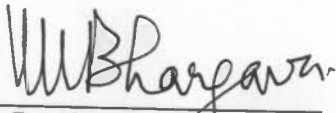


FORM A (for audit report with unmodified opinion)
Auditors' Report – Regulation 33(d) of the
SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

1.	Name of the company	Kajaria Ceramics Limited
2.	Annual financial statements for the year ended	31 st March, 2016 (Standalone)
3.	Type of Audit observation	Un-modified
4.	Frequency of observation	Not Applicable


Mr. Ashok Kajaria
Chairman & Managing Director


Mr. Sanjeev Agarwal
CFO


Mr. Raj Kumar Bhargava
Chairman– Audit Committee


Mr. Atul Bagla
For O.P.Bagla & Co.
Statutory Auditor

Kajaria Ceramics Limited

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O. P. BAGLA & CO.
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8/12, KALKAJI EXTENSION
NEW DELHI - 110019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAJARIA CERAMICS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **KAJARIA CERAMICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.





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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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 31st March 2016, and its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the 'Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) We are enclosing herewith a report in Annexure II for our opinion on adequacy of internal financial controls system in place in the company and the operating effectiveness of such controls.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements.





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8/12, KALKAJI EXTENSION
NEW DELHI - 110019

- ii. According to the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred during the year, to the Investor Education and Protection Fund by the Company.

For O. P. BAGLA & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 000018N

(ATUL BAGLA)
PARTNER
M No. 91885

PLACE : NEW DELHI

DATED : 28/4/2016





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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i) In respect of its fixed assets:
- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us no material discrepancies were noticed on such physical verification.
 - c) Title deeds In respect of all immovable properties are held in the name of the company.
- ii) As explained to us physical verification has been conducted by the management at reasonable intervals in respect of inventories of finished goods, stores, spare parts and raw materials. We were informed that physical verification of clay was made on the basis of volume and density which is approximately correct. We were explained that no material discrepancies have been noticed on physical verification.
- iii) As informed to us the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act 2013. In respect of such loans we have been informed that:
- a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
 - b) the schedule of repayment of principal and payment of interest is not stipulated. Therefore no comments are offered on whether the repayments or receipts are regular.
 - c) no amount is overdue as at the end of the year.
- iv) According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186, wherever applicable, in respect of loans, investments and guarantees given by the company. We are informed that the company has not provided any security during the year.
- v) According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under.





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vi) In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 read with rules framed thereunder of the Companies Act 2013.

vii) a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) Details of dues of service tax which have not been deposited on account of disputes is given below:

Particulars	Amount Demanded (Crores)	Remarks
Service Tax	1.13	Appeal pending with Commissioner (Appeals)/CESTAT

viii) Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no default in repayment of loans or borrowings to the financial institutions and banks as at the year end. There are no loans from Government and the company has not issued any debentures.

ix) As explained to us term loans obtained during the year were applied for the purpose for which the loans were obtained by the company. The company has not raised any money during the year by way initial or further public offer.

x) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2016.

xi) According to information and explanations given to us, the managerial remuneration paid and provided by the company during the year is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

xii) The provisions of clause (xii) of the Order are not applicable as the company is not a Nidhi Company as specified in the clause.

xiii) According to information and explanations given to us we are of the opinion that all related party transactions are in compliance with the Section 177 and 188 of Companies Act 2013. Necessary disclosures has been made in the financial statements as required by the applicable accounting Standards.





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- xiv) According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
- xv) According to information and explanations given to us the Company has not entered into any non-cash transaction with the director or any person connected with him during the year.
- xvi) In our opinion, in view of its business activities, the company is not required to be registered under section 45IA of Reserve Bank of India Act 1934.

For O. P. BAGLA & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 000018N

(ATUL BAGLA)
PARTNER
M No. 91885

PLACE : NEW DELHI
DATED :

28/4/2016





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ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **KAJARIA CERAMICS LIMITED** ("the Company") as of 31st March 2016 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For O. P. BAGLA & CO.
CHARTERED ACCOUNTANTS
Firm Regn No. 000018N

(ATUL BAGLA)
PARTNER
M No. 91885

PLACE : NEW DELHI

DATED : 28/04/2016





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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAJARIA CERAMICS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **KAJARIA CERAMICS LIMITED** (hereafter referred as the holding company) and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of Consolidated Financial Statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.





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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in para of the "Other Matters" below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of other auditors of subsidiaries, the aforesaid consolidated financial statements give the information required by 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 consolidated state of affairs of the Group as at 31st March 2016, and its consolidated profit, and its consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of Rs.596.91crores as at 31st March 2016, total revenue of Rs. 678.66 crores and net cash flows of Rs. (-) 25.57 crores for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiaries, is based solely on the reports of other auditors.

We have relied on the unaudited financial statements/financial information of one subsidiary (Foreign LLP) whose financial statements reflect total assets of Rs. 0.01crores as at 31st March 2016, total revenue of Rs. NIL and cash flows amounting to Rs.(-) 0.11crores for the year ended on that date. These unaudited financial statements/financial information have been furnished to us by the management and our report, in so far as it relates to the amounts included in respect of this subsidiary are based solely on such approved unaudited financial statements/financial information. In our opinion, the amounts involved in this subsidiary are not significant to the Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of Other Matters as referred above.





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Report on Other Legal and Regulatory Requirements

1. Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable on Consolidated Financial Statements as referred in proviso to para 2 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of holding company as on 31st March, 2016 taken on record by the Board of Directors of Holding company and the reports of auditors of subsidiary companies, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) We are enclosing herewith a report in Annexure I for our opinion considering the opinion of other auditors of subsidiary companies on adequacy of internal financial controls system in place and the operating effectiveness of such controls.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements.





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- ii. According to the information and explanations provided to us, the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies wherever applicable.

For O. P. BAGLA & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 000018N

(ATUL BAGLA)
PARTNER
M.No. 91885

PLACE : NEW DELHI
DATED :

28/4/2016





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ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of **KAJARIA CERAMICS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies (collectively referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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





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Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.





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Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to six subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For O. P. BAGLA & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 000018N

(ATUL BAGLA)
PARTNER
M.No. 91885

PLACE : NEW DELHI
DATED : 28/4/2016



EXTRACT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2016

Rs. In crores

PARTICULARS		Three Months Ending 31.03.2016	Year Ending 31.03.2016	Three Months Ending 31.03.2015
1	Total income from Operations (net)	657.81	2418.49	588.11
2	Net Profit after Taxes and Minority Interest	66.04	229.20	51.66
3	Paid-up Equity Share Capital (Face value of Rs 2/- per share)	15.89	15.89	15.89
4	Reserves as per Balance Sheet	-	906.43	-
5	Earnings per share (before/after Extraordinary items) (of Rs 2/- each) (Not annualised)			
	a) Basic:	8.31	28.84	6.50
	b) Diluted:	8.29	28.80	6.50

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28th April 16.

2. Key Standalone Financial Information:

PARTICULARS		Three Months Ending 31.03.2016	Year Ending 31.03.2016	Three Months Ending 31.03.2015
1	Total income from Operations (net)	664.27	2448.04	605.29
2	Net Profit before Tax	105.77	351.43	68.25
3	Net Profit After Tax	70.23	234.89	47.51

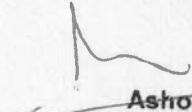
Note

The above is an extract of the detailed format of Financial Results for the quarter and Year ended 31st March 2016 filed with the Stock Exchanges under Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations 2015. The full format of the Financial Results for the said quarter and year ended are available on the website of BSE and NSE at www.bseindia.com and www.nseindia.com respectively and on Company's website at www.kajariaceramics.com

For and on behalf of the Board

Place: New Delhi

Date: 28th April 2016


Ashok Kajaria
Chairman & Mg. Director

KAJARIA CERAMICS LIMITED

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