Kajaria
INDIA'S NO.1 TILE COMPANY

August 21, 2026

The National Stock Exchange of India Limited	**BSE Limited**
Exchange Plaza	P.J. Towers
Bandra Kurla Complex, Bandra (E)	Dalal Street
Mumbai - 400 051	**Mumbai – 400 001**

Dear Sirs,

This is in continuation of our letters dated August 12, 2026 and August 14, 2026.

We wish to inform you that the 40th Annual General Meeting ('AGM') of the Company will be held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') on **Tuesday, September 15, 2026** at **01:00 p.m. (IST)**, in compliance with the applicable provisions of the Companies Act, 2013 including rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and latest one being Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs.

In this regard, we enclose herewith the followings:

- Copies of the Notice of the 40th AGM and the Annual Report for the financial year 2025-26, being dispatched to the Members of the Company, whose email IDs are registered with the Company / Depositories; and
- Copy of letter containing web-link where the Annual Report for the financial year 2025-26 and Notice of the 40th AGM are available at the Company's website, being dispatched to the Members of the Company whose email IDs are not registered with the Company/Depositories, in accordance with the provisions of Regulation 36(1)(b) of the Listing Regulations.

Kindly take the above on record.

Thanking you,

For Kajaria Ceramics Limited

Vinit Kumar
Digitally signed by Vinit Kumar
Date: 2026.08.21 11:17:44 +05'30'

Vinit Kumar
General Counsel & Company Secretary

Encl.: As above

KAJARIA CERAMICS LIMITED

[CIN: L26924HR1985PLC056150]

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

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

Phone: +91-11-26946409

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

NOTICE

NOTICE is hereby given that the 40th (Fortieth) Annual General Meeting of the Members of Kajaria Ceramics Limited ('Company') will be held on Tuesday, September 15, 2026 at 01:00 p.m. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business(es):

Ordinary Business(es):

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2026 and Reports of Board of Directors ('Board') and Auditors thereon:

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

   "**RESOLVED THAT** the audited standalone financial statements of the Company including the Balance Sheet as at March 31, 2026, the statement of profit and loss, the cash flow statement for the financial year ended on March 31, 2026, notes to financial statements, reports of the Board and Auditors' thereon be and are hereby received, considered and adopted.

   RESOLVED FURTHER THAT the audited consolidated financial statements of the Company including the Balance Sheet as at March 31, 2026, the statement of profit and loss, the cash flow statement for the financial year ended on March 31, 2026, notes to financial statements, along with the Auditors' report thereon be and are hereby received, considered and adopted."

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

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

   "**RESOLVED THAT** a final dividend of Rs. 6/- per equity share of Re. 1/- each fully paid up for the financial year 2025-26 be and is hereby approved and declared."

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

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

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

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

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

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

By Order of the Board
For Kajaria Ceramics Limited

Vinit Kumar
General Counsel & Company Secretary
[FCS No. 6789]

Place: New Delhi
Date: July 31, 2026

NOTES:

1. The Ministry of Corporate Affairs ('**MCA**') vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and latest one being Circular No. 03/2025 dated September 22, 2025 and such other applicable circulars, if any, issued by the MCA and the Securities and Exchange Board of India ('**SEBI**')

['**Circulars**'] has allowed the companies to hold the Annual General Meeting ('**AGM**' or '**Meeting**') through Video Conferencing ('**VC**') / Other Audio Visual Means ('**OAVM**') without the physical presence of the Members at a common venue. Therefore, in accordance with the Circulars and applicable provisions of the Companies Act, 2013 ('**Act**') read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 40th AGM of the Company is scheduled to be held through VC/OAVM in the manner given below. The deemed venue of this meeting shall be considered at the Registered Office of the Company situated at SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurugram, Haryana-122001.

2. In compliance with the Circulars and Regulation 36(1)(a) of the Listing Regulations, the Annual Report for the financial year 2025-26 including Financial Statements, Auditor's Report(s), Directors' Report and Notice of this AGM along with all the annexures and attachments thereof are being sent only through electronic mode to those Members whose email ID are registered with the Company / Depositories.

   Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link where the Annual Report including Financial Statements, Auditor's Report(s), Directors' Report and Notice of this AGM along with all the annexures and attachments thereof available on the Company' website, is being sent to the Members whose email IDs are not registered with the Company / Depositories. Members may also note that the Notice and Annual Report of the Company for the financial year 2025-26 will also be available on the Company's website i.e. www.kajariaceramics.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and is also available on the website of National Securities Depository Limited (agency for providing the remote e-voting facility).

   The Company shall send the physical copies of the Annual Report for the financial year 2025-26 including Financial Statements, Auditor's Report(s), Directors' Report and Notice of this AGM along with all the annexures and attachments thereof to those Members who specifically request for the same.

3. Brief resume and other particulars of Mr. Chetan Kajaria and Mr. Rishi Kajaria, pursuant to the provisions of the Listing Regulations read with the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, are annexed herewith as Annexure-A.

4. Pursuant to Section 113 of the Act, Institutional / Corporate Members are requested to send to the Company, certified copy of the Board Resolution / Power of Attorney authorizing their representative(s) to participate in remote e-voting or to attend and vote on their behalf at the Meeting at rupesh@cacsindia.com or investors@kajariaceramics.com or admin@mcsregistrars.com with a copy marked to evoting@nsdl.com, before e-voting/attending the AGM, from their registered email address.

5. It is being informed that physical presence of the members has been dispensed with for attending the meeting through VC/OAVM, therefore, the facility to appoint proxy to attend and cast vote for the Members will not be available for this AGM and the Proxy Form, Attendance Slip and route map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Only bonafide Members of the Company whose name appear on the Register of Members on Cut-off Date will be permitted to join the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from joining the AGM.

8. As per the provision of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of their shareholding in the Company. The Members are requested to submit the requisite form with their Depository Participant ('DP') who holds the shares in dematerialized form and those who are holding physical shares shall send the same to the Registrar and Share Transfer Agent - MCS Share Transfer Agent Limited, 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase-1, New Delhi 110020 (the 'RTA').

9. Members holding shares in physical form are requested to notify/send the following in the Form ISR - 1 to the RTA of the Company:

   i) Any change or update in their mailing address;

   ii) Particulars of their PAN, Bank account & e-mail IDs in case the same have not been registered with the Company.

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

   Pursuant to the amendment in the Regulation 40 of the Listing Regulations, transfer of shares in physical mode is discontinued. However, the SEBI has (vide SEBI's Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025) allowed to open a special window only for re-lodgment of transfer deeds, which were lodged prior to April 1, 2019 and rejected/returned/not attended due to deficiency in the documents/process/or otherwise, for a period of six months from July 7, 2025 till January 6, 2026.

   The SEBI has (vide HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026) further allowed to open Special Window for another period of one year from February 5, 2026 to February 4, 2027 to facilitate transfer and dematerialization of physical shares. During the said period, the shares that are re-lodged for transfer will be issued only in demat mode, subject to compliance of applicable laws including circular, etc. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding by furnishing the necessary documents to the Company's RTA, as the shares of the Company are under compulsory demat trading.

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

10. Pursuant to the SEBI's Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 read with the SEBI's Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, a Member who holds shares in physical mode needs to update his/her KYC details (including PAN/contact details/bank details, etc.) with the Company and effective from April 1, 2024, payment of dividend is made through electronic mode only. Thus, the Member who holds shares of the Company in physical mode, is requested to get updated their KYC details including the bank account details, etc. with the Company / its RTA.

11. The 'Record Date' for determining the names of the Members eligible for dividend, if declared at this AGM, will be Monday, September 21, 2026.

12. Members are requested to note that, dividends if not claimed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members, who have not claimed their dividend for the financial year 2018-19 and/or for any subsequent financial years so far, are requested to make their claim with the Company / the RTA of the Company or send an email to investors@kajariaceramics.com or admin@mcsregistrars.com. However, all the unclaimed dividends pertaining to the financial years before the financial year 2018-19 have been transferred to the IEPF Authority as per the provisions of Sections 124 & 125 of the Act. Members may please note that no claim shall lie against the Company in respect of dividend which remains unclaimed/unpaid for a period of seven consecutive years from the date it is lying in the Unpaid Dividend Account.

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

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

    Accordingly, pursuant to the IEPF Rules, the Company has transferred 8,16,836 equity shares of Re. 1/- each, in respect of which dividend had not been claimed by the Members for seven consecutive years or more to IEPF Authority and as on March 31, 2026, the IEPF Authority has released 78,870 equity shares of Re. 1/- each to the claimant(s).

    Pursuant to the IEPF Rules, the unclaimed dividend for the financial year 2018-19 will become due for transfer in favour of the IEPF Authority on September 25, 2026 (i.e. Due date) and accordingly, both the unclaimed dividend and shares in respect of which dividend had not been claimed by the shareholders for seven consecutive years or more will be transferred to the IEPF Authority within 30 days of the Due date.

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

14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, Certificate from the Secretarial Auditors of the Company that the Kajaria Employee Stock Option Scheme, 2015 has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all the documents referred to in the accompanying Notice, will be available for inspection in electronic form by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection by the Members. Members seeking to inspect such documents can send an email to investors@kajariaceramics.com

15. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email ID having subject 'Speaker Registration for 40th AGM' mentioning their Name, DP-ID/Client ID or Folio Number, PAN, Mobile Number at investors@kajariaceramics.com, during the period commencing from 9:00 a.m. (IST) of Monday, August 31, 2026 till 5:00 p.m. (IST) of Friday, September 4, 2026. A Member who has been registered as a speaker, will only be allowed to express his/her views or ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for the AGM.

16. *To support the 'Green Initiative', the members who are yet to register / update their email ID with the Company or DPs are once again requested to register / update the same for receiving the Notices, Annual Reports and other documents / communications through electronic mode.*

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

17. The Company shall be providing two-way video conferencing facility for the ease of participation of the Members of the Company at the AGM. The facility for joining the AGM through VC/OAVM will be opened 15 minutes before and after the scheduled time of commencement of the AGM by following the procedure mentioned in this Notice.

18. Members are requested to participate on first come first serve basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee, the Statutory Auditors and the Secretarial Auditors of the Company are not restricted on first come first serve basis. Participation is restricted up to 1000 members only.

19. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SS-2 and Regulation 44 of the Listing Regulations (including amendments thereto) and the Circulars, the Company is pleased to provide:

    (i) facility to the Members to exercise their right to vote on resolution(s) proposed to be considered at the AGM by remote e-voting before the AGM; and

    (ii) facility of e-voting at the AGM to its Members, who have not cast their vote through remote e-voting, on resolution(s) proposed to be considered at the AGM.

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

20. The remote e-voting period commences at 9:00 a.m. (IST) on Friday, September 11, 2026 and ends at 5:00 p.m. (IST) on Monday, September 14, 2026. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on Cut-off Date i.e. Tuesday, September 8, 2026 ('**Cut-off Date**'), may cast their vote by remote e-voting.

    The voting rights of Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on the Cut-off Date i.e. Tuesday, September 8, 2026.

    No remote e-voting shall be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled for voting upon expiry of the aforesaid period. Once the vote on a resolution is cast by a Member, then the Member shall not be allowed to change it subsequently and shall not be allowed to cast vote again in the Meeting.

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

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

    <u>Step - 1 – Access to NSDL e-voting System:</u>

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

    In terms of the SEBI's Circular dated December 9, 2020 on e-voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

    Login method for Individual shareholder holding shares in demat mode is given below:

Type of shareholders	Login Method
Shareholders holding shares in demat mode with NSDL	1. 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 site wherein you can see e-voting page. Click on the Company's name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. 2. Existing IDeAS users can visit the e-Services website of NSDL, viz.: https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section, this will prompt you to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page. Click on the Company's name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. 3. If you are 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

	4. Please visit the e-voting website of NSDL and open web browser by typing the 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 site wherein you can see e-voting page. Click on the Company's name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. 5. Shareholders can also download NSDL Mobile App 'NSDL Speede' facility from App Store / Google Play for seamless voting experience.
. Shareholders holding shares in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest, they can login through their User ID and password. An option will be made available to access e-voting page without any further authentication. The Users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Easi username & password. 2. After successful login the Easi / Easiest, the user will be also able to view the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to access e-voting page of e- voting service provider for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting. Additionally, there is also links provided to access the system of all e-voting service providers, so that 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 & new system Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where e-voting is in progress and also able to directly access the system of all e-voting service providers.
Shareholders (holding shares in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL site after successful authentication, wherein you can see e-voting feature. Click on the Company's name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting & voting during the Meeting.

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

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

Login type	Helpdesk details
Shareholders holding shares in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-48867000
Shareholders holding shares in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

(i) Please visit at the e-voting website of NSDL. Open the web browser by typing the URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

(ii) Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders/Members' section.

(iii) A new screen will open. Please enter User ID, password and verification code as shown on the screen.

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

(iv) User ID details are given below:

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

(v) Password details are given below:

(a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

(b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which is communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digits of Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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

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

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

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

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

(i) After successful login at Step -1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and the Meeting is in active status.

(ii) Select 'EVEN' (Electronic Voting Event Number) of Kajaria Ceramics Limited and for joining the Meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.

(iii) Now you are ready for e-voting as the voting page opens.

(iv) You can cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

(v) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(vi) You can also take printout of the votes cast by you by clicking on the print option on confirmation page.

(vii) Once you confirm your vote on the resolution, you will be not allowed to modify your vote.

General Guidelines for e-voting:

i. Institutional shareholders (i.e. other than Individuals, HUFs, NRIs, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at rupesh@cacsindia.com or investors@kajariaceramics.com or admin@mcsregistrars.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than Individuals, HUFs, NRIs, etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-voting' tab in their login.

ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to enter the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

iii. In case of any queries, you may refer the frequently Asked Question (FAQs) for Members and the remote e-voting user manual for Members available at the 'Download' section of NSDL at www.evoting.nsdl.com or contact Ms. Pallavi Mhatre, Asst. Vice President, National Securities Depository Limited, 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051 through email at evoting@nsdl.com or call on 022-48867000.

22. Process for those shareholders whose e-mail ids are not registered with the Company / depositories for procuring user id and password and registration of e-mail IDs for e-voting for the resolution(s) set out in this Notice:

i. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to investors@kajariaceramics.com

ii. In case shares are held in demat mode, please provide DPID-CLID (16 digits of DP-ID + CL-ID or 16 digits of Beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to investors@kajariaceramics.com. If you are an Individual shareholder holding shares in demat mode, you are requested to refer to the login method explained at Note No. 21(1)(A) above, i.e. Login method for e-voting and joining the AGM for shareholders holding shares in demat mode.

iii. Alternatively, a shareholder may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

23. Instructions for members for e-voting on the day of the AGM are as under:

i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

iii. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote in the AGM.

iv. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned under 'General Guidelines for e-voting'.

24. Instructions for members for attending the AGM through VC/OAVM are as under:

i. A Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. The Members may access by following the steps mentioned above for 'Access to NSDL e-voting system'. After successful login, you can see link of 'VC/OAVM' placed under 'Join Meeting' menu against the Company's name. You are requested to click on VC/OAVM link placed under 'Join Meeting' menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice to avoid last minute rush.

ii. Members are encouraged to join the Meeting through Laptops for better experience.

iii. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.

iv. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

v. Members who have been registered as a speaker by the Company will only be allowed to express their views/ask questions during the AGM.

25. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off Date i.e. Tuesday, September 8, 2026, shall only be entitled to avail the facility of remote e-voting / e-voting facility during the AGM. However, a person who is not a member as on the Cut-off Date should treat this Notice for information purpose only.

26. Any person, who acquires shares of the Company and become a Member of the Company after dispatch of the Notice of the AGM and holding shares as on the Cut-off Date i.e. Tuesday, September 8, 2026, may obtain the login ID and password by sending a request (along with Name, Folio No./DP ID-Client ID, as the case may be and shareholding) at evoting@nsdl.com or admin@mcsregistrars.com

    However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or call on 022-48867000. In case of Members holding shares in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off Date i.e. Tuesday, September 8, 2026, may follow steps mentioned in the Notice of the AGM under 'Access to NSDL e-voting system'.

27. E-voting cast at the AGM together with vote cast through remote e-voting shall be counted for the purpose of passing of resolution(s) set out in the Notice of the AGM. No voting by show of hands will be allowed at the AGM.

28. The Board of Directors of the Company has appointed Mr. Rupesh Agarwal, Managing Partner, failing him Mr. Shashikant Tiwari, Partner, failing him Mr. Mohit Varshney, Partner of M/s Chandrasekaran Associates, Practicing Company Secretaries, having its office situated at 11F, Pocket - IV, Mayur Vihar, Phase- 1, Delhi- 110091, as the Scrutinizer to scrutinize the voting through remote e- voting and e-voting during the AGM, in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of the Meeting, count the e-voting cast during the Meeting and the vote cast through remote e-voting and shall make, within the time permissible under the applicable laws, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him, who shall counter sign the same.

29. The results declared alongwith the report of the Scruitinizer shall be placed on the website of the Company www.kajariaceramics.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorised by him and the results shall also be communicated to BSE Limited and National Stock Exchange of India Limited. The results will also be displayed at the Registered Office as well as the Corporate Office of the Company.

30. Subject to receipt of requisite number of votes, the resolution(s) set out in the Notice of the AGM will be deemed to be passed at the 40th AGM scheduled to be held on Tuesday, September 15, 2026.

By Order of the Board
For Kajaria Ceramics Limited

Vinit Kumar
General Counsel & Company Secretary
[FCS No. 6789]

Place: New Delhi
Date: July 31, 2026

Annexure-A

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

<table>
<tr><td>Name of Director(s)</td><td colspan="2">Mr. Chetan Kajaria (DIN:00273928)</td><td>Mr. Rishi Kajaria (DIN:00228455)</td></tr>
<tr><td>Date of Birth</td><td colspan="2">24.12.1974</td><td>14.10.1978</td></tr>
<tr><td>Date of first appointment on the Board of the Company</td><td colspan="2">15.01.2000</td><td>26.07.2003</td></tr>
<tr><td>Qualification</td><td colspan="2">B. Engg. (Petrochem) from Pune University and MBA from Boston College, U.S.A.</td><td>B.Sc. in Business Administration from Boston University, U.S.A.</td></tr>
<tr><td>Experience</td><td colspan="2">He started his journey at Kajaria Ceramics in the year 2000 and has been instrumental in providing a new dimension to the Company by opening international-standard tile showrooms across the country, which have become an industry trend today. In 2011, to expand the Company's production base beyond North India, he adopted an asset-light approach by strategically acquiring majority stakes in plants in western and southern India, which have not only reduced capex, but also reduced gestation period associated with setting up greenfield facilities. His initiatives have played a pivotal role in positioning Kajaria Ceramics as a leading manufacturer of wall and floor tiles in India. He has been the Chairman of the Indian Council of Ceramic Tiles and Sanitaryware.</td><td>He joined the Company in the year 2003 and spearheads the vitrified tile vertical. Initially, he opted for trading vitrified tiles rather than joining the race of setting up capacities. After importing vitrified tiles for five years, he decided to manufacture them domestically. The first production unit for vitrified tile was started in Sikandrabad (U.P.) in 2010. Subsequently, Kajaria Ceramics commissioned a big expansion of vitrified tiles at Gailpur in 2011. He has intensified his focus on value added products in high end tile segment in particular backed by installation of continua plus press technology in North & South Indian facilities. He also made a forey in bathware segment for giving a complete bathware solutions to the customers. Presently, he is the Chairman of the Indian Council of Ceramic Tiles and Sanitaryware.</td></tr>
<tr><td>Terms and conditions of re-appointment</td><td colspan="2">There is no change in the terms and conditions relating to appointment of Mr. Chetan Kajaria as the Vice Chairman of the Company as approved by the members of the Company through Postal Ballot on December 15, 2025.</td><td>There is no change in the terms and conditions relating to appointment of Mr. Rishi Kajaria as the Managing Director of the Company as approved by the members of the Company through Postal Ballot on December 15, 2025.</td></tr>
<tr><td>Remuneration sought to be paid and last drawn</td><td colspan="2">Remuneration of Mr. Chetan Kajaria as the Vice Chairman of the Company will remain same as approved by the members of the Company through Postal Ballot on December 15, 2025. However, Mr. Chetan Kajaria has forgone his remuneration for the financial year 2025-26 and 2026-27.</td><td>Remuneration of Mr. Rishi Kajaria as the Managing Director of the Company will remain same as approved by the members of the Company through Postal Ballot on December 15, 2025. However, Mr. Rishi Kajaria has forgone his remuneration for the financial year 2025-26 and 2026-27.</td></tr>
<tr><td>Shareholding in the Company</td><td colspan="2">14,39,880 Equity Shares</td><td>19,85,716 Equity Shares</td></tr>
<tr><td>Relationship with other Directors and Key Managerial Personnel of the Company</td><td colspan="2">Mr. Ashok Kajaria is father of Mr. Chetan Kajaria.
Mr. Rishi Kajaria is brother of Mr. Chetan Kajaria.
Other than above, Mr. Chetan Kajaria is not related to other Directors and Key Managerial Personnel of the Company.</td><td>Mr. Ashok Kajaria is father of Mr. Rishi Kajaria.
Mr. Chetan Kajaria is brother of Mr. Rishi Kajaria.
Other than above, Mr. Rishi Kajaria is not related to other Directors and Key Managerial Personnel of the Company.</td></tr>
<tr><td>Number of Board Meetings attended during the financial year 2025-26</td><td colspan="2">5 (Five)</td><td>5 (Five)</td></tr>
<tr><td rowspan="2">Name of listed companies in which also holds the directorship and the chairmanship/ membership of Committees of the Board of Directors ('Board')</td><td>Name of Listed Companies</td><td>Type of Directorship and Committee Position</td><td rowspan="2">Nil</td></tr>
<tr><td>Aditya Infotech Limited</td><td>Independent Director
- Chairman of Audit Committee
- Chairman of Nomination and Remuneration Committee
- Chairman of Stakeholders Relationship Committee</td></tr>
</table>

Names of listed companies from which resigned in the past three years	Nil	Nil
Directorship held in other Public Limited Companies (other than listed companies)	Nil	Nil
Directorship held in Private Limited Companies	- Kajaria Portfolio Private Limited - Kajaria Natural Resources Private Limited - RK Trustees Private Limited - PHD Chamber of Commerce and Industry^ - Indian Council of Ceramic Tiles and Sanitaryware^ - PRJ Trustees Private Limited	- Kajaria Bathware Private Limited - Kajaria Infrastructure Private Limited - Kajaria Portfolio Private Limited - CK Trustees Private Limited - VK Trustees Private Limited - Kajaria Sanitaryware Private Limited - Kerovit Global Private Limited - Kajaria Ultima Private Limited - Greenstat Urja Private Limited - Indian Council of Ceramic Tiles and Sanitaryware^
Chairmanship/ Membership of the Committee of the Board of the Company	Member of Stakeholders Relationship Committee, Management Committee, Corporate Social Responsibility Committee, Risk Management Committee and Business Responsibility & Sustainability Committee.	Member of Management Committee, Corporate Social Responsibility Committee, Risk Management Committee and Business Responsibility & Sustainability Committee.
Chairmanship/Membership of the Committee of the Board of Public Limited Companies (other than listed companies)	Nil	Nil

^ Non-Profit organisation as per Section 8 of the Companies Act, 2013.

By Order of the Board
For Kajaria Ceramics Limited

Vinit Kumar
General Counsel & Company Secretary
[FCS No. 6789]

Place: New Delhi
Date: July 31, 2026

Kajaria

2.0

Energy Driving Excellence

Kajaria Ceramics Limited

Annual Report 2025-26

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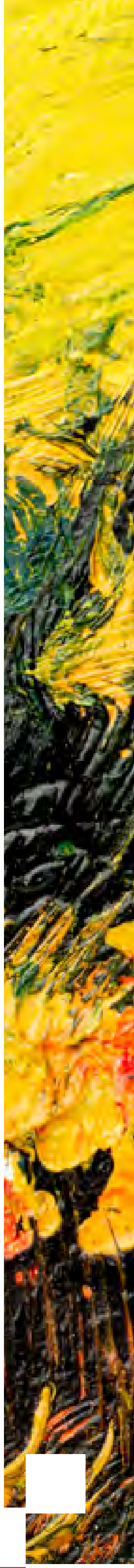
Statutory Reports

Financial Statements

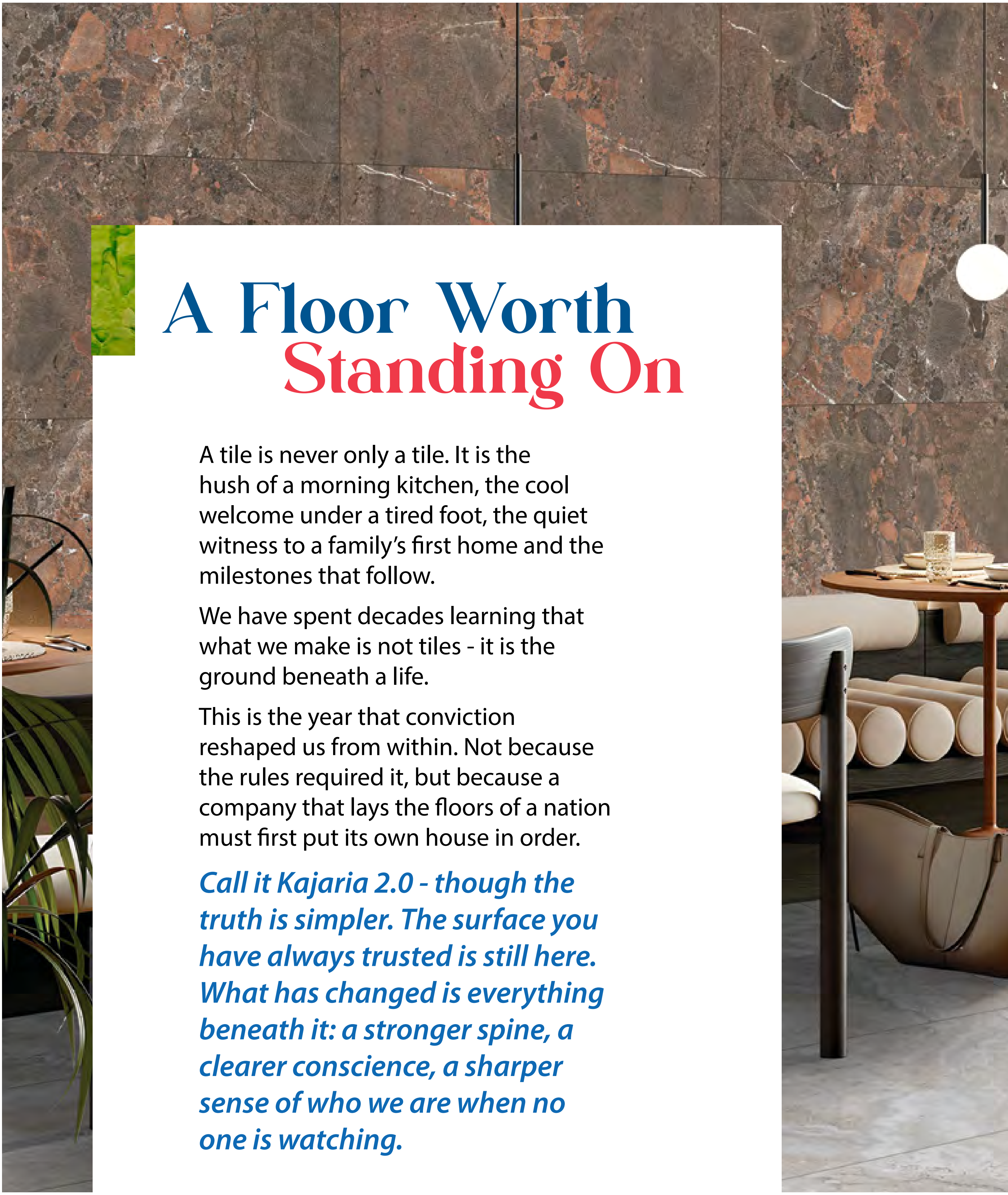


Kajaria 2.0 Is The Energy Of A Pivotal Transformation In Motion.

Bringing stronger governance, unified execution, operational transparency, and a business strengthened from within.

Quietly, Deliberately And Truthfully.

Built layer by layer beneath every foundation that lasts.



A Floor Worth Standing On

A tile is never only a tile. It is the hush of a morning kitchen, the cool welcome under a tired foot, the quiet witness to a family's first home and the milestones that follow.

We have spent decades learning that what we make is not tiles - it is the ground beneath a life.

This is the year that conviction reshaped us from within. Not because the rules required it, but because a company that lays the floors of a nation must first put its own house in order.

Call it Kajaria 2.0 - though the truth is simpler. The surface you have always trusted is still here. What has changed is everything beneath it: a stronger spine, a clearer conscience, a sharper sense of who we are when no one is watching.

We still mean to lead the market; that ambition is not up for negotiation. What is new is the discipline we now demand in equal measure - every rupee made to earn its place, every process questioned, every decision laid open to daylight. Because the floor carrying our market share must be as sound as the brand stamped upon it, and growth without governance is only a surface without a base.

We are not asking you to admire the finish. We invite you to kneel, run your hand along the seam, and feel - for yourself - what it holds.

Not every great year is loud.

Revenue stood still.
Profit did not.

What the surface withheld, the structure delivered - stronger margins, improved earnings, and the quiet vindication of every hard choice made.

3%
Revenue Growth

44%
EBITDA Growth

65%
Net Profit Growth

508 BPS
EBITDA Margin Expansion

The Road From Here

Every great house learns, sooner or later, that strength is not the absence of weakness. It is the willingness to see it. This year, we learned to look - clearly, calmly, without flinching - and what we saw did not diminish us. It prepared us.

Growth and governance, we now understand, were never two roads. They were always one - walking in step, holding each other upright. A company grows only as far as its conscience will carry it; a conscience matters only when there is something worth carrying forward.

What this year asked of us was difficult. What it gave us in return is rarer still: a steadier hand, a clearer eye, a quieter confidence in the floor beneath our feet.

The dust we swept, the seams we closed, the truths we welcomed - none of it was the destination.

It was the lamp we needed for the road ahead.

The floor has been laid.
The foundation has been tested.
The best is yet to come.

Statement from the Management

"Kajaria 2.0 is the answer to a question we asked ourselves with unusual honesty: what would we build if we were starting today?"

Dear Shareholders,

It gives us great pleasure to present the Annual Report of your Company for FY26.

This year was, in many ways, unlike any other in our journey. The Indian tile industry remained subdued; demand stayed muted. And yet it is precisely in such years that strong companies are built. FY26 will be remembered as the year we chose transformation over comfort, discipline over noise and the long view over the easy quarter - the year we laid the foundation for Kajaria 2.0.

Ashok Kajaria | Chetan Kajaria | Rishi Kajaria

A Transformation Pivot

We could have continued doing what we had done for decades. We chose otherwise. We took a long, hard look at ourselves - at our structure, our culture and our cost base - and accepted that the model which had served us so well had reached the limits of its usefulness. We acted. Decisively.

A Year in Two Acts

Act I: Nine Months of Purposeful Transition

The first nine months were a period of intensive reconstruction - purposeful, demanding and deliberate. The entire organisation was engaged in laying the foundations of Kajaria 2.0, with cost optimisation and distribution network realignment as our primary focus.

Growth plateaued. Profitability scaled. Tile volumes remained almost flat. But beneath that surface stability, the quality of earnings improved meaningfully. Steady. Resilient. Quietly building momentum.

Act II: The Fourth Quarter - heartening outcome

The last quarter was the proof that the Kajaria 2.0 playbook had begun to deliver. Tile volumes rose. Revenue and EBITDA were the highest in our history. Working capital also improved.

What These Numbers Mean

This is not a cyclical uptick driven by favourable winds. It runs deeper. What you see here is the early dividend of a structural overhaul - deliberate, difficult and now beginning to pay off. The journey has only just begun.

Kajaria 2.0: A Complete Reimagination

Kajaria 2.0 is not an initiative. It is a conviction - a complete reimagination of how your Company operates, built on four pillars: growing volumes and margins concurrently; replacing person-based decisions with system-based workflows; moving up the value chain into premium, higher-realisation categories; and rationalising SKUs, churning underperforming dealers, identifying white spaces and presenting one unified face to the market.

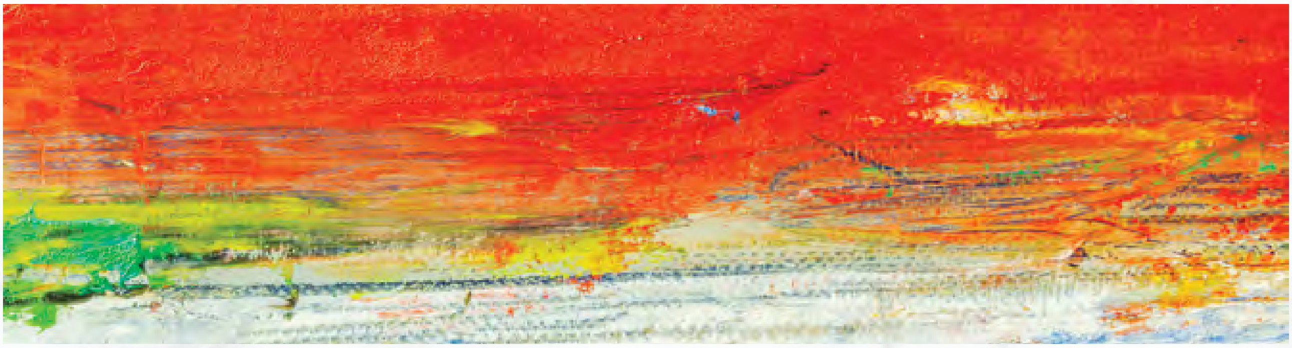
Behind these pillars sits a single belief: the next decade will belong to the branded companies, especially those that are leaner, more transparent and more disciplined than ever before.

The unification of our three independent sales verticals - Ceramic, GVT and PVT - into a single cohesive structure is among the most consequential decisions of the year. The dealers have one representative, one incentive policy and one Kajaria. The result: leaner operations, sharper accountability and a coherent brand experience across every touchpoint.

Operation Manthan subjected every cost head to a line-by-line diagnostic - examined, challenged and, where possible, eliminated. Savings have been substantial. Promoter Directors voluntarily forwent their salaries for the second successive year; non-essential hiring paused. New C-suite appointments, supported by veteran industry advisors, have considerably deepened the leadership bench.

Value leadership is the future. The conversion of a 9.1 MSM line at Gailpur from ceramic floor tiles to Glazed Vitrified Tiles signals a deliberate shift in mix — designed to capture greater value from every square metre produced. At Srikalahasti, we have decided to put up a new 10 MSM line dedicated entirely to high-value products, which is being commissioned - a step-change in capability and precision that will deliver cost-effective, high-quality products. Additionally, we are also considering a similar production capacity at our Gailpur facility.

Beyond tiles, two verticals are evolving from adjacencies into pillars. Kerovit, our Bathware brand, is scaling with purpose - the decision to acquire the remaining 15% stake from Aravali Investment Holdings is



an unambiguous statement of long-term commitment to building a market-leading bathroom solutions brand. Our Adhesives business is on track to more than double, with a newly commissioned facility in Erode adding meaningful capacity.

Sustainability

Responsible growth is the only growth worth pursuing. Our biofuel mix at the northern plants has insulated us from Natural Gas prices while building a structural cost advantage. On governance, the vendor portal, automated workflows and stringent approval matrices set a new standard of transparency for our industry.

Sustainability, for us, has moved well beyond the Annual Report. It is embedded in how this business is run - in every procurement decision, every capital allocation, every operational choice. Not responsibility as an obligation, but responsibility as a strategy.

Energy Driving Excellence

We chose this year's theme - Kajaria 2.0: Energy Driving Excellence - with deliberate intent. It describes a transformation in motion, not merely a theme.

Energy is a lived reality in this organisation. The energy of a leadership team that refused to rest on past success and chose instead to build something larger and more enduring. The energy of our people,

The Kerovit Global Incident

During the migration of subsidiary vendors to a new portal, an internal review at Kerovit Global Private Limited, a step-down subsidiary of Kajaria, identified financial irregularities of approximately ₹20 Crore - traced to fraudulent payments routed by the subsidiary's CFO, Mr Dilip Kumar Maliwal, through forged authorisations. Complaints have been filed with the Police and the Economic Offences Wing. A forensic audit by Ernst & Young confirmed the financial impact within disclosed limits. Recovery proceedings continue.

We treat this as an isolated incident - and have used it as a catalyst for institutional strengthening. Automated vendor onboarding, real-time credential validation and radical transparency are now mandatory across all subsidiaries. We emerge more transparent, more disciplined and more rigorously governed.

who embraced new ways of working with grace and grit. The energy of our dealer partners, who stayed the course through a demanding transition. And the energy, quite literally, of a diversified, multi-fuel manufacturing footprint that no unorganised competitor can replicate.

Excellence is where all of this energy is directed - in marketing, in the experience we deliver to every dealer, customer and stakeholder, and in the value, we create for you, our shareholders.

Kajaria 2.0 is a movement, never a moment. Sustained, structural and only just beginning. The energy is building. The excellence is coming.

In Closing

Thank you, shareholders, for your faith through a year that demanded patience. The decisions we took in FY26 were designed to build a Kajaria that will lead the Indian tile industry for the next decade, looking well beyond the horizon of any single quarter.

To our dealers, employees, suppliers, bankers, customers and the communities in which we operate - thank you for being part of this journey. The road ahead is one of conviction, discipline and ambition. The best chapter of your Company's history is the one we are now writing together.

With warm regards,

The Management Team

Who We Are

Founded in 1985 by Mr Ashok Kajaria and strengthened by the leadership of Mr Chetan Kajaria and Mr Rishi Kajaria, Kajaria Ceramics has grown from a tile manufacturer into a provider of tiles and bathware solutions.

The Company offers the industry's widest product range across every price point through the largest distribution network for any tile company in India, connecting us to markets large and small. Consistent investment in innovation ensures a continually refreshed portfolio of sizes, designs and finishes.

Ranveer Singh and Rashmika Mandanna serve as brand ambassadors, reinforcing our presence across television, high-profile sporting events and social media.

Our growth stands on two formidable pillars: a brand synonymous with trust, quality and design leadership, and an unmatched depth of market reach that keeps us close to evolving consumer needs.

Our Manufacturing Strength

Scale that powers leadership. Presence that enables precision.

Kajaria's expansive manufacturing footprint forms the backbone of its sustained growth. Our pan-India presence allows us to serve diverse regional tastes while ensuring consistent quality and timely availability.

This strong operational base enables us to respond swiftly to market trends, customise offerings for varied cultural preferences, and maintain supply reliability across geographies.

Tiles

82.70 MSM

Multi-locational plants across the country (Excluding 5.10 MSM of Nepal JV)

Bathware

12.00 LAKH PCS

Morbi, Gujarat (Sanitaryware)

16.00 LAKH PCS

Gailpur, Rajasthan (Faucets)

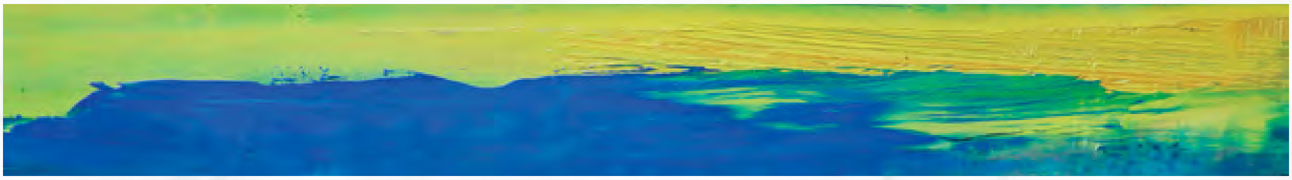
Adhesive

9,000 MT/MONTH

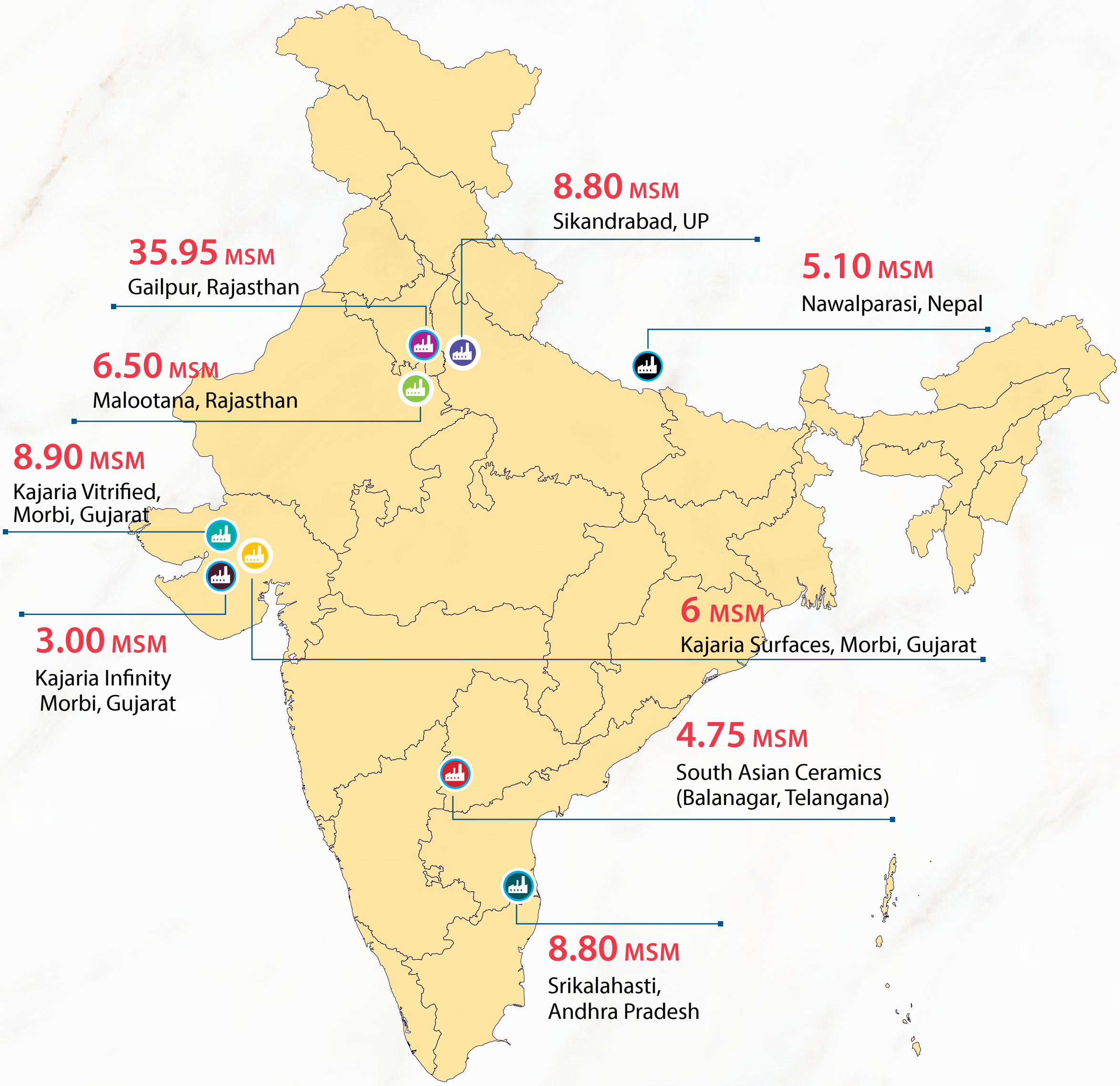
Gailpur, Rajasthan

9,000 MT/MONTH

Erode, Tamil Nadu



Our Manufacturing Capacity Overview



Plant	Tile Production Capacity (MSM)			
	Ceramic Wall & Floor Tiles	Polished Vitrified Tiles	Glazed Vitrified Tiles	Total
1. Sikandrabad (UP)	-	-	8.80	8.80
2. Gailpur (Rajasthan)	17.75	-	18.20	35.95
3. Maloötana (Rajasthan)	-	6.50	-	6.50
4. Morbi (Gujarat)	-	8.90	9.00	17.90
5. Srikalahasti (AP)	-	-	8.80	8.80
6. Balanagar (Telangana)	4.75	-	-	4.75
Total	**22.50**	**15.40**	**44.80**	**82.70**

(Exploring 5.10 MSM of Nepal Ju)

Our Subsidiaries & Joint Ventures

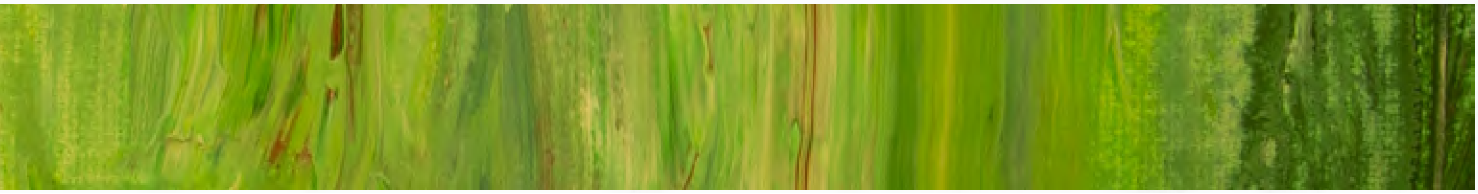
The Kajaria ecosystem in tiles and sanitaryware.

Kajaria's growth has been thoughtfully expanded through a portfolio of subsidiaries and joint ventures that strengthen our presence across product categories, geographies and customer segments. Together, they form an integrated building solutions network anchored in design, scale and market reach.

Tile Manufacturing Subsidiaries/Joint Ventures

Entity	Kajaria Vitrified Pvt. Ltd.	Kajaria Infinity Pvt. Ltd.	Kajaria Surfaces Pvt. Ltd.
Ownership	95%	84.59%	100%
Location	Morbi, Gujarat	Morbi, Gujarat	Morbi, Gujarat
Product Focus	Polished Vitrified Tiles	Glazed Vitrified Tiles	Glazed Vitrified Tiles

Entity	Entity
South Asian Ceramics Tiles Pvt. Ltd.	Kajaria Ramesh Tiles Limited (JV)
Ownership 59.50%	Ownership 50%
Location Balanagar, Telangana	Location Nepal
Product Focus Ceramic Floor Tiles	Product Focus Tiles

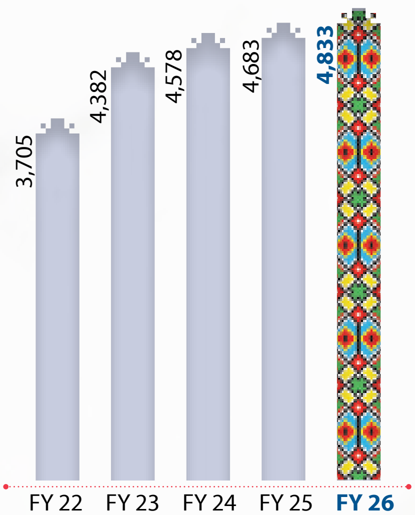


KEY PERFORMANCE INDICATORS

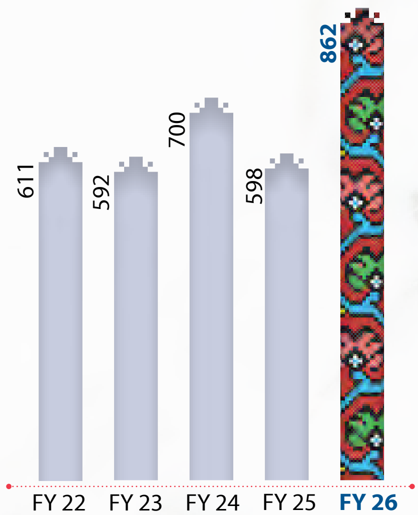
Kajaria 2.0... in motion

We are steadily building a future-focused platform to drive sustainable growth. Strong performance amid challenges demonstrates our commitment to excellence, innovation and customer centricity, reaffirming our leadership in the building products sector.

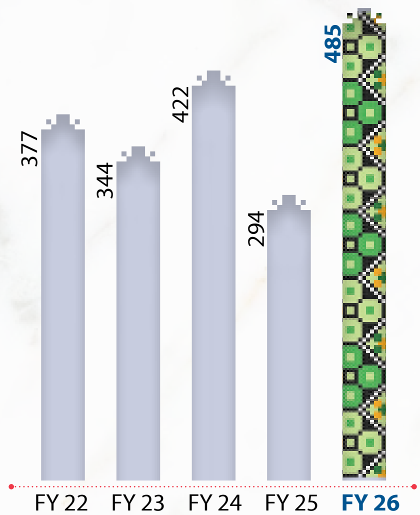
REVENUE FROM OPERATIONS
(₹ in Crore)



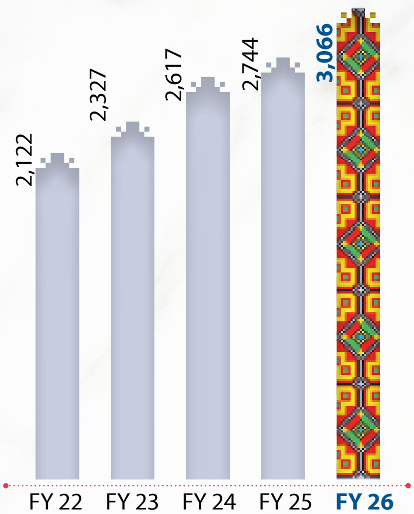
EBITDA
(₹ in Crore)



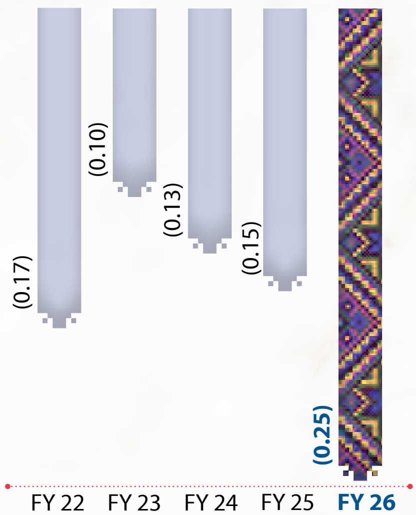
NET PROFIT
(₹ in Crore)



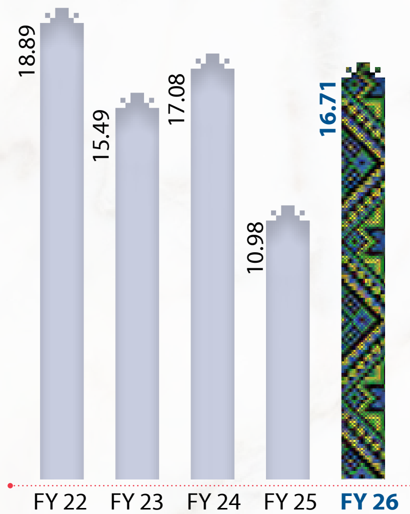
NETWORTH
(₹ in Crore)



NET DEBT-EQUITY
(x)



RETURN ON EQUITY
(%)



ESG FRAMEWORK & STRATEGY

Responsibility is not an initiative. It is how we build.

At Kajaria, ESG is embedded in how we design, produce, and grow. Our framework is closely interwoven with our core values, enabling us to create long-term value while balancing the needs of People, Planet and Profit. By integrating responsible practices into everyday decision-making, we ensure that sustainability is not parallel to business; it is business.

How ESG Creates Value

Our ESG approach strengthens the Company from the inside out - improving efficiency, deepening trust, and unlocking new growth opportunities.

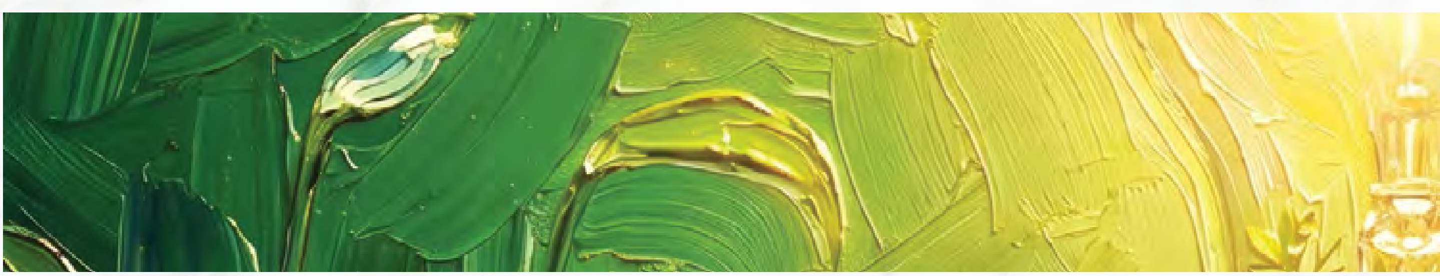
Growth with Purpose
We attract customers through more sustainable products, responsible sourcing and improved access to critical resources.

Resource Optimisation
Lower energy intensity, smarter material usage and better water efficiency reduce environmental impact while enhancing operational performance.

Inspiring Our People
A values-driven culture and improved employee experience help us build a motivated, future-ready workforce.

Sustainable Investments
Capital allocation decisions are guided by long-term resilience, ensuring returns that are both profitable and sustainable.

Responsible Corporate Citizenship
We lead with governance standards that go beyond compliance, driven by transparency and self-regulation.



Drivers of Our ESG Strategy

The principles that guide our actions.

Alignment with National Guidelines
Our practices reflect the principles laid out in the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs.

Meeting and Exceeding Investor Expectations
We continuously evolve our policies and processes to align with global investor expectations on ESG performance.

Safety & Well-being First
We are committed to building a safe, inclusive workplace that prioritises injury prevention and employee well-being.

Process Efficiency
Best-in-class operational practices help optimise resource use while maintaining superior product quality.

Reducing Our Environmental Footprint
We actively work to reduce the environmental impact of our operations and to replenish natural resources.

Prepared for Emerging Risks First
We proactively identify risks related to regulation, supply chains, climate change, and other evolving factors, and embed mitigation plans into our strategy.

Our ESG Pillars

Environment
- Energy conservation
- Water stewardship
- Product stewardship

Social
- Customer value creation
- Community development
- Safe and inclusive workplaces

Governance
- Ethics and transparency
- Quality and accountability
- Sustainable supply chain management

STAKEHOLDER ENGAGEMENT

Listening. Aligning. Growing - Together.

Kajaria's leadership in the domestic tile industry is built on collaboration. Every decision we make is shaped by the voices of those who influence and are influenced by our business. We actively engage with both internal and external stakeholders to understand expectations, identify material issues, and integrate their insights into our strategy and operations.

Through structured dialogue, we evaluate immediate and operational concerns, as well as long-term and strategic ones. This continuous exchange enables us to anticipate risks, unlock opportunities, and protect value across our economic, social and environmental capital.

Feedback from multiple engagement platforms helps us design responsive action plans, ensuring that growth remains inclusive, responsible and future-ready.

Our Key Stakeholder Groups

INVESTORS

Our partners in long-term value creation

Why they matter

They are the legal owners of the Company with direct financial interests and formal voting rights.

What we offer

- Consistent and sustainable returns
- Strong, integrated assets across the value chain
- Focus on deleveraging while funding profitable growth
- Transparent and credible financial & non-financial disclosures

How we connect

Investor and analyst meets, quarterly investor updates, earnings calls, periodic interactions, Annual Reports and AGMs.

Our focus

Maintaining strong operating and financial performance while progressing toward investment-grade financial metrics.

DEALERS

Our bridge to the market

Why they matter

They take Kajaria to the end consumer, strengthen brand visibility, and share frontline market insights.

What we offer

Growth opportunities, faster deliveries, recognition, and long-term partnership.

How we connect

Regular engagement with marketing teams, digital platforms, product launches and dealer award events.

Our focus

Embedding sustainability in the supply chain, expanding innovative product offerings, upgrading showroom experiences, and ensuring fairness and timely service.

CUSTOMERS

The reason we innovate

Why they matter

They enable long-term, mutually rewarding relationships and help us retain market leadership.

What we offer

Strong brands, superior products and enhanced experiences through innovation.

How we connect

Dealer showrooms, multimedia advertising, high-visibility sporting events, website and social media platforms.

Our focus

Enriching our product portfolio and leveraging digital tools to elevate the customer journey.

EMPLOYEES

The driving force behind our success

Why they matter

They transform strategy into performance.

What we offer

Fair compensation, learning opportunities, recognition programmes, and a safe, healthy workplace.

How we connect

Leadership interactions, formal and informal dialogues, induction and development programmes.

Our focus

Health & safety, diversity, inclusive culture, talent retention, local hiring, welfare practices and equal growth opportunities.

VENDORS
Partners in operational excellence

Why they matter	What we offer	How we connect	Our focus
They support value chain efficiency and cost competitiveness.	Contract integrity, timely payments, growth prospects and capability development.	Vendor meets, digital platforms and continuous business interactions.	Ensuring supply reliability, quality standards, and cost optimisation for business continuity.

GOVERNMENT & REGULATORS
Enablers of a stable business environment

Why they matter	What we offer	How we connect	Our focus
They define an organisation's legal mandate, operational freedom and policy environment.	Constructive engagement on policy matters and collaboration to advance ease of doing business.	Facility inspections, meetings and dialogue with relevant authorities.	Regulatory compliance, policy stability, and contributing to national economic development.

COMMUNITIES
Our neighbours and long-term partners

Why they matter	What we offer	How we connect	Our focus
They help create a harmonious and supportive operating environment.	Initiatives aimed at improving well-being and regional development.	Partnerships with NGOs, surveys and community discussions.	Ensuring safe operations and sustaining community outreach in all regions where we operate.

MATERIALITY ASSESSMENT

Focusing on what truly matters.

Understanding the issues that matter most both to our stakeholders and to our business is central to the way we plan and grow. Evaluating how these topics influence our ability to create sustained long-term value enables us to align our strategy with evolving expectations and emerging realities.

To achieve this, we undertake a structured and data-backed materiality assessment that helps define our priorities. By combining stakeholder insights with internal analysis, we gain a clearer view of key trends, potential risks and future opportunities. Continuous and open dialogue with our stakeholders ensures their perspectives remain embedded in our decision-making processes.

Materiality Matrix

Translating stakeholder priorities into strategic focus.

Our materiality matrix is built by consolidating inputs gathered from diverse stakeholder groups. It highlights the environmental, social and governance themes that carry the greatest relevance for both our organisation and those we engage with.

The evolving nature of these material themes reflects our agility in responding to stakeholder expectations and changing external conditions. This approach ensures our business priorities remain aligned with what truly drives sustainable value today and in the future.

Areas	Material Topics	SDGs Impacted
Energy and GHG Management	❖ Energy Efficiency ❖ GHG emission reduction	7, 9, 13
Social Relationships	❖ Corporate Social Responsibility (CSR) ❖ Customer Experience ❖ Dealer Relationship	3, 4, 6, 8, 12
Environment Protection	❖ Water Management ❖ Air Pollution Management ❖ Biodiversity Management ❖ Waste Management	6, 11, 13, 15
Employee Well-Being	❖ Occupational Health & Safety ❖ Employee training & development	3, 4, 8
Ethical Practices	❖ Corporate Governance ❖ Business Ethics ❖ Regulatory Compliance Management	12, 16
Product Stewardship	❖ Research and Development ❖ Sustainable Supply Chain	9

Our Value-Creation Model

Inputs

Manufactured Capital

Manufacturing facilities	14
Fixed Assets	₹2,553.51Crore

Financial Capital

Equity	₹15.93 Crore
Reserve & Surplus	₹3,049.65 Crore

Human Capital

Team size	7,280

Intellectual Capital

R&D expenses	₹2.03 Crore

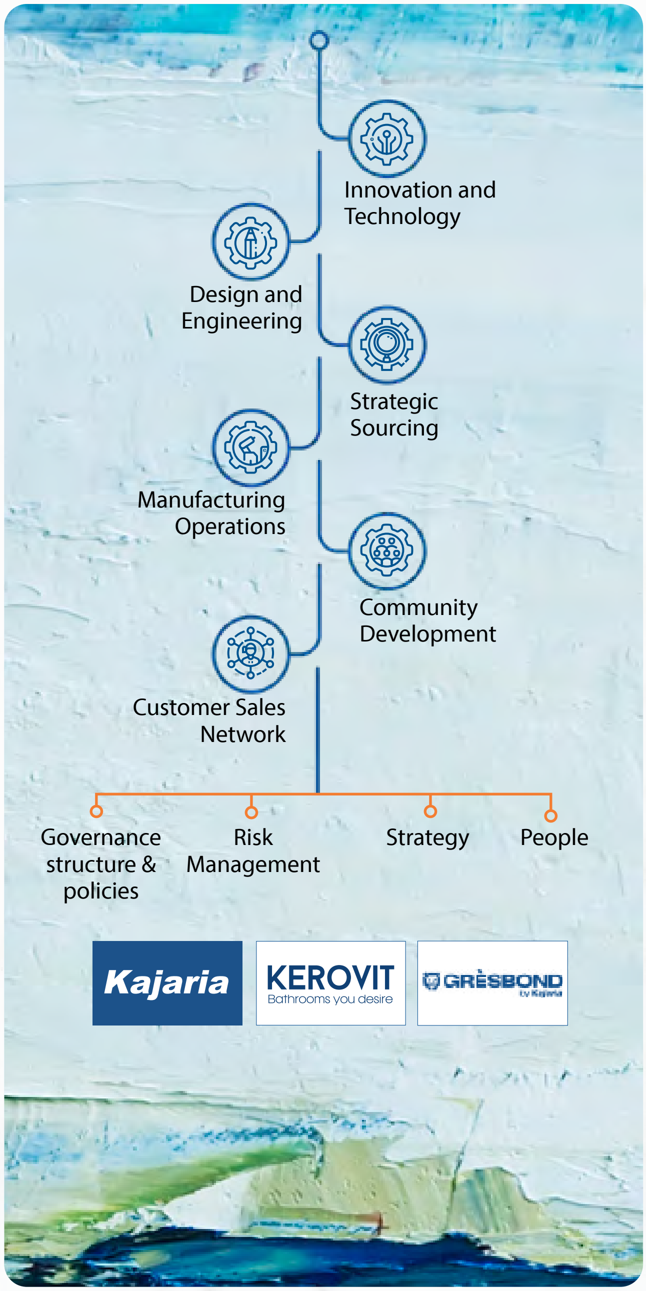
Social & Relationship Capital

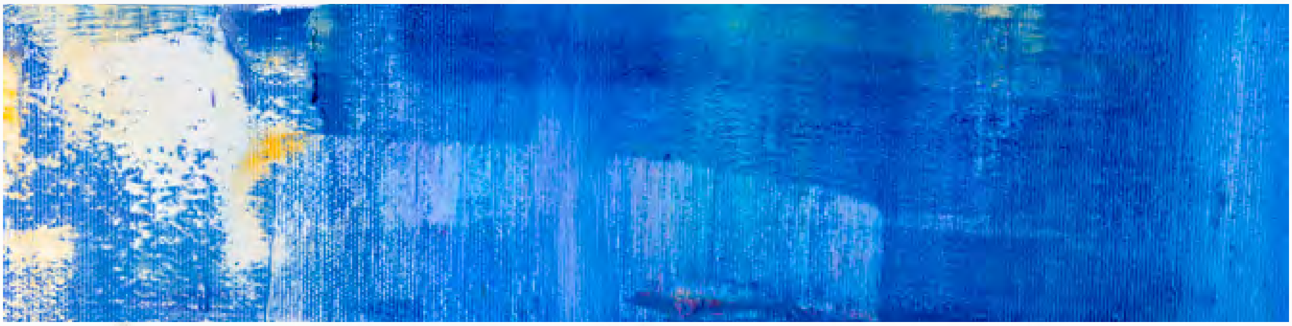
Dealers	1,800+
Branding & Advertisement expense	₹91.18 Crore
CSR expense (Spent)	₹9.97 Crore

Natural Capital

Total Energy Consumption	85.35 Lakh GJ

Value Creation Approach





Output

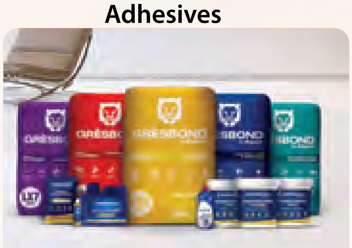
Our Products

Tiles

Faucets

Sanitaryware

Adhesives



Outcome

Manufactured Capital

Tile production	84.59 MSM
Bathware Production	21.24 Lakh Pieces
Adhesive Production	0.45 Lakh MT

Financial Capital

Revenue	₹4,832.50 Crore
EBITDA	₹861.95 Crore
Net Profit	₹485.41 Crore

Human Capital

Revenue per employee	₹66 Lakh
LTIFR	Employee 0.37
Net Profit	Worker 0.39

Intellectual Capital

Launched new products in tiles and bathware

Social & Relationship Capital

Strengthened relations with dealers

Supported numerous families through CSR interventions

Natural Capital

Total GHG emission	4.15Lakh MT of CO_2 equivalent
Total Scope 1 Reduction	5.1%
Total Scope 2 Reduction	8.1%

Manufactured Capital

Engineering scale. Enabling agility. Delivering excellence.

Kajaria's manufacturing strength is the foundation of its market leadership. Our state-of-the-art facilities, equipped with automation, advanced material-handling systems, and stringent quality controls, ensure the consistent delivery of superior products. Technology-driven processes transform raw materials into premium surface solutions that elevate both aesthetics and functionality. Our geographically diversified manufacturing base allows us to respond swiftly to regional preferences. This balance between scale and responsiveness gives Kajaria a decisive competitive edge.

82.70 MSM

Tile Manufacturing Capacity

*(excludes 5.10 MSM of Nepal JV)

Tiles

Where engineering precision meets design intelligence.

At Kajaria, tile manufacturing is a carefully orchestrated blend of technical mastery and design sensibility. Our production ecosystem is built to deliver value-added, market-relevant surfaces.

Operational Focus in FY26

FY26 saw purposeful upgrades across the manufacturing base. A key unit at Gailpur was converted from ceramic floor tiles to Glazed Vitrified Tiles (GVT), aligning capacity with rising demand for premium formats. A systematic clean-up of overlapping and slow-moving SKUs sharpened focus on high-demand products. Approximately 25% of the supply remained strategically outsourced, providing flexibility to meet demand fluctuations. Packaging redesign, procurement optimisation and process efficiencies further strengthened cost discipline. Together, these initiatives reflect a shift from capacity-led growth to efficiency-led, value-driven manufacturing.

Bathware

Building the bathroom ecosystem

Kajaria's bathware manufacturing footprint supports its evolution into a complete bathroom solutions provider. In FY26, operations were streamlined by optimising newly installed kiln systems, improving thermal efficiency and throughput. Advanced grinding and testing equipment enhanced consistency and productivity, while improvements to the dryer reduced fuel consumption. Multiple new faucet variants were introduced to address diverse customer preferences and strengthen market presence. Together, these measures aim to improve operating leverage as scale increases and move bathware toward sustained profitability.

Adhesive

Building the bathroom ecosystem

As part of our strategy to deepen presence in allied building solutions, Kajaria expanded into tile adhesives with dedicated manufacturing capacity. A production facility with a capacity of 9,000 MT per month commenced operations in May 2025 at Gailpur, Rajasthan. A second facility of similar capacity is planned in Erode, Tamil Nadu, strengthening our ability to serve southern markets. This expansion enables Kajaria to provide a more integrated tiling solution while supporting growth in a high-potential adjacent segment.

Financial Capital

Discipline today. Strength for tomorrow.

Financial prudence remains central to Kajaria's long-term value creation philosophy. A strong financial foundation enables us to pursue growth opportunities while safeguarding stability. Our approach balances profitability, liquidity and strategic reinvestment, ensuring value is created sustainably over time. Through disciplined cash flow management, careful deleveraging and measured capital allocation, we maintain the agility to navigate market cycles while supporting expansion across product categories and geographies.

16.71%
Return on Equity (Avg.)

23.87%
Return on Capital Employed (Avg.)

₹923.70 Cr
Cash & Cash Equivalents (Including Bank & FD)

Performance-Led Financial Strength

Despite transitional disruptions, Kajaria demonstrated resilience in profitability through operational efficiency and cost discipline. EBITDA margins remained healthy, supported by structural cost optimisation rather than temporary tailwinds. Operating efficiency and business restructuring supported profit growth despite modest revenue movement. Continuous focus on receivables, inventory alignment and channel efficiency remains central to liquidity management. Our financial performance reflects the early outcomes of Kajaria 2.0, designed to build a leaner organisation.

Capital Allocation Approach

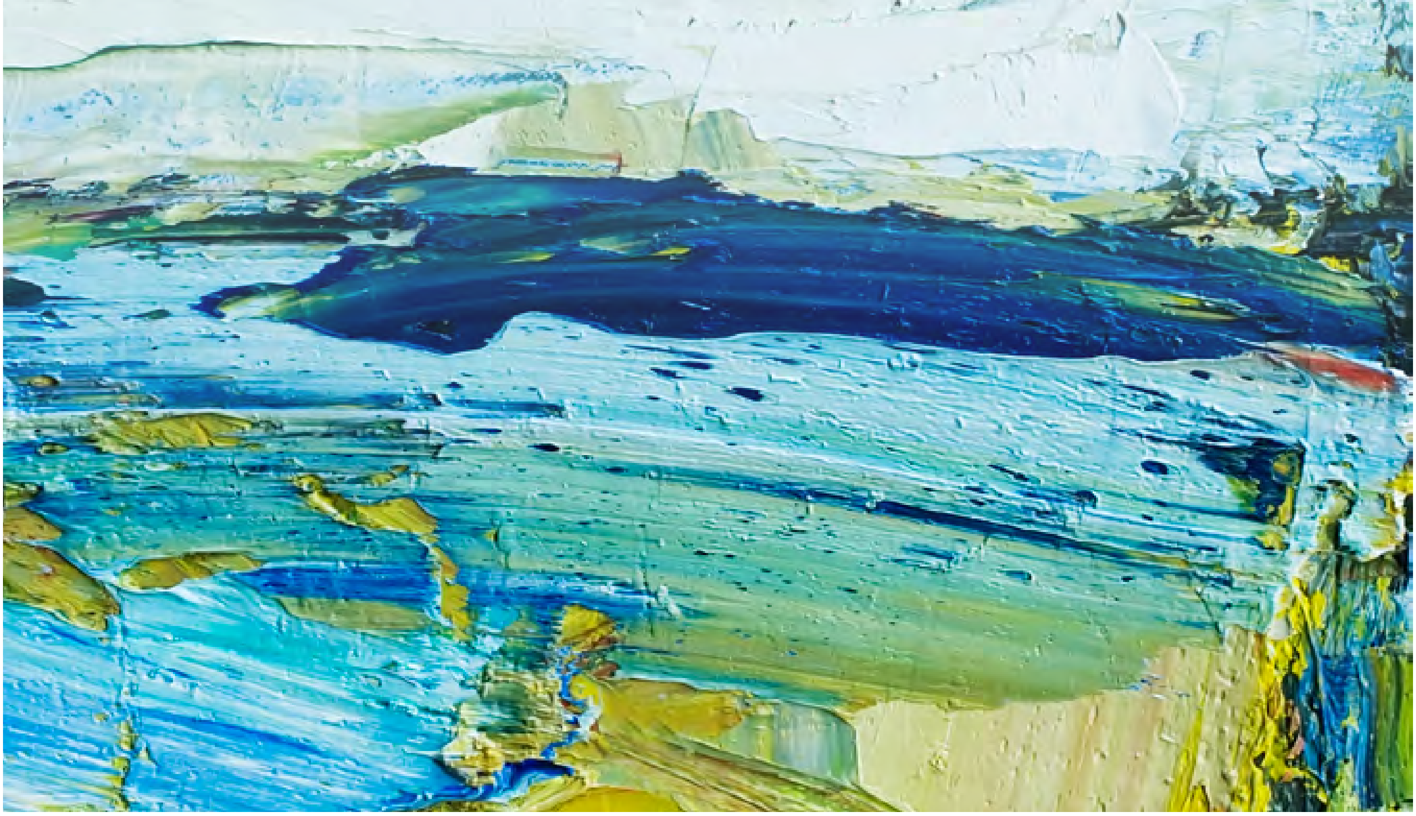
Kajaria follows a return-focused strategy. Priority remains on maximising output from existing assets to absorb fixed costs better and enhance return on capital employed. A balanced model of owned manufacturing and strategic outsourcing provides scalable growth. Moreover, disciplined capital allocation and cost-effective and technology-efficient capacity expansion support increased cash flow.

Cost Optimisation & Efficiency Drive

FY26 marked an intensified focus on cost rationalisation. Procurement and packaging optimisation improved input cost efficiency. Marketing transformation enhanced spending productivity while strengthening brand reach. People and process rationalisation reduced duplication and improved organisational agility under the unified sales structure.

Buyback

On April 30, 2026, the Board approved the buyback of up to 21,50,000 equity shares (1.35% of the paid-up equity capital as on March 31, 2026) at ₹1,380 per share, aggregating up to ₹296.70 Crore. Approved by shareholders on June 22, 2026, the buyback was subsequently completed, reinforcing the Company's commitment to enhancing shareholder value. Certain procedural and regulatory compliances are in progress.



Human Capital

People power everything we build.

At Kajaria, success doesn't begin on the production floor; it begins with people. Our culture is rooted in trust, relationships and shared ambition. We believe that when individuals feel valued, supported and inspired, they create outcomes that go far beyond targets. That belief shapes how we hire, develop and care for our teams.

₹529.86 Cr

Employee Benefit Expenses

Building Stronger Teams

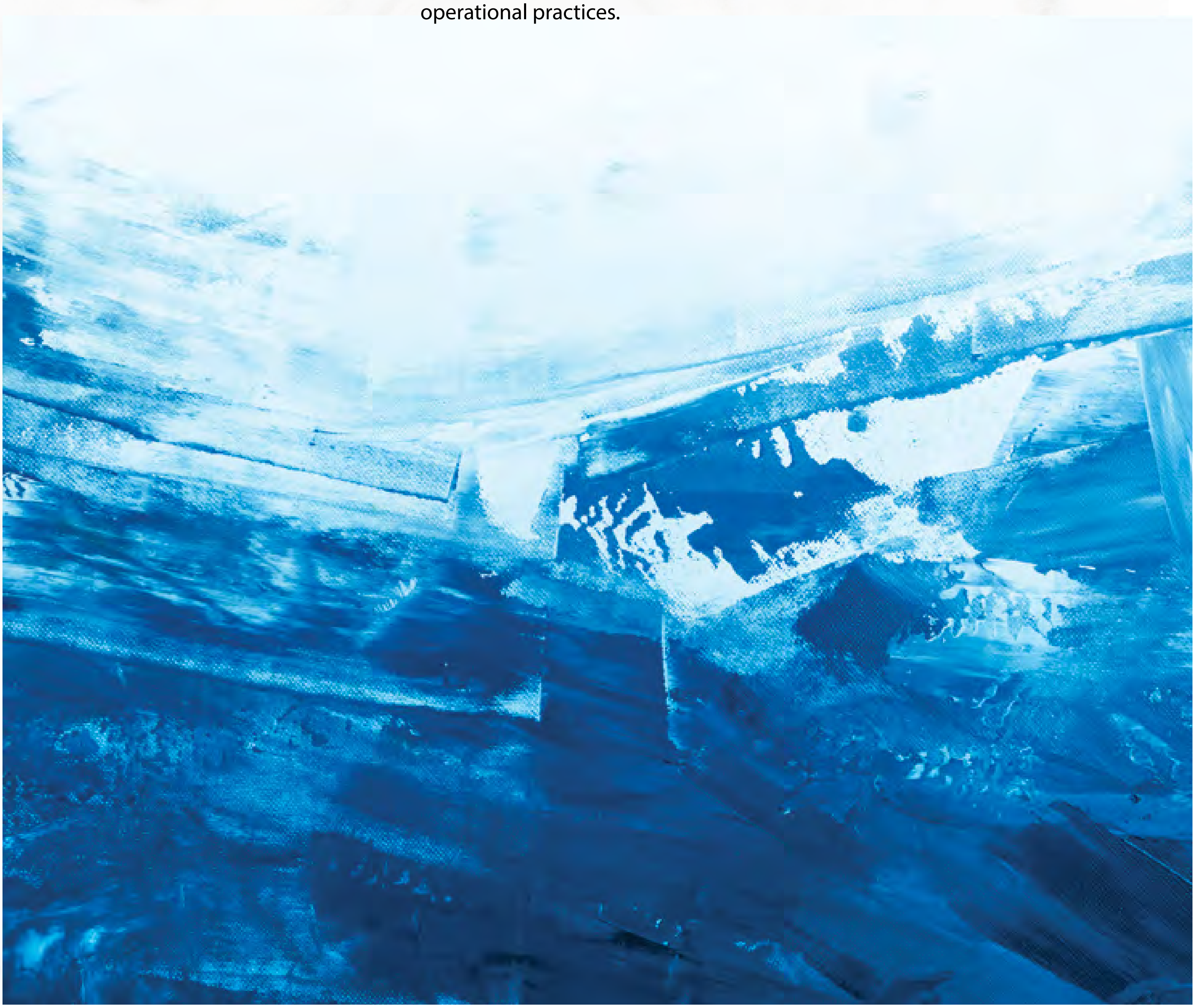
A people-first philosophy powers our journey forward. We invest in talent to build careers and shape future leaders, creating opportunities for learning and progression while encouraging initiative and ownership. By attracting fresh talent, nurturing experienced professionals and aligning individual growth with organisational goals, we are building a workforce that is adaptable, skilled and ready for tomorrow's challenges.

Health & Safety

Performance thrives in environments where people feel safe and cared for. Safety at Kajaria is a responsibility we uphold every single day. Across our facilities, we have strengthened safety protocols, ensured strict adherence to Standard Operating Procedures, integrated safety training into employee development programmes and conducted regular audits to drive continuous improvement. Our workplaces promote well-being through clearly marked hazard zones, advanced air filtration systems and safe operational practices.

Growing Skills, Shaping Futures

Continuous learning is a key pillar of our people strategy. We equip our teams through on-the-job training to strengthen technical and behavioural capabilities, skill enhancement initiatives for dealer sales teams and opportunities to participate in seminars, workshops and webinars aligned with individual aspirations. By fostering a culture of learning, we ensure our people evolve alongside the business.



Intellectual Capital

Where ideas turn into advantage.

Innovation at Kajaria is a mindset. It shapes how we think, design and operate. Our intellectual capital brings together market insight, design sensibility, engineering excellence and digital capability to create solutions that are relevant today and resilient for tomorrow. From concept to execution, every product and process is guided by a deep understanding of consumer aspirations, architectural trends and performance expectations. This integrated approach delivers solutions that balance aesthetics, functionality and long-term value.

Digital & Technology Capability

Technology is a critical enabler of our intellectual capital. It strengthens decision-making, efficiency and market responsiveness. Our transition to an advanced SAP environment has created a stronger digital backbone that enhances process integration, scalability and operational visibility. Ongoing upgrades to our sales applications are simplifying workflows, strengthening lead management and enabling data-driven market expansion. Our upgraded Dealer Management platform provides a unified interface for order placement, real-time account tracking and improved cash flow visibility, enabling channel partners to operate with greater efficiency and confidence.

Continuous Evolution

Backed by focused research, process engineering and digital enablement, we continuously refine our offerings to stay aligned with shifting market dynamics. This commitment ensures our portfolio remains competitive, differentiated and ready for the future.

Social & Relationship Capital

The strength of our brand lies in the strength of our relationships.

At Kajaria, relationships are long-term partnerships built on trust, credibility and shared growth. From customers and dealers to vendors and communities, our ecosystem is designed to create value that extends beyond business performance into social progress. Customer-centricity remains the anchor of this philosophy. Every product, interaction and engagement is guided by a singular objective: delivering experiences that inspire confidence and loyalty.

Building a Brand that People Connect With

Our brand presence is shaped through meaningful storytelling and high-visibility engagement. We collaborate with iconic brand ambassadors whose values resonate with our own, strengthening emotional connection and aspirational appeal. Integrated campaigns across digital and traditional media, strategic outdoor placements in high-footfall spaces such as airports and associations with marquee sporting events ensure Kajaria remains a familiar and trusted name in households across India. Targeted digital outreach during the year deepened customer engagement and expanded our follower base in an increasingly connected marketplace.

Partnering with Vendors for Shared Progress

Our collaboration with vendor partners is grounded in fairness, transparency and long-term association. Together, we work towards building a sustainable value chain that supports quality, reliability and responsible business practices.

Dealer Network: Our Strongest Bridge to the Market

Our dealers are the face of Kajaria on the ground. We invest consistently in nurturing these relationships through regular interactions, feedback mechanisms, product launch events, knowledge-sharing platforms and recognition programmes. By strengthening dealer capabilities and engagement, we ensure superior customer experiences while building a resilient and mutually rewarding distribution ecosystem.

Community Upliftment: Growing with Society

True success is measured by business growth and the positive impact we create in the communities around us. Our CSR philosophy is rooted in inclusive and sustainable development. In FY26, we spent ₹9.97 Crore towards CSR initiatives, overseen by a dedicated CSR Committee to ensure transparency, alignment and measurable outcomes. Our initiatives address critical areas that shape quality of life, including healthcare and sanitation, education and rural development, environmental conservation, social welfare and support for Armed Forces personnel. Through a need-based and long-term approach, we aim to create lasting change and contribute to a more equitable and empowered society.

Understanding the End Consumer

Even when interactions are indirect, our focus on the end consumer remains unwavering. Marketing initiatives, brand activations and customer touchpoints are designed to keep Kajaria top-of-mind while generating insights into evolving tastes, regional preferences and lifestyle trends. These insights help us stay relevant in a dynamic and design-conscious market.

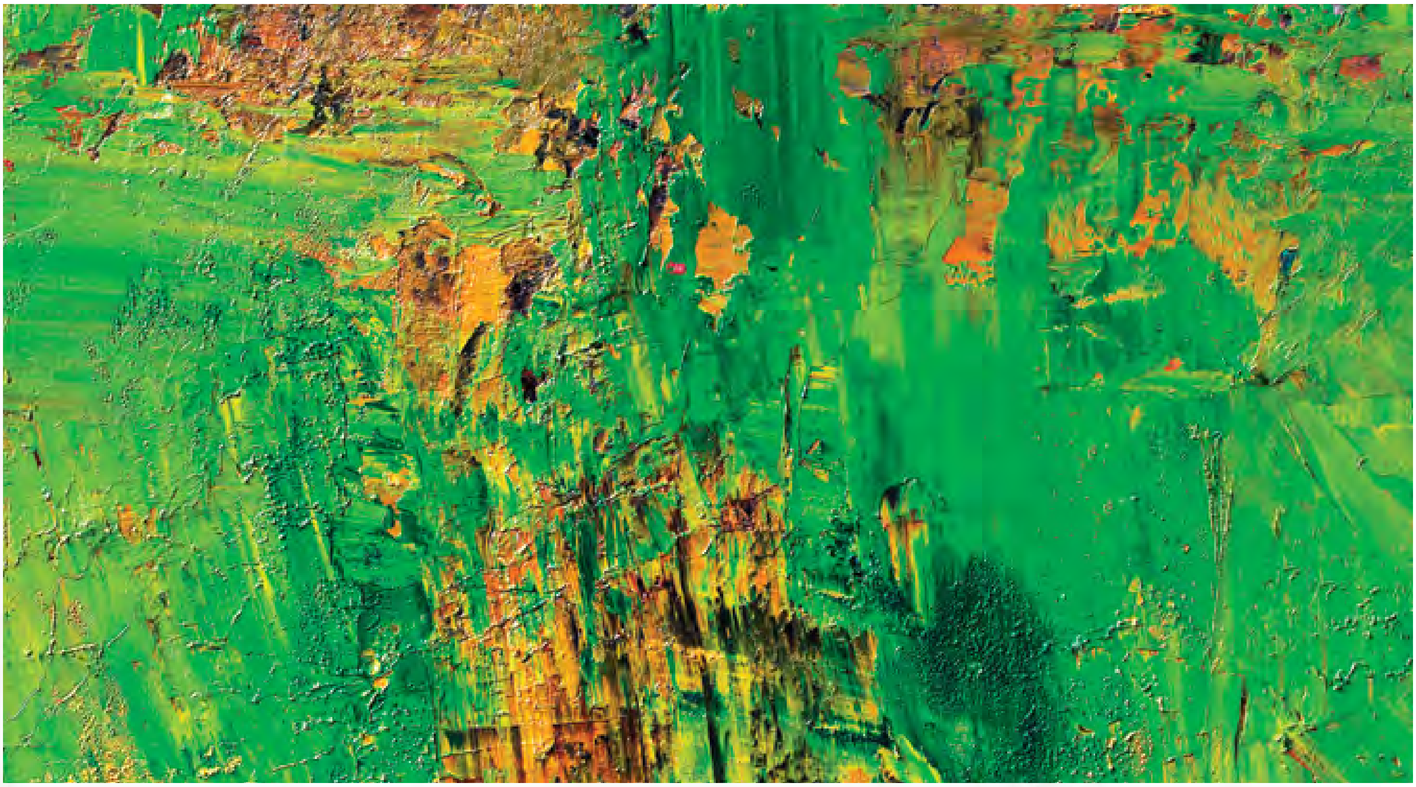
Branding

During FY26, the Company launched its integrated brand campaign, **"Ghar mein Kajaria. Log Toh Poochenge Hi"** featuring acclaimed actors **Ranveer Singh** and **Rashmika Mandanna**. The campaign marked a significant milestone in Kajaria's brand-building journey by elevating its product-led communication through a stronger emotional narrative, while continuing to reinforce the Company's strengths in design excellence, innovation, and uncompromising quality. Built on the insight that homes reflect personal identity and aspiration, the campaign showcased Kajaria Tiles and Kerovit Bathware as products that enable consumers to create premium living spaces, thereby strengthening Kajaria's positioning as a complete premium home solutions brand. With a focused emphasis on enhancing brand presence in Southern India, the campaign delivered strong consumer engagement, garnering over 100 million views within four weeks of its launch, significantly enhancing the Company's brand visibility, consumer connect, and market reach.

Natural Capital

Protecting the resources that power our progress.

At Kajaria, environmental stewardship is integral to how we operate and grow. Our approach to natural capital centres on reducing our ecological footprint while ensuring responsible use of the resources that sustain our business. Guided by a comprehensive sustainability framework, we embed conservation, efficiency and circularity into our operations, strengthening resilience while contributing to a healthier planet.



Energy Management: Powering Growth Responsibly

Tile manufacturing is energy-intensive, making energy efficiency a strategic priority. During the year, we advanced multiple initiatives to optimise energy use and lower emissions across facilities. These include the deployment of Variable Frequency Drives (VFDs) to improve operational efficiency, increased utilisation of biofuel as a cleaner alternative to coal and planned energy audits at select locations to identify further optimisation opportunities.

Water Management: Preserving a Critical Resource

Water conservation remains a core focus as we strive to ensure our operations do not adversely affect local ecosystems. Rainwater harvesting systems within plant campuses replenish groundwater and supplement operational needs, reducing dependence on freshwater sources. Advanced Effluent Treatment Plants (ETPs) treat and recycle wastewater for downstream applications. Through these measures, we are building a water-resilient manufacturing ecosystem.

Waste Management: Advancing Circularity

Our waste management strategy is built around the principles of Reduce, Reuse and Recycle. Grinding systems convert internal tile rejects into reusable raw material, while continuous process optimisation minimises waste generation at source. Preventive maintenance practices further reduce leakages and material loss. By reintegrating waste into production cycles, we move closer to a circular manufacturing model.

Air Emissions: Ensuring Clean Operations

We maintain strict emission control standards through sustained investment in advanced pollution control technologies. Scrubbers, Electrostatic Precipitators (ESPs) and baghouse filters capture particulate emissions across facilities. Regular monitoring ensures compliance with regulatory standards, while third-party emission sampling validates internal measurements and upholds transparency. These systems help maintain a safe working environment while minimising atmospheric impact.

GOVERNANCE

Governance that drives responsible, transparent growth.

Philosophy

At Kajaria Ceramics Limited, governance is the foundation of how we conduct business. Our governance philosophy is anchored in our core values of passion, integrity, respect and accountability, which shape our decisions, behaviour and stakeholder engagements.

We believe robust governance stems from disciplined management practices, strict regulatory adherence and an unwavering commitment to ethical conduct and transparency. As an industry leader, we recognise that sustained success entails a greater responsibility to raise governance benchmarks continually. While milestones reflect progress, we place equal importance on achieving them through principled and responsible actions.

Key Policies

Our policy framework translates our governance philosophy into structured practices that guide conduct across the organisation.

Board Diversity Policy

We are committed to equal opportunity and non-discrimination across all areas of our business. Diversity of thought, experience and background strengthens Board effectiveness, enhances oversight quality and enables balanced decision-making.

Corporate Social Responsibility Policy

Our CSR policy reflects our belief that business growth and societal progress must advance together. We integrate CSR principles into our operating philosophy, supporting initiatives that promote sustainable development, environmental care and social awareness.

Policy on Prevention of Fraud

To uphold transparency and accountability, we maintain strong mechanisms to report unethical conduct and suspected fraud. These systems reinforce trust and ensure the integrity of our financial and operational processes.

Policy on Prevention of Sexual Harassment at the Workplace

We are dedicated to maintaining a workplace founded on dignity, safety and mutual respect. Our policy ensures protection against harassment while promoting equal opportunity and a supportive environment for professional growth.

Whistle Blower Policy

In line with regulatory requirements, we have established a vigil mechanism that enables directors and employees to report genuine concerns without fear of retaliation. Our Whistleblower Policy strengthens ethical oversight and encourages a culture of openness and responsibility.

Strengthening Governance

The 'Kajaria 2.0' framework represents a fundamental pivot in the Company's corporate lifecycle, necessitated by the evolution of the Indian tile industry. The pivot to a "system-based organisation" is the cornerstone of the Kajaria 2.0 governance posture. The primary goal is to leverage technology to eliminate manual intervention and the "judgment errors" inherent in over-relying on employee tenure or personal trust. By replacing legacy "person-based" confidence with automated "system-based" validation, the Company is institutionalising a foolproof Segregation of Duties (SoD).

The Company's future governance posture is built upon two primary pillars:

Sales & Cost Dual Leadership

A mandate to match the Company's traditional sales dominance with an industry-leading cost structure, ensuring that profitability is protected by operational efficiency.

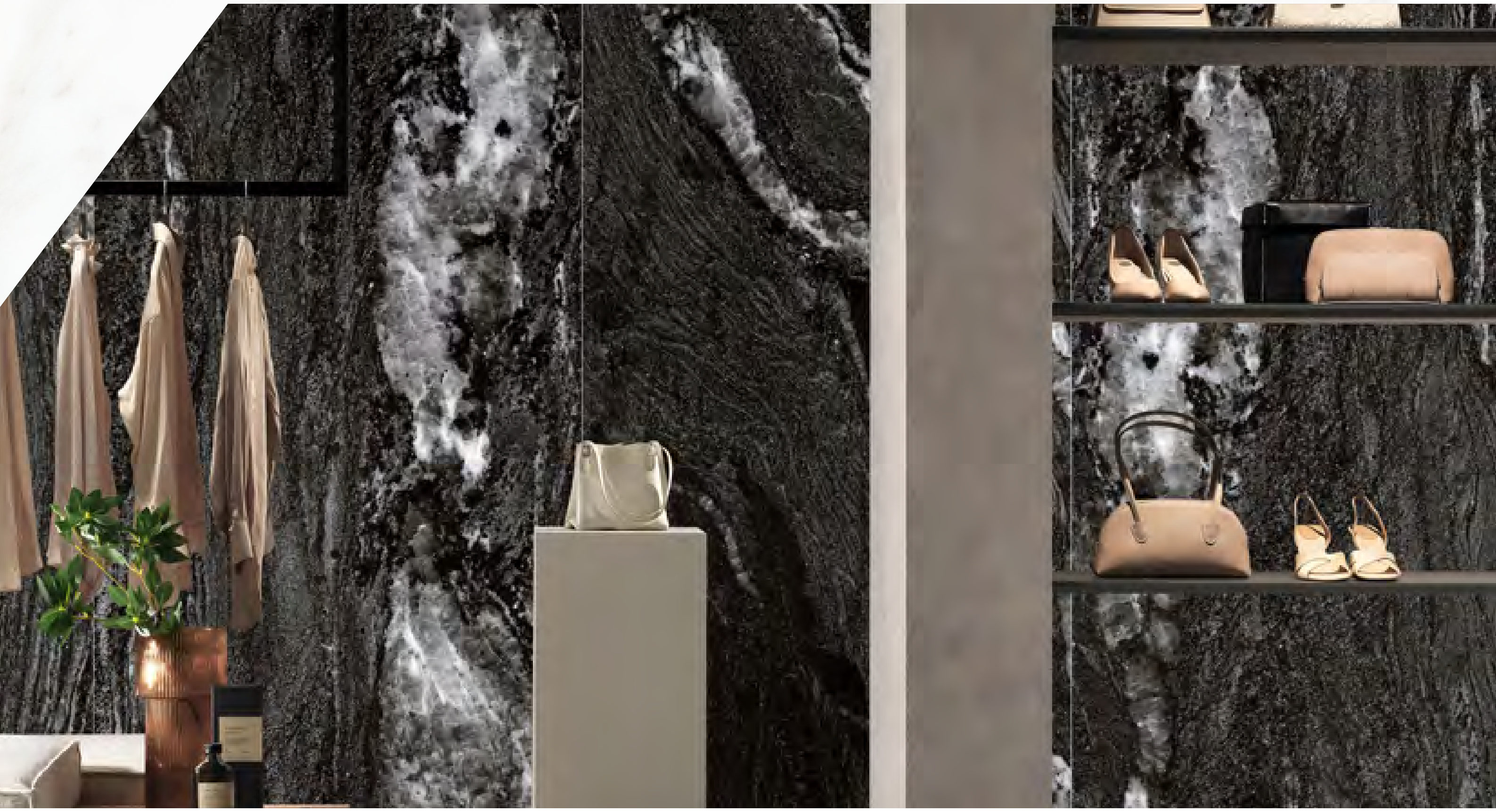
Governance Transparency

The prioritisation of automated, system-based controls over legacy trust or individual employee tenure effectively de-risks the organisation from person-specific failures.

Composition of the Board

Our Board reflects a blend of expertise, independence and diverse professional backgrounds, including finance, manufacturing and academia. This diversity of perspectives enhances strategic oversight and governance effectiveness.

We remain committed to strengthening diversity and inclusion at all levels of leadership while fostering a culture where diverse viewpoints contribute to balanced, forward-looking decision-making.



Our Eminent Board

Mr. Ashok Kajaria
Chairman

Committee Memberships

Risk Management Committee (C)
Management Committee (C)
Audit Committee
BRSR Committee (C)
Nomination & Remuneration Committee
Stakeholder Relationship Committee

Mr. Chetan Kajaria
Vice Chairman

Committee Memberships

Risk Management Committee
Stakeholder Relationship Committee
CSR Committee
BRSR Committee
Management Committee

Mrs. Ambika Sharma
Independent Director

Committee Memberships

Risk Management Committee
Nomination & Remuneration Committee

Mr. Hitesh Sohanlal Jain
Independent Director

Committee Memberships

–

Mr. Dev Datt Rishi
Non-Executive Director

Committee Memberships

Risk Management Committee

Mr. Sudhir Bhargava
Independent Director

Committee Memberships

Audit Committee (C)
Stakeholder Relationship Committee (C)
CSR Committee (C)
Nomination & Remuneration Committee

(C)- Chairman

Mr. Rishi Kajaria
Managing Director

Committee Memberships

Risk Management Committee
CSR Committee
BRSR Committee
Management Committee

Mr. Pradeep Udhas
Independent Director

Committee Memberships

Audit Committee

Dr. Lalit Kumar Panwar
Independent Director

Committee Memberships

Audit Committee
Nomination & Remuneration Committee (C)

Management Discussion & Analysis

Economic Overview

The global economy in 2025 operated in an increasingly uncertain and fragmented environment, shaped by persistent geopolitical tensions, energy market volatility, trade realignments and uneven inflation trends. While inflation moderated across several advanced economies, progress remained inconsistent as commodity price movements continued to create uncertainty.

Central banks maintained a cautious stance, balancing inflation control with the need to support slowing growth. Structural tailwinds such as investment in artificial intelligence and supply chain diversification provided support; however, high public debt levels, trade fragmentation and currency volatility weighed on business confidence. The global growth environment remained stable but fragile, with limited visibility on long-term recovery momentum.

Against this backdrop, India remained among the fastest-growing major economies in FY26, driven by domestic consumption, infrastructure spending and macroeconomic stability. Provisional estimates place real GDP growth at approximately 7.7%, with nominal GDP estimated at ₹346.36 Lakh Crore. Growth was not without headwinds.

External volatility, uneven export demand and inflationary pressures created a more measured operating environment. Structural themes - formalisation, digital adoption and urbanisation - continued to support the broader economy, though discretionary and export-linked segments showed cautious demand. Fiscal management remained anchored in prudence, with the Government targeting a fiscal deficit of 4.4% of GDP alongside continued infrastructure-led capital expenditure.

India's medium-term outlook remains constructive, underpinned by public investment, domestic demand and policy reforms. Near-term conditions, however, may stay challenging given geopolitical tensions, global growth concerns and commodity and currency volatility. Economic progress is expected to remain resilient but measured, demanding business agility and cautious optimism.

The Tile Industry

Three structural shifts are reordering the global tile landscape, each converging in favour of organised Indian manufacturers.

China, for decades the dominant force in global tile exports, has progressively withdrawn export subsidies. The artificial price advantage that distorted global markets for two decades is fading - and markets previously closed to Indian manufacturers are beginning to open.

India's expanding network of Free Trade Agreements is making exports more competitive across geographies that were earlier difficult to penetrate. As export volumes rise, they draw from domestic inventory, creating a structural tailwind for branded players.

Closer home, the Morbi cluster faces unprecedented stress. Sharply rising gas prices have forced widespread shutdowns and significant price hikes - a first for the cluster - compressing unbranded supply and narrowing the price gap between Morbi and branded manufacturers.

The arithmetic is compelling: industry volumes are expected to contract this year, even as value grows. As unbranded products retreat, branded players are structurally positioned to capture a higher share of the overall market. The Company’s intent is clear: capture a larger share of the growing market pie.

About the Business

Kajaria Ceramics sits at the intersection of design, scale and distribution. It is one of India's most integrated, consumer-facing building materials companies. By combining in-house production with strategic partnerships, Kajaria maintains supply-chain flexibility while preserving quality and innovation standards. Its focus on premiumisation, brand-led demand, and design differentiation positions it to capture both new construction and the growing renovation segment, reinforcing its leadership in an industry shifting toward organised, design-driven growth.

BUSINESS VERTICAL 1

Ceramic & Vitrified Tiles

Kajaria's Tiles segment forms the core of its business, anchored by a portfolio spanning ceramic tiles, glazed vitrified tiles (GVT) and polished vitrified tiles (PVT) across residential, commercial and institutional applications, supported by an extensive distribution network and integrated manufacturing facilities.

As consumer preferences shifted towards superior aesthetic tile solutions, Kajaria undertook a transformative realignment under "Kajaria 2.0." The initiative unified dealers across product categories, strengthened cross-selling, improved product visibility and rationalised overlapping SKUs. While implementation led to temporary channel adjustments, these measures were strategic - building a more agile, future-ready operating model.

Kajaria also strengthened engagement with architects, interior designers and institutional stakeholders, recognising their growing influence on product specification in premium categories. This focus is expected to support realisation-led growth while reinforcing brand positioning in aspirational segments.

Kajaria's calibrated capacity realignment strengthens its ability to capture higher-realisation demand.

118.52 MSM

Sales volume in FY26

₹4,280.29 Cr

Revenue in FY26

88.6%

Contribution to Topline in FY26

BUSINESS VERTICAL 2

Bathware

Through Kerovit, Kajaria extends its brand strength beyond surfaces to encompass complete bathroom solutions. During FY26, the business recorded reasonable progress, realigning market execution and expanding its dealer network to strengthen penetration.

In sanitaryware, the Company launched 20 new products, including the one-piece KGPL closet designed to improve material recovery and manufacturing efficiency. Premium offerings were expanded through colour variants such as Gold Bend and Rose Bend.

The faucets business saw accelerated product development with two contemporary concepts combining sophisticated styling with enhanced ergonomics, an advanced concealed diverter system, and a curated range of matte-finish collections aligned with emerging design trends.

The Company further sharpened its intent for the segment during the year. The leadership bench was strengthened through the appointment of a Chief Business Officer and a senior advisor, both recruited from a leading bathware company and bringing deep domain expertise in product strategy and channel development.

Separately, the Board approved the acquisition of 44,11,764 Compulsorily Convertible Preference Shares of Kajaria Bathware Private Limited (KBPL) from Aravali Investment Holdings, Mauritius, a wholly owned subsidiary of West Bridge Crossover Fund, LLC, for a consideration of ₹50 Crore, taking the Company's CCPS holding in KBPL to 100%.

While the segment remains in its development stage, it is steadily building scale, positioned for sustainable double-digit growth through deeper distribution, stronger leadership and sharper differentiation.

38.63 Lakh pieces

Sales volume in FY26

₹413.64 Cr

Revenue in FY26

8.6%

Contribution to Topline in FY26

BUSINESS VERTICAL 3

Tile Adhesives

For Kajaria, adhesives are part of the same promise to the customer. Every tile sold is installed, and the quality of that installation defines how the brand is experienced. Since adhesives are purchased close to the installation cycle, they enable recurring engagement with dealers, contractors and applicators.

The segment registered strong traction, propelled by the shift from unorganised cement-sand mortar to branded installation systems. The Company's deep distribution network has translated into rapid shelf availability, while cross-selling has expanded wallet share.

Manufacturing is anchored at the Gailpur facility with an installed capacity of 9,000 MT per month. During the year, the Company converted Kajaria Adhesive Private Limited (KAPL) into a wholly owned subsidiary to establish a greenfield unit in Erode, Tamil Nadu, thereby extending its manufacturing footprint to southern markets. Branded penetration in tile adhesives remains well below mature-market benchmarks, leaving a long runway for growth. The Erode plant, with capacity of 9,000 MT per month, started production in May 2026.

1.29 Lakh Ton
Sales volume in FY26

₹136.43 Cr
Revenue in FY26

2.8%
Contribution to Topline in FY26

Analysis of Financial Statements

FY26 was a year of consolidation and margin recovery for Kajaria. Despite muted volume growth in the first 9 months due to intensive reconstruction (laying the foundations of Kajaria 2.0,) and cost pressures, the Company successfully regained pricing power, improved product mix, and strengthened its competitive positioning. The balance sheet remains extremely healthy with negligible debt, strong cash flows, and ample liquidity to pursue growth opportunities in premiumisation, distribution expansion, and adjacent categories.

The strategic initiatives under "Kajaria 2.0", including the unification of three tile verticals, SKU rationalisation, and capacity optimisation, have laid a strong foundation for sustained profitable growth in the coming years.

Consolidated Financial Performance

Kajaria Ceramics delivered a sound financial performance during FY26, demonstrating resilience and operational efficiency amidst a challenging industry environment marked by input cost volatility and selective demand moderation. On a consolidated basis, including subsidiaries and joint ventures, performance was even stronger, reflecting the growing contribution from the Bathware, Adhesives, and other building materials verticals.

- **Revenue from Operations:** ₹4,832.50 Crore vs. ₹4,683.24 Crore in FY25, registering a growth of approximately 3% YoY. The Company achieved its highest-ever quarterly revenue of ₹1,373.35 Crore during Q4 FY26.
- **Tiles Segment Revenue:** ₹4,280.29 Crore (contribution ~ 88.6%).
- **Other Segment Revenue (Bathware, Sanitaryware, Adhesives and others):** ₹550.07 Crore (contribution ~ 11.4%), recording healthy double-digit growth.
- **EBITDA (pre-exceptional items):** ₹861.95 Crore (17.84%) vs. ₹597.50 Crore (12.76%) in FY25, Improved significantly, supported by better pricing discipline and cost optimisation measures.
- **Profit After Tax:** ₹485.41 Crore vs. ₹294.35 Crore in FY25, reflecting strong growth in profitability. The Company reported strong margin expansion in the latter half of the year, particularly in Q4, driven by pricing actions following the LNG supply disruption and improved product mix towards premium vitrified and large-format tiles.
- **Shareholders' Fund:** Increased to ₹3,065.58 Crore as on March 31, 2026, up from ₹2,744.34 Crore a year earlier, driven primarily by retained earnings.
- **Return on Capital Employed (ROCE):** Return on Capital Employed (ROCE) improved to 23.87% in FY26 from 16.28% in FY25. Return on Equity (ROE) also increased to 16.71% from 10.98% in the previous year, reflecting the significant improvement in profitability and capital efficiency
- **Debt Position & Debt-to-Equity:** The Company maintained a strong net cash position during the year. Net debt (total debt less cash and cash equivalents) stood at ₹-793.38 Crore as at March 31, 2026, compared with ₹-423.84 Crore as at March 31, 2025. Consequently, the net debt-to-equity ratio further improved to -0.25x as at March 31, 2026, from -0.15x a year earlier, underscoring the Company's strong balance sheet and liquidity position.

Human Resource

Kajaria Ceramics Limited remains committed to building a high-performance, inclusive and future-ready workplace, recognising its people as the foundation of long-term growth and operational excellence. The Company continues to strengthen employee engagement through people-centric initiatives spanning the entire talent lifecycle, from acquisition and development to retention and well-being.

A combination of merit-led rewards, progressive practices and a culture anchored in respect, collaboration and shared values enables Kajaria to attract, nurture and retain high-calibre talent across functions. The Company invests in continuous capability building through structured learning and development interventions designed to enhance technical expertise, leadership depth and future-readiness.

The New Labour Codes on Wages, Social Security, Industrial Relations and Occupational Safety, Health and Working Conditions will bring significant structural changes to workforce management across India's manufacturing sector. Kajaria has proactively assessed the impact across all its facilities, reviewing compensation structures, leave entitlements, social security obligations and contract labour arrangements. Payroll systems and HR processes are being recalibrated to ensure seamless compliance upon notification. The Company views this transition as an opportunity to strengthen its employee welfare architecture and reinforce fair, transparent workplace practices.

Risk Management

Kajaria Ceramics operates in a dynamic business environment in which evolving market conditions, operational complexities, and external uncertainties necessitate a structured, proactive approach to risk management. The Company has established a robust risk management framework that enables the identification, assessment, and mitigation of key business risks across functions. This framework is integrated with its strategic and operational decision-making processes, ensuring resilience, safeguarding stakeholder interests, and supporting sustainable long-term growth.

The Company mitigates risks across demand, innovation, quality, supply chain, branding, and distribution through a robust risk management framework supported by a leadership team with deep sectoral experience. The critical question that analysts and investors have raised is whether the growth delivered in FY26 is sustainable. Their concern is specific: that a significant portion of the volume uplift is attributable to supply disruptions caused by the ongoing conflict in the Middle East rather than to underlying demand strength.

The management's response is clear: the volume recovery is structural, not cyclical. Sales volumes began rising steadily from January 2026, with the fourth quarter delivering the strongest growth of the year.

This momentum is a direct outcome of the unification strategy, which is still in its early stages of value creation. The Company is confident it can sustain this trajectory as it deepens its presence across Tier 2 and Tier 3 towns. Additionally, the price differential between national brands players and their informal counterparts has narrowed. As this gap continues to compress, consumer preference is expected to shift decisively towards branded products — a secular tailwind that positions Kajaria favourably for the years ahead.

The first quarter, with the exception of April 2026, also registered double-digit volume growth in May and June, suggesting that the uptick in volumes could continue well into the remaining months of FY27.

Internal Control Systems and Their Adequacy

The Board of Directors is confident in the adequacy of the Company's internal control systems. A dedicated team supports all operational areas and business processes are continuously reviewed for risks, efficiency and compliance with applicable laws and regulations.

ERP and business process MIS systems are closely monitored to ensure the integrity of financial reporting. The Internal Auditor and Cost Auditor regularly review these systems and report their findings to the Audit Committee and the Board.

During FY26, as part of Operation Manthan, the Company further strengthened its control environment by automating vendor onboarding, replacing manual workflows with a system-driven framework that standardises documentation, due diligence and approval timelines across the procurement lifecycle.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 40th Directors' Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2026.

Financial Results

The Company's financial performance for the financial year ended on 31st March, 2026 is summarised below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	4374	4219	4830	4635
Other Income	79	68	53	43
Profit Before Depreciation and Interest	695	490	865	626
Profit Before Tax and Exceptional Items for continuing operations	648	431	727	484
Exceptional Items	22	112	44	-
Profit before Tax for continuing operations	626	319	683	484
Tax Expense	169	115	193	136
Profit After Tax for continuing operations	457	204	490	348
Loss for discontinuing operations	-	-	3	48
Profit After Tax (before Minority interest)	457	204	487	300
Minority Interest	-	-	2	6
Profit After Tax (after Minority interest)	457	204	485	294

Financial highlights and State of affairs of the Company

FY26 was a year of strategic transformation for the Company, as it commenced the Kajaria 2.0 journey to reset its cost structure and operating architecture. While the domestic tile industry remained subdued for much of the year due to pricing pressure from the unorganised sector, the Company delivered improved operating performance and closed the year on a strong note. Revenue for FY26 stood at ₹4,830 Crores, with full-year tile volumes of 118 million square metres.

The EBITDA margin improved from 12.76% in FY25 to 17.84% in FY26, supported by the Operation Manthan cost programme, unification of the sales structure, and an improved product mix. Profit after tax for FY26 rose to ₹485 Crores compared to ₹294 Crores in FY25. Further details on the Company›s performance, strategic initiatives, and forward-looking plans are available in the **Management Discussion and Analysis** section of this report.

Outlook

India's tile industry is entering a period of structural recovery, supported by sustained economic expansion, rising disposable incomes, and accelerating real estate development in Tier-2 and Tier-3 cities. Globally, the phased withdrawal of Chinese export subsidies and India's expanding network of Free Trade Agreements are opening new export corridors for the industry, while a steady shift from the unorganised to the organised segment continues to reshape the domestic landscape in favour of branded national players.

Internally, the Kajaria 2.0 transformation is beginning to translate into stronger operating outcomes. The unified sales structure, Operation Manthan cost programme, product upcycling to premium surfaces, and deepened institutional architecture together create a more efficient and agile Company. Enhanced capacity utilisation will unlock operating leverage, and disciplined working capital management will further strengthen liquidity.

This combination of sectoral tailwinds and structural transformation positions the Company to deliver improved profitability in the current fiscal year.

Dividend

Your Directors have recommended to the shareholders a final dividend of ₹6/- (i.e. 600%) per equity share of ₹1/- each fully paid-up for the financial year ended 31st March, 2026, for approval at the ensuing Annual General Meeting ('AGM') of the Company.

During the year 2025-26, the Company has also paid Interim Dividend of ₹8/- (i.e. 800%) per equity share of ₹1/- each fully paid-up aggregating to ₹127.42 Crores thereby making the total Dividend (Interim Dividend & Final Dividend) of ₹14/- per equity share of ₹1/- each fully paid-up (previous year ₹9/- per equity shares of ₹1/- each fully paid-up) aggregating to ₹221.71 Crores.

Consolidated Financial Statements

The Company adopted Indian Accounting Standard ('Ind-AS') from 1st April, 2016 and accordingly, the Consolidated Financial Statements have been prepared in accordance with the Accounting Standard notified under Section 133 of the Companies Act, 2013 ('Act') and the relevant rules issued thereunder read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the other accounting principles generally accepted in India. The Consolidated Financial Statements form part of the Annual Report.

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report and also no change in the nature of business of the Company.

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

During the financial year 2025-26, status of Kajaria Surfaces Private Limited and Kajaria Adhesive Private Limited have been changed to wholly-owned subsidiary companies from subsidiary companies of the Company.

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

Share Capital

As on 31st March, 2026, the Authorised Share Capital of the Company is ₹154,10,00,000/- (Rupees One Hundred Fifty Four Crores Ten Lacs only) divided into 77,00,00,000 (Seventy Seven Crores) Equity Shares of ₹1/- each (Rupee One Only) aggregating to ₹77,00,00,000/- (Rupees Seventy Seven Crores Only) and 77,10,000 (Seventy Seven Lacs Ten Thousand) Redeemable Preference Shares of ₹100/- each (Rupees One Hundred Only) aggregating to ₹77,10,00,000/- (Rupees Seventy Seven Crores Ten Lacs Only). The paid-up and subscribed share capital of the Company, as on 31st March, 2026, is 15,92,72,290 equity shares of ₹1/- each. There is no change in share capital structure of the company during the year. However, after the clousre of the year 2025-26, the following changes in the paid-up and subscribed share capital of the Company took place:

(i) 20,760 equity shares have been allotted pursuant to Kajaria Employee Stock Option Scheme 2015.

(ii) 21,50,000 equity shares have been bought back by the Company pursuant to the provisions of the Act read with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

Accordingly, the paid-up and subscribed share capital of the Company at present is 15,71,43,050 equity shares of ₹1/- each. Filing of the necessary Form SH-11 as per the Companies Act, 2013 is under process.

The Company has not issued shares with differential voting rights or sweat equity shares during the financial year 2025-26. As on 31st March, 2026, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

Buyback of Equity Shares

The Board of Directors of the Company have, at their meeting held on 30th April, 2026, considered and approved the proposal of Buyback of upto 21,50,000 (Twenty One Lacs Fifty Thousand Only) equity shares of ₹1/- each at a price of ₹1380 per Equity Shares, subject to the approval of shareholders of the Company, on proportionate basis through Tender offer route, payable in cash for an aggregate consideration not exceeding ₹296.70 Crores (Rupees Two Hundred Ninety Six Crores Seventy Lacs Only), in compliance of the SEBI (Buy-back of Securities) Regulations, 2018 read with the Companies Act, 2013 and rules/ regulations made thereunder. The shareholders of the Company have also accorded their approval for the said Buyback through Postal Ballot on 22nd June, 2026. Accordingly, 21,50,000 (Twenty One Lacs Fifty Thousand Only) equity shares of ₹1/- each were bought back by the Company. Consequent to the said Buyback, 21,50,000 equity shares of the Company have been extinguished and the paid up equity shares capital of the Company reduced to 15,71,43,050 equity shares of ₹1/- each. Filing of the necessary Form SH-11 as per the Companies Act, 2013 is under process.

Employee Stock Option Scheme

Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') was approved by the shareholders of the Company on 7th September, 2015 for issue and allotment of options exercisable into not more than 10,62,000 equity shares of ₹1/- each (Originally the ESOP Scheme 2015 was for 5,31,000 equity shares of ₹2/- each) to eligible employees of the Company and its subsidiaries. The shareholders of the Company had further increased the stock options under the ESOP Scheme 2015 from 10,62,000 to 15,87,000 equivalent to 15,87,000 equity shares of ₹1/- each by addition of 5,25,000 options on 24th March, 2022.

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

The Company had further granted 8,37,600 options equivalent to 8,37,600 equity shares of ₹1/- each to the eligible employees of the Company and its subsidiaries in 2nd and 3rd Tranches. Out of the options granted in 2nd and 3rd Tranches under the ESOP Scheme 2015, total 3,25,070 options (1,82,880 options during the year 2025-26, 55,690 options during the year 2024-25, 55,500 options during the year 2023-24 and 31,000 options during the year 2022-23) have been forfeited/ lapsed due to resignation/retirement of ESOP Option holders. Details regarding the ESOP Scheme 2015 are given at Note No. 43 to the Financial Statements.

During the year 2025-26, the Company has granted 6,35,000 options equivalent to 6,35,000 equity shares of ₹1/- each to the eligible employees of the Company in 4th & 5th Tranches on 30th May, 2025 and 22nd July, 2025, respectively.

During the year under review, there are no material changes in the ESOP Scheme 2015 and the same is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'). The disclosures under Regulations 14 of ESOP Regulations is uploaded on the Company's website viz.: https://www.kajariaceramics.com/storage/pdf/disclosure-pursuant-to-reg-14-of-SEBI-SBEB-and-SE-Reg-2021-for-FY-2025-26.pdf

Transfer to Reserves

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

Directors' Responsibility Statement

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

i) In the preparation of the annual accounts for the year ended on 31st March, 2026, the applicable accounting standards have been followed and no material departures have been made from the same;

ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2026 and of the profit of the Company for the period ended 31st March, 2026;

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

v) The Company is following up the proper Internal financial controls and such internal financial controls are adequate and are operating effectively; and

vi) The Company has devised proper systems to ensure the Compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

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

Management Discussion and Analysis Report

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

Related Party Transactions

For all related party transactions, prior approvals of the Audit Committee and the Board of Directors, as may be required under the applicable laws, were obtained. Further, the omnibus approvals of Audit Committee and the Board of Directors, as may be required under the applicable laws, are usually obtained on yearly basis, which are of a foreseen and repetitive nature and such approval is in the interest of the Company. The transactions entered into, pursuant to the approvals so granted, were placed before the Audit Committee by way of a statement giving details of all related party transactions for its review. All related party transactions are disclosed in Note No. 40 to the Financial Statements. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act in the prescribed Form AOC-2 is annexed as an **Annexure- 2**.

During the period under review, the Related Party Transaction Policy has been revised and the same is uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf

Corporate Social Responsibility Initiatives

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

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

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

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

During the year 2025-26, the Company has incurred CSR expenditures of ₹963.86 Lacs against the CSR obligation of ₹951 Lacs, as per the Act read with the CSR Rules. Accordingly, the Company has incurred excess CSR expenditures of ₹12.86 Lacs, which would be available to set-off towards the CSR obligation(s) of the Company in the next three financial years as per the provisions of the Act read with the CSR Rules.

The Company has also completed the ongoing CSR project(s)/activity(ies) of ₹47 Lacs pertaining to the year 2024-25.

Risk Management

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

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

Internal Control Systems and their adequacy

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

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

Internal Controls with respect to financial statements

The Company has an adequate system of internal financial control in place with reference to Financial Statements. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Directors and Key Managerial Personnel

During the year under review, the shareholders of the Company have accorded their approval through Postal Ballot on 26th June, 2025 for appointment of Mrs. Ambika Sharma as the Independent Director of the Company for the period of five consecutive years effective from 30th March, 2025 upto 29th March, 2030.

During the year under review, Mr. Rajender Mohan Malla has tendered his resignation as the Independent Director of the Company, with effect from the close of business hours of 22nd September, 2025 and accordingly, he ceased to be the Independent Director of the Company w.e.f. the close of business hours of 22nd September, 2025.

Mr. Ashok Kajaria, Mr. Chetan Kajaria and Mr. Rishi Kajaria have been re-designated and appointed as the Chairman of the Company under the category of the whole-time director (executive director), Vice Chairman of the Company under the category of the whole-time director (executive director) and Managing Director of the Company, respectively, for the period of five years effective from 1st October, 2025 upto 30th September, 2030 and the shareholders of the Company have accorded their approval(s) through Postal Ballot on 15th December, 2025 for the above said re-designation(s) and appointment(s) of Mr. Ashok Kajaria as the Chairman of the Company, Mr. Chetan Kajaria as the Vice Chairman of the Company and Mr. Rishi Kajaria as the Managing Director of the Company.

Mr. Hitesh Sohanlal Jain and Mr. Pradeep Udhas have been appointed as the Independent Director(s) of the Company for the period of five consecutive years effective from 19th December, 2025 upto 18th December, 2030 and the shareholders of the Company have accorded their approval(s) through Postal Ballot on 12th March, 2026 for appointment(s) of Mr. Hitesh Sohanlal Jain and Mr. Pradeep Udhas as the Independent Director(s) of the Company.

Mr. Ram Chandra Rawat has been superannuated from the services as the COO (A&T) & Company Secretary of the Company with effect from the close of working hours of 31st March, 2026 and Mr. Vinit Kumar has been appointed as the General Counsel & Company Secretary of the Company with effect from 1st April, 2026.

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

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

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

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

Performance Evaluation

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

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

Nomination and Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a policy for selection and appointment of Directors, Senior Management including Key Managerial Personnel and their remuneration. The Nomination and Remuneration Policy includes the criteria for determining qualification, positive attributes, independence, etc. is placed on the Company's website, i.e. https://www.kajariaceramics.com/pdf/Nomination_Remuneration_Policy.pdf. During the year under review, the Nomination and Remuneration Policy has been revised.

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

Statutory Audit

M/s Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration Number 001076N/N500013), the Statutory Auditors of the Company has given their report(s) on the Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2026, which form part of the Annual Report. There is no qualification, reservation, adverse remark, comments, observations or disclaimer given by the Statutory Auditors in their report(s). There were no frauds in the Company, reported by the Statutory Auditors under the provisions of Section 143 of the Act.

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

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

Secretarial Audit

In accordance with the provisions of Regulation 24A of the Listing Regulations read with the Section 204 of the Act and rules made thereunder, the shareholders of the Company at the 39th AGM of the Company held on 29th September, 2025, have appointed M/s Chandrasekaran Associates, a Peer Reviewed Firm of Company Secretaries (Firm Registration Number: P1988DE002500) as the Secretarial Auditors of the Company for the period of five consecutive years commencing from the financial year 2025-26 till the financial year 2029-30.

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Chandrasekaran Associates, Secretarial Auditors of the Company has issued the Secretarial Audit Report for the year ended 31st March, 2026, which form part of the Annual Report as an **Annexure 5**.

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

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

Annual Return

The Annual Return in Form MGT-7 is available at https://www.kajariaceramics.com/storage/pdf/annual-return-form-2025-26.pdf

Compliance of the Secretarial Standards

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

Particulars of Loans, Investments and Guarantees

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

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

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

Meetings of Board

The Board of the Company met five (5) times during the financial year 2025-26 on 6th May, 2025, 22nd July, 2025, 29th September, 2025, 16th October, 2025 and 30th January, 2026. Details of the meetings of the Board held during the financial year 2025-26 and attendance thereof are disclosed in the Corporate Governance Report.

Audit Committee

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

Vigil Mechanism

The Company has established a Vigil Mechanism for the Directors and Employees of the Company by adopting the Whistle Blower Policy to report about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct and leakage/suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The Whistle Blower Policy has been revised during the year under review and the same is uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/whistel_blowing_policy.pdf

Maintenance of Cost Records

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

Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act, 2013 and Maternity Benefit Act, 1961

The Company has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, the said Policy has been revised and the same is uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/prevention_of_sexual_harassment_at_workplace.pdf

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary and Trainees) are covered under this Policy. Details of complaints of sexual harassment during the year 2025-26 are as under:

Number of complaints of sexual harassment received during the year 2025-26	Nil
Number of complaints of sexual harassment disposed of during the year 2025-26	Nil
Number of cases pending for more than ninety days	Nil

The Company has also complied with the provisions of the Maternity Benefit Act, 1961.

Particulars of Employees

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

Deposits

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

Proceeding under Insolvency and Bankruptcy Code, 2016

No application or any proceeding has been filed against the Company under the Insolvency and Bankruptcy Code, 2016, during the financial year 2025-26.

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

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

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

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

Cautionary Statement

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

Appreciation and Acknowledgement

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

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

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

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

For and on behalf of the Board

Ashok Kajaria
Chairman
DIN: 00273877

Place: New Delhi
Date: 31 July, 2026

Annexure – 1

Form No. AOC-1 (ANNUAL PERFORMANCE)

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

(₹ in Crores)

Name of the subsidiaries / joint venture	Kajaria Vitrified Private Limited (CIN: U26933GJ 2010PTC062933)		Kajaria Infinity Private Limited (CIN: U26933GJ 2010PTC063444)		Kajaria Bathware Private Limited ('KBPL') * (CIN: U26943DL 2013PTC252495)		Kajaria Plywood Private Limited ('KPPL') & (CIN: U36109DL 2017PTC324260)		South Asian Ceramic Tiles Private Limited (CIN: U26931TG 2015PTC101548)		Kajaria International FZCO ('KIDMCC') **		Kajaria Ramesh Tiles Limited ('KRTL') ***		Kajaria Surfaces Private Limited ('Kajaria Surfaces')^ (CIN: U23952DL 2023PTC423735)		Kajaria Adhesive Private Limited ('KAPL')^^ (CIN: U20295DL 2024PTC426002)	
Date since when subsidiaries / joint venture were acquired	15/01/2012		17/10/2012		15/05/2014		05/06/2018		31/08/2022		19/09/2022		07/09/2023		20/05/2024		14/02/2025	
Provisions pursuant to which the company has become a subsidiary	2(87)(ii)		2(87)(ii)		2(87)(ii)		2(87)(ii)		2(87)(ii)		2(87)(ii)		-		2(87)(ii)		2(87)(ii)	
AS AT	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Capital																		
- Equity Shares	14.95	14.95	9.10	9.10	25.00	25.00	45.00	45.00	21.00	21.00	2.25	2.25	63.34	46.85	9.50	9.50	0.01	0.01
- Preference Shares	0.00	0.00	0.00	0.00	4.41	4.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserves & surplus	114.70	80.11	72.73	69.20	36.17	64.91	(110.30)	(107.24)	13.38	8.53	(27.13)	(20.16)	7.36	14.09	16.30	1.09	(0.12)	(0.07)
Total Assets	204.35	265.64	112.61	170.97	418.31	376.99	2.65	21.45	100.87	104.03	3.91	5.64	315.51	252.83	124.70	118.60	19.05	0.55
Total Liabilities	74.69	170.58	30.78	92.67	346.26	276.45	67.94	83.69	66.50	74.50	28.79	23.55	244.82	191.92	98.90	108.00	19.16	0.61
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.08	0.00	0.00	0.00	1.60	0.00	0.00	0.00	0.00	0.00	0.00
Turnover	362.71	351.81	166.49	240.73	413.64	386.20	2.14	48.17	122.76	135.10	0.00	0.00	137.71	59.68	210.07	109.97	0.00	0.00
Profit before Taxation	48.73	39.25	4.54	12.21	(28.52)	(13.51)	(3.06)	(48.29)	6.53	15.37	(5.18)	(19.00)	5.51	5.26	20.12	1.51	(0.04)	(0.07)
Provision for Taxation	14.53	11.43	1.33	3.54	0.64	2.27	0.00	0.00	1.68	3.89	0.00	0.00	3.48	(1.36)	4.91	0.42	0.00	0.00
Profit After Taxation	34.20	27.82	3.21	8.67	(29.16)	(15.78)	(3.06)	(48.29)	4.85	11.48	(5.18)	(19.00)	2.03	6.62	15.21	1.09	(0.04)	(0.07)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	95%	95%	84.59%	84.59%	100%	100%	100%	100%	59.50%	59.50%	100%	100%	50%	50%	100%	90%	100%	75%

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

& KPPL had discontinued the plywood and laminates businesses.

** KIDMCC had entered into a joint venture agreement with UK Parts (Holdings) Limited, (U.K.) during the year 2023-24 and accordingly, a joint venture company ('JVC') named Kajaria - UKP Limited, incorporated in U.K. which is under Liquidation KIDMCC had also entered into a joint venture agreement with AL Rathath Marble Factory LLC (U.A.E.) during the year 2022-23 and accordingly, a JVC named Kajaria RMF Trading LLC, incorporated in U.A.E. Also, name of Kajaria International DMCC changed to Kajaria International FZCO w.e.f. 22nd May, 2026, due to suffix change in the name pursuant to change in the law of Dubai.

*** Pursuant to the Joint Venture Agreement entered into by the Company with various individuals affiliated with Ramesh Corp, Nepal, a JVC named 'Kajaria Ramesh Tiles Limited' incorporated in Nepal, which has commenced the commercial production on 6th September, 2024. KRTL has incorporated a wholly-owned subsidiary company namely K.R. Industries Private Limited on 2nd April, 2026 in Nepal.

^ The Company has acquired remaining 10% equity shares of Kajaria Surfaces on 24th March, 2026 and accordingly, Kajaria Surfaces became a wholly-owned subsidiary of the Company.

^^ The Company has acquired remaining 25% equity shares of KAPL on 18th February, 2026 and accordingly, KAPL became a wholly-owned subsidiary of the Company. KAPL has commenced the commercial production on 20th May, 2026.

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

For and on behalf of Board

Place: New Delhi
Date: 31 July, 2026

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel & Company Secretary
(FCS 6789)

Annexure – 2

Form No. AOC-2

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

1. Details of contracts or arrangements or transactions not at arm's length basis as on 31.03.2026

Number of contracts or arrangements or transactions not at arm's length basis: Nil

SI. No.	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Name(s) of the Related Party and Nature of Relationship	Nature of Contracts / Arrange-ments / Transac-tions	Duration of the Contracts / Arrange-ments / Transac-tions	Salient terms of contracts / Arrange-ments / Trans-actions including actual / expected contractual amount	Justification for entering into such Contracts / Arrangements / Transactions	Date of Approval by the Board	Amount paid as advance, if any	Date on which the resolution was passed in general meeting under first proviso to Section 188	SRN of MGT-14
					NIL					

2. Details of material contracts or arrangements or transactions at arm's length basis as on 31.03.2026

Number of contracts or arrangements or transactions at arm's length basis: Nil

SI. No.	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Name(s) of the Related Party	Nature of Relationship	Nature of Contracts / Arrangements / Transactions	Duration of the Contracts / Arrangements / Transactions	Salient terms of Contracts / Arrangements / Transactions including actual / expected contractual amount	Date of Approval by the Board	Amount paid as advance, if any
				NIL				

For and on behalf of Board

Ashok Kajaria
Chairman
DIN: 00273877

Place: New Delhi
Date: 31 July, 2026

Annexure – 3

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

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

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

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

2. Composition of CSR Committee of the Company:

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

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

Web-link of composition of CSR Committee	https://www.kajariaceramics.com/composition-of-committees.php
Web-link of CSR Policy	https://www.kajariaceramics.com/pdf/CSR_Policy.pdf
Web-link of CSR Project	https://www.kajariaceramics.com/pdf/CSR_Project_for_FY_2025_26.pdf

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

Not Applicable

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

₹47571 Lacs

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

₹951 Lacs

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

Not Applicable

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

Nil

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

₹951 Lacs

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

₹963.86 Lacs

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹963.86 Lacs

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

Total amount spent for the Financial Year (₹ in Lacs)	Amount Unspent (₹ in Lacs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
963.86	-	-	Not Applicable		

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

Sl. No.	Particular	Amount (₹ in Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	951.00
(ii)	Total amount spent for the financial year	963.86
(iii)	Excess amount spent for the financial year [(ii) – (i)]	12.86
(iv)	Excess amount spent for the financial year 2024-25	4.73
(v)	Surplus arising out of the CSR projects or programmes to activities of the previous financial years, if any	0.00
(vi)	Amount available for set-off in succeeding financial years [(iii) + (iv)]	17.59

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

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in Lacs)	Balance Amount in Unspent CSR Account under Section 135(6) (₹ in Lacs)	Amount Spent in the Financial Year (₹ in Lacs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (₹ in Lacs)	Deficiency, if any
					Amount (₹ in Lacs)	Date of Transfer		
1.	2024-25	47.00	47.00	47.00	Not Applicable		0.00	0.00
2.	2023-24	60.24	60.24	60.24			0.00	0.00
3.	2022-23	88.10	88.10	88.10			0.00	0.00

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

Yes ☐ **No** ☑

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

Not Applicable

For and on behalf of the Board

	Rishi Kajaria	**Sudhir Bhargava**
Place: New Delhi	Managing Director	Chairman, CSR Committee
Date: 31 July, 2026	(DIN: 00228455)	(DIN: 00247515)

Annexure - 4

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I. Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2025-26, the percentage increase in remuneration of Chairman, Vice Chairman, Managing Director, Executive Directors, Chief Financial Officer and Company Secretary of the Company during the financial year 2025-26:

Sl. No.	Name of Directors/ KMP	Designation	Ratio of Remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1.	Mr. Ashok Kajaria (DIN: 00273877)	Chairman	Nil*	Nil
2.	Mr. Chetan Kajaria (DIN: 00273928)	Vice Chairman	Nil*	Nil
3.	Mr. Rishi Kajaria (DIN: 00228455)	Managing Director	Nil*	Nil
4.	Mr. Ram Chandra Rawat** (FCS 5101)	COO (A&T) & Company Secretary	Not Applicable	2.69%
5.	Mr. Sanjeev Agarwal	Chief Financial Officer	Not Applicable	6.75%

*No remuneration drawn as they have forgone their remuneration during the year 2025-26.

**Superannuated from the services of the Company w.e.f. close of working hours of 31 March, 2026.

Note:

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

II.

Sl. No.	Particulars	Details
1.	% increase in the median remuneration of employee in the financial year 2025-26	30.04%
2.	Total number of permanent employees on the rolls of the Company as on 31st March, 2026 (on standalone basis)	2430
3.	Average percentile increase in the salaries of employees excluding managerial personnel during financial year 2025-26 and its comparison with the percentile increase in remuneration of Executive Directors and justification thereof	There is no average percentile increase in the salaries of employees excluding managerial personnel during financial year 2025-26 and in remuneration of Executive Directors as well.

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

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

For and on behalf of Board

Ashok Kajaria
Chairman
DIN: 00273877

Place: New Delhi
Date: 31 July, 2026

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

The Nomination and Remuneration Policy of Kajaria Ceramics Limited ('the Company') was originally formulated pursuant to the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder ('the Act') read with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and revised in accordance with the provisions of the Act and the Listing Regulations.

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

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

2. OBJECTIVES

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

3. DEFINITIONS

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

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

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

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

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

- The Managing Director / Whole-time Director / Chief Executive Officer;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer(s), as may be prescribed under the Act.

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

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

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

4. APPLICABILITY

The Policy is applicable to:

- Directors (including Independent Directors);
- Key Managerial Personnel ('KMP'); and
- Senior Management

5. CONSTITUTION OF COMMITTEE

The members of the Nomination and Remuneration Committee will be appointed by the Board and the

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

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

6. ROLES OF THE NOMINATION AND REMUNERATION COMMITTEE

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

A. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;

B. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

C. While formulating the policy as above said, to ensure that:

    (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

    (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

    (c) Remuneration to Directors, Key Managerial Personnel and Senior Management (one level below the functional heads including the Company Secretary and Chief Financial Officer) involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

D. Recommending the Board, all remuneration, in whatever form, payable to senior management including the Company Secretary and the Chief Financial Officer;

E. Formulating the criteria for evaluation of Independent Directors and the Board of Directors of the Company;

F. To extend or continue the term of appointment of Independent Director, on the basis of performance evaluation of Independent Directors;

G. Devising a policy on diversity of Board of Directors;

H. To formulate the detailed terms and conditions of the Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') including the following:

    (a) issuing and allotment of equity shares [including share certificate(s)] of the Company to the ESOP holders and all matters related thereto, from time to time, pursuant to the ESOP Scheme 2015;

    (b) signing, execution and submission of necessary documents/papers for the listing of equity shares of the Company with the stock exchanges or other concerned authority(ies) and all matters related thereto;

    (c) making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions;

    (d) approval of list of employee(s) of the Company and/or its subsidiary(ies) [including quantum of ESOP grant] to whom ESOP options are to be granted under ESOP Scheme 2015;

    (e) determining the procedure for winding up of the ESOP Scheme 2015;

    (f) other matters which may be relevant for administration of ESOP Scheme 2015, from time to time.

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

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

Appointment criteria and qualifications:

a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

b. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole time Director, who has attained the age of 70 years provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

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

Term / Tenure:

A. Managing Director ('MD') / Whole-time Director ('WTD'):

The Company shall appoint or re-appoint any person as its Chairman (in the category of WTD/executive director) or Vice Chairman (in the category of WTD/ executive director) or MD or WTD or Executive Director (by whatever designation may called) for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

B. Independent Director:

i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible to be appointed again after expiry of three years of ceasing to become an Independent Director of the Company. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

iii) Subject to the applicable provisions of the Listing Regulations and the Act, at the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

C. KMP (other than Director) / Senior Management:

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

Performance Evaluation:

The evaluation of performance of every Director, KMP and Senior Management Personnel shall be made in accordance with the applicable laws. The major criteria for performance evaluation are as follows:

I. Role & Accountability:

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

II. Objectivity:

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

III. Leadership & Initiative:

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

IV. **Personal Attributes:**

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

Removal:

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

Retirement:

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

8. POLICY RELATING TO THE REMUNERATION FOR MD, WTD, KMP (OTHER THAN DIRECTOR) AND SENIOR MANAGEMENT

General:

(i) The remuneration/compensation/commission, etc. to MD or WTD or Executive Director will be considered by the Committee and recommended to the Board for its approval and shall further be subject to approval of the shareholders of the Company as per the provisions of the Act & the Listing Regulations.

(ii) The remuneration/compensation to KMP (Other than Director) and Senior Management will be considered by the Committee and recommended to the Board for its approval.

(iii) Where any insurance is taken by the Company on behalf of its MD, WTD and KMP (other than Director) for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(iv) The fees/compensation payable to Executive Directors, who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if:

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

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

Remuneration to Managing Director, Whole-time Director, KMP and Senior Management:

Remuneration to MD/WTD, KMP (other than Director) and Senior Management consists of the following components:

a. Salary & Perquisites:

The MD/WTD, KMP (other than Director) and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board, on recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, re- imbursement of gas electricity and water expenses, HRA, Club fees, etc. shall be decided and approved by the Board, on recommendation of the Committee. In case of MD/WTD, it will also be subject to approval of the shareholders of the Company in compliance with the provisions of Act & the Listing Regulations.

b. **Commission:**

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

c. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD/WTD, subject to compliance of the provisions of the Act read with the Listing Regulations.

d. **Provisions for excess remuneration:**

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

e. **Stock Options:**

A Director, KMP (other than Director) and Senior Management may be granted stock option in accordance with the ESOP Scheme 2015 as may be approved by the Committee, from time to time.

Remuneration to Non- Executive / Independent Director

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

a. **Sitting Fees:**

The Non-executive/Independent Directors may receive remuneration by way of fees for attending meetings of the Board or Committee(s) of the Company, as approved by the Board, from time to time, subject to the compliance of the Act read with the applicable laws.

b. **Stock Options:**

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

9. SEVERANCE ARRANGEMENTS

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

10. DISCLOSURE

Information regarding total remuneration of members of the Company's Board, MD, WTD, KMP (other than Director) and Senior Management will be disclosed in the Company's Annual Financial Statements, etc., as per the provisions of the Act read with the Listing Regulations and other statutory requirements.

The disclosure of this Policy shall be made as per the provisions of the Act read with the Listing Regulations and other statutory requirements.

11. REVIEW / AMENDMENT

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

Annexure – 5

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2026

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Kajaria Ceramics Limited** (hereinafter referred as "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2026, according to the provisions of:

i. The Companies Act, 2013 (the "Act") and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

   a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;

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

   c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

   d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including erstwhile Regulations) to the extent applicable;

   e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**;

   f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act, 2013 and dealing with client to the extent of securities issued;

   g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**

   h. Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable**

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

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

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

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/ Committee Meeting. Agenda and detailed notes on agenda were sent in advance (and at shorter notice for which necessary approvals obtained, if any) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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 under review, there was no major event/action had happened having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500
Peer Review Certificate No. 6689/2025

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302H000957297

Date: 31 July, 2026
Place: Delhi

Note:

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

Annexure A

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

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliances with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor comply with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow 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 and for which we relied on the reports of the Statutory Auditors.

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 random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 6689/2025

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302H000957297

Date: 31 July, 2026
Place: Delhi

Annexure - 6

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

A. CONSERVATION OF ENERGY

(i) Energy conservations measures taken

The Company's manufacturing plants continued their efforts to reduce specific energy consumption through multiple energy efficiency initiatives. They are systematically planned and implemented, while timely maintenance and repair of equipment and machinery support efficient operations and sustained energy performance. In addition to routine energy conservation practices, the Company undertook several key measures during FY 2025–26 to further enhance energy efficiency, as outlined below.

- The deployment of BEE-certified electrical equipment and advanced sensor-based LED lighting, across manufacturing facilities enhanced energy efficiency and optimized power consumption.
- Installation of capacitor panels, maintenance of a near-unity power factor, and optimized use of VFDs at our plants. These measures improved power utilization, reduced electrical losses, and lowered overall energy consumption across operations.
- The installation of VFDs at all manufacturing locations further contributed to annual energy savings, while helping reduce operating costs and improve overall energy performance.
- Heat recovery systems installed at Company's multiple manufacturing locations which enable the reuse of kiln exhaust heat in vertical and horizontal dryers, enhancing thermal efficiency and reducing natural gas consumption. Supported by VFD-equipped blowers for optimized performance, these initiatives help in energy conservation and cost savings.
- Replacement of diesel forklifts with battery-operated forklifts and modifications to unloading equipment improved operational efficiency, reduced energy losses, and enhanced reliability.
- Installation of UPS systems and the conversion of blower controls to VFD-based operations improved energy efficiency, optimized power consumption, and enhanced the reliability and performance of manufacturing operations.
- The continued implementation and enhancement of the Energy Management System (EMS) enabled real-time monitoring, analysis, reporting and benchmarking of energy consumption across manufacturing plants, supporting data-driven decision-making and improved energy performance.
- Implementation of auto-switching systems for conveyors, blowers and other equipment to automatically shut down during idle periods, minimizing energy wastage and optimizing power consumption.
- Air leakage audits were conducted and identified leakages were rectified, helping reduce compressed air losses.

(ii) Utilising alternate sources of energy

a. Solar Energy:

i. Rooftop Solar Energy:

- The Company continued to leverage renewable energy through rooftop solar installations at its Malootana, Gailpur and Srikalahasti plants, which collectively generated 1.09 lakh GJ of renewable electricity during the year.

ii. Captive Solar Power:

- The Company continued to leverage renewable electricity from its 10.5 MW group captive solar power plant at Pilania, Banda (U.P.), which generated approximately 145.72 lakh units of renewable power for the Sikandrabad plant during the year.

b. Wind Energy:

- The Company continued to harness wind energy at its Gailpur plant, helping offset approximately 11.87 lakh kWh of grid electricity consumption during FY 2025–26.

(iii) Capital investment in energy conservation equipment

The Company continued to invest in energy conservation equipment and initiatives to enhance energy efficiency, optimize resource utilization and support sustainable operations across manufacturing plants.

B. TECHNOLOGY ABSORPTION

The Company is committed to strengthening its technological capabilities through continuous innovation, research, and development. By leveraging in-house expertise, it develops and delivers a wide range of technologically advanced products while continuously enhancing its processes and product offerings. This focus on innovation supports the Company's long-term growth strategy and competitive positioning. Notably, the entire product portfolio is based on proprietary technologies developed by the Company's internal teams.

(i) Major efforts made towards technology absorption

a. Development and adoption of advanced construction chemical solutions, including tile fixing, joint filling and surface maintenance products. These innovations enhanced product performance, durability and ease of application across a wide range of residential and commercial projects.

b. The Company continues to enhance its manufacturing capabilities through utilization of advanced digital printing technologies for glaze, dry application and surface coating. These technology upgrades enabled the development of a wider range of premium tile designs, textures and finishes, including products comparable to international design standards.

c. The Company has deployed advanced digital printing technology with integrated glue and granular powder surface coating capabilities across its manufacturing locations, enabling enhanced product aesthetics, superior surface finishes, and greater design versatility. This technology enabled the development of premium tile collections featuring distinctive textures and stone-like effects aligned with international design trends. This strengthened product differentiation, expanded the premium portfolio and supported improved market realization.

d. The Continuous and Roller Pressing Technologies at the Company's plants has increased the production of large-format slab tiles. This technology enhanced product quality, design versatility and manufacturing efficiency, while strengthening the Company's presence in the premium tiles segment.

e. The Company's R&D and technical teams continuously monitor global technological developments through regular engagement with international markets and industry platforms. These initiatives help identify emerging technologies, industry best practices and innovative manufacturing solutions, enabling the Company to remain at the forefront of product innovation and operational excellence.

Particulars	FY 2025-26	FY 2024-25
a) Capital	0.01	0.20
b) Recurring	2.03	5.60
Total	**2.04**	**5.80**
Total R&D expenditure as a percentage of total turnover	0.05%	0.14%

f. The Company has fully adopted the latest technology available for producing tiles and putting the Company in the same league as other manufacturers in the Chinese and European markets.

(ii) Benefits derived through such efforts

a. The production capacity enhanced through its continuous value generation process by way of formulation, re-engineering, sourcing efficiency, process optimization, and searching of new raw materials and techniques.

b. The Company has developed a culture of continuous technological advancement through regular monitoring of industry developments and ongoing modernization of equipment and processes.

c. Technology absorption efforts have not only allowed the Company to develop new products but also improve its existing ones and reduce the cost of products.

d. Installation of new technology of pressing systems at Sikandrabad (U.P.) and Srikalahasti (Andhra Pradesh) plants of the Company provides best surface flatness and uniform pressing buk density across the tile surface which improves the quality as well as productivity. This technology is also environmentally friendly and an energy efficient technology having high flexibility in production and low time required for size changeover which increases the flexibility of bigger size slab tiles.

e. Continuous investments in advanced manufacturing and product development technologies enhanced operational efficiency, improved product quality and expanded the Company's ability to cater to evolving customer preferences and premium market segments.

(iii) Technology imported

No technology has been imported during the last three years.

C. FOREIGN EXCHANGE EARNING AND OUTGO

Foreign exchange earned in terms of actual inflow during the financial year 2025-26 was ₹24.55 Crores (equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflow during the financial year 2025-26 was ₹33.33 Crores (equivalent value of various currencies).

For and on behalf of the Board

Ashok Kajaria
Chairman
DIN: 00273877

Place: New Delhi
Date: 31 July, 2026

Annexure - 7

NAME OF EMPLOYEES OF THE COMPANY

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

(a) Top Ten employees in terms of Remuneration* drawn including the employees who were in receipt of remuneration exceeding ₹1.02 Crores per annum and employed throughout the financial year 2025-26:

Sl. No.	Name	Age	Designation	Qualification	Experience	Date of commencement of employment	Remuneration received (₹ in Crores)^	Particular of last employment
1.	Mr. Pankaj Sethi	55	COO (Marketing)	BE - Civil Engg.	34	01.04.2003	2.80	Regional Manager-Kajaria Infotech Limited
2.	Mr. Sanjeev Agarwal	62	CFO	B.Com., CA	39	09.02.1994	2.39	Dy. Manager (Finance)-Orissa Synthetics Limited
3.	Dr. Rajveer Choudhary**	72	COO (Gailpur Plant)	M.A., Ph.D.	44	03.08.1998	2.38	VP-Venus Sugars Limited
4.	Mr. Ram Chandra Rawat***	70	COO (A&T) & Company Secretary	M. Com. FCA, FCS	46	14.07.1987	2.34	Chief Accounts Officer-RCS Vanaspati Limited
5.	Mr. Gautam Seth	52	Sr. VP (Marketing & Technical)	BE- Mech. Engg.	27	01.09.2009	2.03	VP (Marketing)- Kajaria Plus Limited
6.	Mr. Rajender Kumar Bhagat	60	Dy. VP (Marketing)	B.Com.	39	15.06.1998	1.85	Sales Executive - Infra India Limited
7.	Mr. Amit S Jain	50	Dy. VP (Marketing)	PGDBM (Marketing)	26	01.08.2000	1.76	Auditing-B.S. Sharma & Consultancy
8.	Mr. Balmukund Sharma	50	Dy. VP (Marketing)	PGDBA	28	17.01.2005	1.68	Asst. Manager (Sales)-Kajaria Tiles (Aust.) Private Limited
9.	Mr. Thushar K G	52	Dy. VP (Marketing)	PGDBM	30	17.01.2001	1.33	Sr. Sales Executive - Classic Paints & Chemicals
10.	Mr. Amit Kumar Jain	48	AVP- (Marketing)	MBA (Marketing)	22	11.09.2004	1.29	JPO - Standard Chartered Finance Limited
11.	Mr. Rajiv Kumar Chauhan	52	Dy. VP (Marketing)	PGDM (Marketing & IT)	31	06.04.1998	1.25	Sr. Marketing Executive-Kamakshi Electricals Limited
12.	Mr. Alok Kumar	60	Dy. VP (Accounts)	B.Com.	37	27.06.1989	1.20	-
13.	Mr. S P Rajendran	64	COO (Srikalahasti Plant)	B.Tech. (Electrical)	39	13.12.2019	1.07	President - H&R Johnson (I) Limited

*Mr. Ashok Kajaria, Chairman, Mr. Chetan Kajaria, Vice Chairman and Mr. Rishi Kajaria, Managing Director of the Company have forgone their remuneration and accordingly, they have not drawn any remuneration during the financial year 2025-26.

^ Remuneration includes salary, allowances, perquisites and excludes provident fund, gratuity & personal accident insurance as the same are paid for the Company as whole.

**Resigned w.e.f. 23rd May, 2026.

***Superannuated w.e.f. close of working hours of 31st March, 2026.

(b) Details of the employees, who were in receipt of remuneration exceeding ₹8.50 Lacs per month and employed for the part of the financial year 2025-26:

Sl. No.	Name	Age	Designation	Qualification	Experience	Date of commencement of employment	Remuneration received (₹ in Crores)	Particular of last employment
1.	Mr. Bhupendra Vyas #	68	COO (Marketing)	MMS	45	01.08.2016	2.44^	Executive Director- City Tiles Limited
2.	Mr. Dipankar Bhattacharya ##	58	Dy. VP (Marketing)	PGDBA	33	01.08.2007	1.91^	AGM (Sales) - Vermora Granito Private Limited
3.	Mr. Vivek Goyal @	57	Sr. VP (Marketing)	PGDBA (Marketing)	35	01.05.2000	1.35^	DGM (Marketing) - Kajaria Plus Limited
4.	Mr. Arun Bagla @@	63	Dy. VP (Accounts)	B.Com. (Hons.), CA	39	01.08.2007	1.12^	DGM (Accounts & Finance)- Kajaria Plus Limited
5.	Mr. Siddharth Parida	44	CMO	MBA	18	25.03.2026	0.29 ^^	Head of Marketing -Goodyear Tires
6.	Mr. Ashish Goel ###	56	CHRO	MBA	32	13.02.2026	0.24 ^^	CHRO -Gemini Group

^Remuneration includes salary, allowances, perquisites, gratuity and excludes provident fund & personal accident insurance as the same are paid for the Company as whole.

^^Remuneration includes salary, allowances, perquisites and excludes provident fund, gratuity & personal accident insurance as the same are paid for the Company as whole.

#Resigned w.e.f. close of working hours of 19th December, 2025.

##Resigned w.e.f. close of working hours of 31st October, 2025.

@ Resigned w.e.f. close of working hours of 3rd April, 2025.

@@ Retired w.e.f. close of working hours of 30th November, 2025.

Resigned w.e.f. 27th July, 2026.

(c) During the financial year 2025-26, Mr. Ashok Kajaria, Chairman, Mr. Chetan Kajaria, Vice Chairman and Mr. Rishi Kajaria, Managing Director of the Company have forgone their remuneration and accordingly, they have not drawn any remuneration from the Company during the financial year 2025-26. Hence, the remuneration of the Chairman, Vice Chairman and Managing Director of the Company is not considered to determine that remuneration received by the employees are exceeding the remuneration of the Chairman, Vice Chairman and Managing Directors of the Company. No employee(s) [except the Chairman, Vice Chairman and Managing Director of the Company] holds, by himself/herself or alongwith his/her spouse and dependent children, two percent or more of the equity shares of the Company.

Notes:

1. All above mentioned employees are/were on the rolls of the Company and nature of employment is/was as per the appointment letter given by the Company.
2. Mr. Ashok Kajaria, Chairman is father of Mr. Chetan Kajaria, Vice Chairman and Mr. Rishi Kajaria, Managing Director, of the Company. Except this, no above mentioned employees are/were relative of any Directors of the Company.

For and on behalf of the Board

Ashok Kajaria
Chairman
DIN: 00273877

Place: New Delhi
Date: 31 July, 2026

Report on Corporate Governance

The Company's Philosophy on Corporate Governance

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

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

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

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

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

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

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

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

Board of Directors

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

Selection of the Board

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

Composition

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors and Woman Director as required under the applicable legislations. The Board consists of eminent individuals from the Industry, management, technical, financial fields, etc. The Company is managed by the Board in co-ordination with their Committees and the Senior Management team. As on 31st March, 2026, the Company has Nine (9) Directors on its Board, out of which Three (3) are Executive Directors, One (1) is Non-executive Non-Independent Director and Five (5) are Non-executive-Independent Directors including One (1) Woman Non-executive Independent Director. The Board, on recommendation of the Nomination and Remuneration Committee periodically evaluates the need for change in composition and size of the Board of the Company.

The details of composition of the Board, category of Directorship, number of Directorships in other companies, Chairmanship/Membership of the Committee of each Director in other Companies, attendance of the Directors at Board Meetings held during the year 2025-26 and last Annual General Meeting ('AGM') held on 29th September, 2025 are given below:

Name	Category of Director	Board Meeting held during his/her tenure	Board Meeting attended	Last Annual General Meeting attended	Directorship* in other companies	Committee Chairmanship of other Boards**	Committee Membership of other Boards**
Mr. Ashok Kajaria (DIN: 00273877) ^	Chairman (Executive) @	5	5	Yes	1	0	2
Mr. Chetan Kajaria (DIN: 00273928) $	Vice Chairman (Executive) @	5	5	Yes	2	2	3
Mr. Rishi Kajaria (DIN: 00228455) $	Managing Director (Executive) @	5	5	Yes	1	0	0
Mr. Dev Datt Rishi (DIN: 00312882)	Director - (Non-Executive)	5	5	Yes	1	0	0
Dr. Lalit Kumar Panwar (DIN: 03086982)	Director (Non-Executive & Independent)	5	5	Yes	1	0	1
Mr. Sudhir Bhargava (DIN: 00247515)	Director (Non-Executive & Independent)	5	5	Yes	2	4	4
Mr. Rajender Mohan Malla (DIN: 00136657) #	Director (Non-Executive & Independent)	2	2	-	7	4	5
Mrs. Ambika Sharma (DIN: 08201798)	Director (Non-Executive & Independent)	5	5	Yes	10	2	10
Mr. Hitesh Sohanlal Jain (DIN: 00130023) ^^	Director (Non-Executive & Independent)	1	1	-	1	0	0
Mr. Pradeep Udhas (DIN: 02207112) ^^	Director (Non-Executive & Independent)	1	1	-	5	1	6

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

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

^ Promoter.

$ Promoter Group.

@ Mr. Ashok Kajaria, Mr. Chetan Kajaria and Mr. Rishi Kajaria have been re-designated and appointed as the Chairman, Vice Chairman and Managing Director of the Company, respectively, for the period of five consecutive years effective from 1st October, 2025 upto 30th September, 2030.

Mr. Rajender Mohan Malla resigned as an Independent Director of the Company with effect from the close of business hours of 22nd September, 2025. Thus, he ceased to be the Independent Director of the Company with effect from the close of business hours of 22nd September, 2025.

^^ Mr. Hitesh Sohanlal Jain and Mr. Pradeep Udhas have been appointed as the Independent Director(s) of the Company for a period of five consecutive years effective from 19th December, 2025 upto 18th December, 2030.

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

During the year 2025-26, Mr. Rajender Mohan Malla resigned as an Independent Director of the Company with effect from the close of business hours of 22nd September, 2025, due to other commitment and personal reasons and he confirmed that there are no other material reasons other than as mentioned above for the said resignation.

Other than the aforesaid resignation, no Independent Director resigned from the office before the expiry of his/her tenure during the year under review.

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

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

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

Name of other companies listed at the recognised Stock Exchange(s) in which the Directors of the Company hold position of Directorship (alongwith category of Directorship), as on 31st March, 2026, are as under:

Name of Director	Name of other companies listed at the recognized Stock Exchange(s) in which hold Directorship*	Category of Directorship
Mr. Ashok Kajaria	-	-
Mr. Chetan Kajaria	Aditya Infotech Limited	Non-executive & Independent Director
Mr. Rishi Kajaria	-	-
Mr. Dev Datt Rishi	-	-
Mr. Sudhir Bhargava	-	-
Dr. Lalit Kumar Panwar	-	-
Mrs. Ambika Sharma	LT Foods Limited	Non-executive & Independent Director
	Panacea Biotech Limited	Non-executive & Independent Director
	Indo Count Industries Limited	Non-executive & Independent Director
	Waaree Renewable Technologies Limited	Non-executive & Independent Director
	Aditya Infotech Limited	Non-executive & Independent Director
Mr. Hitesh Sohanlal Jain ^	-	-
Mr. Pradeep Udhas ^	Indusind Bank Limited ^^	Non-executive & Independent Director
	Hinduja Global Solutions Limited	Non-executive & Independent Director
	Finolex Industries Limited	Non-executive & Independent Director

* Excluded the Directorship held in Kajaria Ceramics Limited.

^ Mr. Hitesh Sohanlal Jain and Mr. Pradeep Udhas have been appointed as the Independent Director(s) of the Company for a period of five consecutive years effective from 19th December, 2025 upto 18th December, 2030.

^^ Ceased to be the Non-executive & Independent Director w.e.f. the close of wroking hours of 8th June, 2026.

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

The details of equity shares of the Company held by the Independent / Non-Executive Directors as on 31st March, 2026 are as under:

Name of Independent / Non-executive Directors	Category	No. of equity shares of ₹1 each of the Company held as on 31st March, 2026
Mr. Dev Datt Rishi	Non-executive Director	1240
Mr. Hitesh Sohanlal Jain	Independent Director	15000

No other Independent Directors of the Company hold any equity share of the Company as on 31st March, 2026.

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

Board Meetings

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

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

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

During the year 2025-26, five (5) Board Meetings were held, at least one in every calendar quarter as permitted under the Act read with the Listing Regulations. The dates on which the Board Meetings were held, are as under:

6th May, 2025, 22nd July, 2025, 29th September, 2025, 16th October, 2025 and 30th January, 2026.

Post meeting follow up Mechanism

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

Board Support

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

Separate Meeting for Independent Directors

The Independent Directors of the Company meet without the presence of Non-Independent Directors and Management Personnel. Such Meeting reviews the performance of Non-Independent Directors and the Board as a whole, reviews the performance of Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors, assess the quality, quantity and timelines of the flow of information between management and the Board that is necessary to effectively and reasonably perform its duties. During the year 2025-26, the meetings of Independent Directors were held on 22nd July, 2025 and 30th January, 2026.

Familiarization Programme for Independent Directors

At the time of appointment/re-appointment of Independent Directors, a formal letter of appointment is given to him/her, which, inter-alia, explains the role, functions, duties and responsibilities expected from him/her as an Independent Director of the Company. The Independent Director is also explained in detail the nature, business model of the industry and compliances under the Act, the Listing Regulations and other relevant rules & regulations. The Chairman / Vice Chairman / Managing Director also has one to one discussion with the newly appointed Director to familiarize him with the Company's Operations. The Board Members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's Procedures and Practices. Periodic presentations are made at the Board and its Committee Meetings on the Company's Business, performance and other relevant updates.

During the period under review, the Familiarization Programme for Independent Directors has been revised and the same alongwith details thereof has been uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/FamiliarisationProgrammeforIndependentDirectors.pdf / https://www.kajariaceramics.com/pdf/Details_of_Familarisation_Programme_of_Independent_Directors_231021.pdf

Audit Committee

During the year 2025-26, the Committee met five (5) times i.e. 6th May, 2025, 22nd July, 2025, 29th September, 2025, 16th October, 2025 and 30th January, 2026. The Committee has been re-constituted by the Board of the Company at its meeting held on 30th January, 2026. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Sudhir Bhargava	Non-executive & Independent	Chairman	5
Mr. Ashok Kajaria	Executive	Member	5
Dr. Lalit Kumar Panwar	Non-executive & Independent	Member	5
Mr. Rajender Mohan Malla *	Non-executive & Independent	Member	2
Mr. Pradeep Udhas**	Non-executive & Independent	Member	-

* Mr. Rajender Mohan Malla ceased to be the member of the Audit Committee of the Company with effect from the close of business hours of 22nd September, 2025, as he resigned as an Independent Director of the Company.

** Mr. Pradeep Udhas has been appointed as the member of the Audit Committee of the Company with effect from 30th January, 2026.

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

Consequent upon the superannuation of Mr. Ram Chandra Rawat from the services as the COO (A&T) & Company Secretary of the Company with effect from the close of working hours of 31st March, 2026, Mr. Vinit Kumar, General Counsel & Company Secretary acts as the Secretary of the Audit Committee of the Company with effect from 1st April, 2026.

Mr. Sudhir Bhargava, the Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 29th September, 2025.

Terms of Reference of Audit Committee

The terms of reference (Role) of the Audit Committee, inter-alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for the appointment, remuneration, terms of appointment of the Auditors of the Company and reviewing & monitoring the auditor's independence and performance and effectiveness of the audit processes;
3. Approval for payment to the Statutory Auditors for any other permitted services rendered by Statutory Auditors;
4. Reviewing and examining, with the management, the annual financial statements and the Auditors' report thereon, before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Act;
    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 judgement 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;
    g. Modified opinion(s) in the draft Auditors' report.
5. Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. Reviewing and monitoring, with the management, the statement of uses / application of funds raised through an issue/public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Approval (including omnibus approval) or any subsequent modification of transactions of the Company with related parties / statement of related party transactions;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems including evaluation of internal financial controls and risk management system and discussion with internal auditors any significant findings and follow up thereon;
11. 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;
12. 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;
13. 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;
14. Review the functioning of the Whistle Blower Policy (Vigil Mechanism);
15. Approval of appointment of Chief Financial Officer ('CFO') after assessing the qualifications, experience & background, etc. of the candidate;
16. Reviewing the utilization of loans and/or advances from/ investment by the Company in its subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary,

whichever is lower including existing loans / advances / investments;

17. Review of Management discussion and analysis of financial condition and results of operations and Management letters / letters of internal control weaknesses issued by the statutory auditors;

18. Review of Internal audit reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the Internal Auditors;

19. Review of Financial statement, in particular, investments made by the subsidiary company(s);

20. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

21. Any other role/functions as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

Nomination and Remuneration Committee

During the year 2025-26, the Committee met four (4) times i.e. 30th May, 2025, 22nd July, 2025, 29th September, 2025 and 30th January, 2026. The Committee has been re-constituted by the Board of the Company by way of passing circular resolution w.e.f. 27th September, 2025. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Rajender Mohan Malla*	Non-executive & Independent	Chairman	2
Dr. Lalit Kumar Panwar**	Non-executive & Independent	Chairman	2
Mr. Ashok Kajaria	Executive	Member	4
Mr. Sudhir Bhargava	Non-executive & Independent	Member	4
Mrs. Ambika Sharma	Non-executive & Independent	Member	4

* Mr. Rajender Mohan Malla ceased to be the member of the Audit Committee of the Company with effect from the close of business hours of 22nd September, 2025 as he resigned as an Independent Director of the Company.

** Dr. Lalit Kumar Panwar has been appointed as the Chairman of the Nomination and Remuneration Committee of the Company with effect from 27th September, 2025.

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

Dr. Lalit Kumar Panwar, the Chairman of the Nomination and Remuneration Committee was present in the last Annual General Meeting of the Company held on 29th September, 2025.

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

1. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;

2. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

3. While formulating the policy as above said, to ensure that:

    a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

    c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

4. Recommending the Board, all remuneration, in whatever form, payable to senior management including the Company Secretary and the Chief Financial Officer;

5. Formulating the criteria for evaluation of Independent Directors and the Board of Directors of the Company;

6. To extend or continue the term of appointment of Independent Directors, on the basis of performance evaluation of Independent Directors;

7. Devising a policy on diversity of Board of Directors;

8. To formulate the detailed terms and conditions of the Kajaria Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') including the following:

   a. issuing and allotment of equity shares [including share certificate(s)] of the Company to the ESOP holders and all matters related thereto, from time to time, pursuant to the ESOP Scheme 2015;

   b. signing, execution and submission of necessary documents/papers for the listing of equity shares of the Company with the stock exchanges or other concerned authority(ies) and all matters related thereto;

   c. making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions;

   d. approval of list of employee(s) of the Company and/or its subsidiary(ies) [including quantum of ESOP grant] to whom ESOP options are to be granted under ESOP Scheme 2015;

   e. determining the procedure for winding up of the ESOP Scheme 2015;

   f. other matters which may be relevant for administration of ESOP Scheme 2015, from time to time.

9. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description;

10. For the purpose of identifying suitable candidates as above, the Committee may:

    - To use the services of an external agencies, if required;
    - To consider candidates from a wide range of backgrounds, having due regard to diversity;
    - To consider the time commitments of the candidates.

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

Risk Management Committee

During the year 2025-26, the Committee met two (2) times i.e. 6th May, 2025 and 15th October, 2025. The composition of the Committee and details of meetings attended by the Directors / members of this Committee are as follows:

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

* Mr. Ram Chandra Rawat ceased to be the member of the Risk Management Committee of the Company with effect from the close of working hours of 31st March, 2026, due to superannuation from the services of the Company.

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

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

1. To formulate a detailed Risk Management Policy which shall include:

   a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

   b. Measures for risk mitigation including systems and processes for internal control of identified risks; and

   c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;

4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. To review appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

7. Any other role/function as be assigned by the Board of Directors or required under the applicable law, from time to time.

Performance Evaluation

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

Remuneration

A. Remuneration to Independent / Non-executive Directors

The Independent / Non-executive Directors are paid remuneration by way of sitting fees for each meeting of the Board and Committee of Directors attended by them. The total amount of sitting fees paid during the year 2025-26 was ₹34.50 Lacs. The Independent/Non-executive Directors do not have any pecuniary relationship or transactions with the Company. The criteria of making payment to Independent / Non-executive Directors are disclosed in the Nomination and Remuneration Policy of the Company. During the year under review, the Nomination and Remuneration Policy has been revised. The said Policy is given as a part of Annexure- 4 to the Directors' Report and is also disclosed on the website of the Company i.e. https://www.kajariaceramics.com/pdf/nomination_remuneration_policy.pdf

The details of remuneration paid to Independent / Non-executive Directors during the year ended 31st March 2026 are as under:

S. No.	Name of Independent/Non-Executive Directors	Sitting Fees (₹ in Lacs)
1.	Mr. Dev Datt Rishi	4.60
2.	Dr. Lalit Kumar Panwar	8.35
3.	Mr. Sudhir Bhargava	10.15
4.	Mr. Rajender Mohan Malla*	3.60
5.	Mrs. Ambika Sharma	5.80
6.	Mr. Hitesh Sohanlal Jain**	1.00
7.	Mr. Pradeep Udhas**	1.00

* Mr. Rajender Mohan Malla resigned as an Independent Director of the Company with effect from the close of business hours of 22nd September, 2025. Thus, he ceased to be the Independent Director of the Company with effect from the close of business hours of 22nd September, 2025.

** Mr. Hitesh Sohanlal Jain and Mr. Pradeep Udhas have been appointed as the Independent Director(s) of the Company for a period of five consecutive years effective from 19th December, 2025 upto 18th December, 2030.

Other than sitting fees as mentioned above including reimbursement of expenses, if any, incurred for attending the meetings of the Board/its Committees, the Independent / Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year 2025-26.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman, Vice Chairman, Managing Directors are governed by the approval(s)/recommendation(s) of the Audit Committee and the Nomination and Remuneration Committee and approvals by the Board and Shareholders of the Company. The terms and conditions of appointment (including remuneration) of the Chairman, Vice Chairman and Managing Director are governed by the respective agreements executed between them and the Company. Their remuneration package comprises of salary, perquisites and commission, if any, as approved by the Shareholders at the General Meeting(s).

During the year 2025-26, the Chairman, Vice Chairman and Managing Director of the Company have forgone their remuneration and accordingly, they have not drawn any remuneration from the Company.

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

Stakeholders Relationship Committee

The Committee is responsible for the satisfactory redressal of investor's grievances and recommends measures for overall improvement in the quality of investor's services. During the year 2025-26, the Committee met four (4) times i.e. 10th April, 2025, 8th July, 2025, 6th October, 2025 and 7th January, 2026. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Sudhir Bhargava	Non-executive & Independent	Chairman	2
Mr. Ashok Kajaria	Executive	Member	4
Mr. Chetan Kajaria	Executive	Member	4

Consequent upon the superannuation of Mr. Ram Chandra Rawat from the services as the COO (A&T) & Company Secretary (Compliance Officer) of the Company with effect from the close of working hours of 31st March, 2026, Mr. Vinit Kumar, General Counsel & Company Secretary acts as the Compliance Officer of the Company with effect from 1st April, 2026.

During the year 2025-26, twenty-two (22) shareholders related complaints were received and the said complaints were duly addressed/disposed. Other than that, none of the complaints were pending, except the cases where the Registrar & Share Transfer Agent is constrained by dispute or legal impediment, if any or due to incomplete or non-submission of documents by the shareholders.

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

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

Corporate Social Responsibility Committee

During the year 2025-26, the Committee met two (2) times i.e. 5th May, 2025 and 29th January, 2026. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Sudhir Bhargava	Non-executive & Independent	Chairman	2
Mr. Chetan Kajaria	Executive	Member	2
Mr. Rishi Kajaria	Executive	Member	2

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

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

Corporate Social Responsibility Policy (CSR Policy) of the Company

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

As a part of initiative of CSR drive, the Company has implemented various CSR programmes/projects which made positive impacts mainly in the areas of health, sanitation, social relief, environment and education, etc. During the year under review, the CSR programmes/activities initiated by the Company includes taking steps for swachh bharat, preventive health care, safe drinking water, animal welfare, constructing sanitation facilities in the schools, etc., contributing to the health, education, environment, etc. These CSR initiatives are implemented directly and/or through trusts/societies/NGOs. These projects/activities are also in accordance with Schedule VII of the Act. Details of CSR initiative taken by the Company during the year is specified in the Annexure- 3 to the Directors' Report.

Business Responsibility & Sustainability Committee

During the year 2025-26, the Committee met one (1) time i.e. 21st July, 2025. The composition of the Committee is as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Ashok Kajaria	Executive Director	Chairman	1
Mr. Chetan Kajaria	Executive Director	Member	1
Mr. Rishi Kajaria	Executive Director	Member	1
Dr. Rajveer Choudhary*	COO (Gailpur Plant)	Member	1
Mr. Bhupendra Vyas*	COO (Marketing)	Member	1
Mr. Praveen Prakash	AVP (HR)	Member	1

* Dr. Rajveer Choudhary and Mr. Bhupendra Vyas ceased to be the member(s) of the Business Responsibility & Sustainability Committee of the Company with effect from 23rd May, 2026 and close of working hours of 19th December, 2025, respectively, as they resigned from the Company.

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

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

Management Committee

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

Ethics / Governance Policies

1. Code of Business Conduct and Ethics

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

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

The Code has been circulated to all the Directors and Senior Management Personnel of the Company. All members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code as on 31st March, 2026 and a declaration, in this regard, signed by the Managing Director of the Company is published in this report.

2. Insider Trading Code

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

3. **Material Subsidiary Policy**

The Company has adopted Material Subsidiary Policy. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. During the year under review, the Policy for determining material subsidiaries has been revised. The Material Subsidiary Policy is available on the Company's website i.e. https://www.kajariaceramics.com/pdf/MaterialSubsidiaryPolicy-kajaria.pdf

4. **Related Party Transaction Policy**

In compliance with the Listing Regulations and the Act, the Company has adopted Related Party Transaction Policy. During the year under review, the Related Party Transaction Policy has been revised. This Policy is available on Company's website i.e. https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf

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

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

5. **Dividend Distribution Policy**

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

6. **Risk Management Policy**

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

7. **Business Responsibility & Sustainability Report**

Pursuant to Regulation 34(2)(f) of the Listing Regulations (including notification(s)/circular(s) issued from time to time), a Business Responsibility and Sustainability Report for the year 2025-26 is published in this report. The Company has also adopted the Business Responsibility Policy and the same has been revised during the year 2025-26. This Policy is uploaded on the Company's website i.e. https://www.kajariaceramics.com/pdf/BusinessResponsibilityPolicy.pdf

General Body Meetings

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

Year	Date	Time	Venue	Details of Special Resolution(s) Passed, if any
2024-25	29th September, 2025	1:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	-
2023-24	6th September, 2024	1:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	-
2022-23	12th September, 2023	1:00 p.m.	Deemed Venue: Registered Office of the Company as the Annual General Meeting was conducted through Video Conferencing / Other Audio Visual Means	-

b) Special Resolution(s) passed through Postal Ballot:

Seven Special Resolutions were passed through Postal Ballot as per the details given below:

(i) One Special Resolution was passed on 26th June, 2025 through Postal Ballot and the voting results for the said Special Resolution are as under:

Special Resolution	No. of total valid votes received	Votes cast (No. of shares)	
		For	Against
Appointment of Mrs. Ambika Sharma as an Independent Director of the Company for a period of five consecutive years effective from 30th March, 2025	13,48,12,021	13,38,47,622	9,64,399

(ii) Three Special Resolutions were passed on 15th December, 2025 through Postal Ballot and the voting results for the said Special Resolutions are as under:

Special Resolution	No. of total valid votes received	Votes cast (No. of shares)	
		For	Against
Re-designation and appointment of Mr. Ashok Kajaria as the Chairman of the Company for the period of five consecutive years effective from 1st October, 2025	12,63,46,687	12,60,39,179	3,07,508
Re-designation and appointment of Mr. Chetan Kajaria as the Vice Chairman of the Company for the period of five consecutive years effective from 1st October, 2025	12,63,46,681	12,62,92,496	54,185
Re-designation and appointment of Mr. Rishi Kajaria as the Managing Director of the Company for the period of five consecutive years effective from 1st October, 2025	12,63,46,681	12,62,95,024	51,657

(iii) Two Special Resolutions were passed on 12th March, 2026 through Postal Ballot and the voting results for the said Special Resolutions are as under:

Special Resolution	No. of total valid votes received	Votes cast (No. of shares)	
		For	Against
Appointment of Mr. Hitesh Sohanlal Jain as an Independent Director of the Company for a period of five consecutive years effective from 19th December, 2025	12,74,65,869	12,71,72,016	2,93,853
Appointment of Mr. Pradeep Udhas as an Independent Director of the Company for a period of five consecutive years effective from 19th December, 2025	12,74,65,758	11,79,48,025	95,17,733

(iv) One Special Resolution was passed on 22nd June, 2026 through Postal Ballot and the voting results for the said Special Resolution is as under:

Special Resolution	No. of total valid votes received	Votes cast (No. of shares)	
		For	Against
To consider buyback of upto 21,50,000 equity shares of the company at a price of ₹1380/- per equity share, on a proportionate basis, through the "Tender Offer" route in accordance with the Companies Act, 2013 and the SEBI (Buy-Back Of Securities) Regulations, 2018 (including rules/regulations/circulars made/issued thereunder)	12,78,31,222	12,50,49,377	27,81,845

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

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

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

d) **Procedure for Postal Ballot:**

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

- The Company dispatches postal ballot notices, etc. to its shareholders whose names appear on the Register of Members / List of Beneficiaries as on the Cut-off date. The Postal Ballot Notice is sent to the shareholders in electronic form at the e-mail addresses registered with their depository participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding) as may be permitted by the applicable laws. Subject to the applicable laws, physical copy of notice is sent to the shareholders, whose email is not registered or who has requested for physical copy of notice. The Company also publishes a notice in the newspaper(s) declaring the details of completion of dispatch and other requirements as mandated under the Act and other applicable rules and regulations.

- Voting rights are reckoned on the paid-up value of the shares registered in the name of the shareholders as on the Cut-off date. Subject to the applicable laws, shareholders desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutiniser on or before the closure of the voting period. Shareholders desiring to exercise their votes by electronic mode are requested to vote before the closure of the voting period.

- In compliance with the applicable laws, the Scrutiniser submits his report to the Chairman or a person authorised by the Chairman, after the completion of scrutiny, and consolidated results of the voting by postal ballot and e-voting are announced by the Chairman or a person authorised by the Chairman to do the same. The results are also displayed on the Company's Registered Office & the Corporate Office and also on the Company's website i.e. www.kajariaceramics.com, besides being communicated to the Stock Exchange(s), within the prescribed timeline.

e) Except above, the Company did not hold Extra-Ordinary General Meeting of the Shareholders during the year 2025-26.

Disclosures

a) **Materially Significant Related party transactions**

During the year 2025-26, there are no materially significant transactions with the related parties, viz. Promoters, Directors or the Management, their subsidiaries or relatives that had potential conflict with the Company's interest.

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

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

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

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

Pursuant to Section 177(9) and 177(10) of the Act and Regulation 22 of the Listing Regulations, the Company has adopted a Whistle Blower Policy with vigil mechanism for the Directors and Employees of the Company to report to the management about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct, leakage or suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. No complaint has been received during the year 2025-26.

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

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

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

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

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

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

Further, in the opinion of the Board of the Company, all Independent Directors of the Company have integrity, expertise, experience as prescribed under the Companies (Appointment and Disqualification of Directors) Rules, 2014 read with the Companies (Accounts) Rules, 2014 (including amendment thereof).

g) During the year 2025-26, the Board of the Company had accepted all recommendations of the Committee(s) of the Company.

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

The Company has adopted the Policy for Prevention of Sexual Harassment at the Workplace. During the year under review, the Policy for Prevention of Sexual Harassment at the Workplace has been revised. This Policy is available on the website of the Company at https://www.kajariaceramics.com/pdf/prevention_of_sexual_harassment_at_workplace.pdf

No Complaint of sexual harassment was pending as on 31st March, 2026. Further, the details of complaint received (if any) under said Policy read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given in the Directors' Report, which forms part of the Annual Report.

i) **Details of all credit ratings obtained by the Company along with any revisions thereto during the year 2025-26, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad**

During the year 2025-26, the Company has not issued any debt instruments or fixed deposit programme/scheme and no proposal of mobilization of fund by the Company. Thus, the Company has not obtained Credit rating for the above said purpose.

j) **During the year 2025-26, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. Walker Chandiok & Co LLP, Chartered Accountants, the Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditors is a part**

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

S. No.	Particulars	Amounts (₹ in Lacs) (exclusive of applicable taxes)
1	Audit Fee of Financial Statements (Standalone & Consolidated) for the year 2025-26 (including Limited Review)	100.00
2	Other Services and out of pocket expenses	15.82
	Total	**115.82**

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

1. Kajaria Bathware Private Limited

S. No.	Particulars	Amounts (₹ in Lacs) (exclusive of applicable taxes)
1	Audit Fee of Financial Statements (Standalone & Consolidated) for the year 2025-26	13.50
2	Other Services and out of pocket expenses	1.31
	Total	**14.81**

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

S. No.	Particulars	Amounts (₹ in Lacs) (exclusive of applicable taxes)
1	Audit Fee of Financial Statements for the year 2025-26	12.50
2	Other Services and out of pocket expenses	1.29
	Total	**13.79**

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

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

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

Skills/ Expertise/ Competencies	Mr. Ashok Kajaria	Mr. Chetan Kajaria	Mr. Rishi Kajaria	Mr. Dev Datt Rishi	Dr. Lalit Kumar Panwar	Mr. Sudhir Bhargava	Mrs. Ambika Sharma	Mr. Hitesh Sohanlal Jain	Mr. Pradeep Udhas
Technology	Yes	Yes	Yes	Yes	-	-	-	-	-
Manufacturing process	Yes	Yes	Yes	Yes	-	-	-	-	-
Accountancy	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes
Finance and financial management	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes
Law	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes
Economics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Risk Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Administration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Human Resources	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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

S. No.	Name of Entity belongs to Promoter/ Promoter Group of the Company	Category	Nature of Transaction during the year 2025-26	Amount of Transaction during the year 2025-26 (₹ in Crores)
1	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	Promoter Group	Final/Interim Dividend Paid	31.04
2	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	Promoter Group	Final/Interim Dividend Paid	31.04

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

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

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

a. **The Board:** The Company has appointed an Executive Chairman, being the promoter of the Company.

b. **Shareholders' Rights:** The quarterly, half yearly and annual financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the registered address of each shareholders.

c. **Modified opinion(s) in Audit Report:** The Audit Report(s) on the Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2026, do not contain any modified opinion.

d. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** During the year 2025-26, Mr. Ashok Kajaria, Mr. Chetan Kajaria and Mr. Rishi Kajaria have been re-designated and appointed as the Chairman, Vice Chairman and Managing Director of the Company, respectively, for the period of five consecutive years effective from 1st October, 2025 upto 30th September, 2030. Accordingly, the Company has separated the posts of the Chairman and the Managing Director of the Company.

e. **Reporting of Internal Auditor:** Independent Internal Auditor has been appointed and is reporting directly to the Audit Committee of the Company.

f. **Independent Directors:** Meetings of the Independent Directors of the Company were held on 22nd July, 2025 and 30th January, 2026, without presence of non-independent Directors and the management of the Company and all Independent Directors were present at the said meetings.

n) CEO / CFO Certificate

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

o) Declaration related to the Code of Conduct for Directors and Senior Management Personnel

A declaration by the Managing Director that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Directors and Senior Management of the Company for the year ended 31st March, 2026, is published in this report.

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

i) By the Company:

Loans given to		Advances in the nature of loans given to	
Firm/companies	**Amount (₹ in Crores) (Outstanding as on 31st March, 2026)**	**Firm/companies**	**Amount (₹ in Crores) (Outstanding as on 31st March, 2026)**
Kajaria Bathware Private Limited	18.50	Nil	
Kajaria Sanitayware Private Limited*	18.75		
Kajaria Infinity Private Limited	7.00		
Kajaria Vitrified Private Limited	31.00		
South Asian Ceramic Tiles Private Limited	8.90		
Kajaria International FZCO**	28.11		
Kerovit Global Private Limited*	149.00		
Kajaria Surfaces Private Limited	70.00		
Kajaria Adhesive Private Limited	18.27		

*Step-down subsidiary of the Company.

**Name of Kajaria International DMCC changed to Kajaria International FZCO w.e.f. 22nd May, 2026, due to suffix change in the name pursuant to change in the law of Dubai.

ii) By Kajaria Bathware Private Limited, wholly-owned subsidiary of the Company:

Loans given to		Advances in the nature of loans given to	
Firm/companies	**Amount (₹ in Crores) (Outstanding as on 31st March, 2026)**	**Firm/companies**	**Amount (₹ in Crores) (Outstanding as on 31st March, 2026)**
Kerovit Global Private Limited	2.00	Nil	

q) Details of material subsidiaries of the Company as on 31st March, 2026:

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

r) During the year 2025-26, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

s) As on 31st March, 2026, details of Senior Management of the Company are as under:

Name	Designation
Mr. Ram Chandra Rawat *	COO (A&T) & Company Secretary
Mr. Sanjeev Agarwal	CFO
Mr. Kartik Kajaria	Head (Adhesive Division)
Dr. Rajveer Choudhary **	COO (Gailpur Plant)
Mr. Pankaj Sethi	COO (Marketing)

Name	Designation
Mr. Vivek Goyal ***	Sr. VP (Marketing)
Mr. Gautam Seth	Sr. VP (Marketing & Technical)
Mr. Bhupendra Vyas ^	COO (Marketing)
Mr. S P Rajendran	COO (Srikalahasti Plant)
Mr. Anil Kumar Singh	VP (Works)
Mr. Ashish Goel ^^	CHRO
Mr. Siddharth Parida ^^^	CMO
Mr. Ipininder Singh @	CDIO
Mr. Parag Goel @@	President Operations – Gailpur Plant
Mr. Atul Nigam $	VP (IT)
Mr. Vinit Kumar $$	General Counsel & Company Secretary
Mr. Praveen Prakash $$$	AVP (HR)

* Superannuated w.e.f. close of working hours of 31st March, 2026.

** Resigned after the closure of the year 2025-26, i.e. w.e.f. 23rd May, 2026.

*** Resigned w.e.f. the close of working hours of 3rd April, 2025.

^ Resigned w.e.f. the close of working hours of 19th December, 2025.

^^ Appointed during the year and resigned after the closure of the year 2025-26 i.e. w.e.f. 27th July, 2027.

^^^ Appointed w.e.f. 25th March, 2026.

@ Appointed after the closure of the year 2025-26, i.e. w.e.f. 23rd April, 2026.

@@ Appointed after the closure of the year 2025-26, i.e. w.e.f. 26th May, 2026.

$ Ceased to be the Senior Management Personnel after the closure of the year 2025-26, i.e. w.e.f. 23rd April, 2026.

$$ Appointed after the closure of the year 2025-26, i.e. w.e.f. 1st April, 2026.

$$$ Ceased to be the Senior Management Personnel during the year.

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

t) As on 31st March, 2026, the Company does not have any material unlisted subsidiary company as defined under the Listing Regulations.

u) Details of information disclosed under Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations: Not Applicable.

Means of Communication

Quarterly, Half Yearly & Annual Financial Results:

The quarterly, half yearly, nine months ended and annual financial results of the Company are sent to the Stock Exchange(s) through permitted mode, immediately after approval of the Board of the Company. These are also published in the newspapers, i.e. Financial Express and Jansatta. These results are simultaneously posted on the website of the Company i.e. www.kajariaceramics.com along with submission to National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE').

Investor Release

The official release, if any, made to institutional Investors/ Analysts are sent to NSE / BSE and posted on the Company's website. The Company also uploads the recording of Conference Call and transcript thereof on its website alongwith submission of the same to NSE & BSE, in compliance of the provisions of the Listing Regulations.

General Shareholders Information

Notice relating to the 40th Annual General Meeting is sent to the members at their registered address/email address available with the Depositories / the Company, as permitted under the applicable laws.

Date, Time and Venue of the 40th Annual General Meeting ('AGM')

Day & Date	Tuesday, 15th September, 2026
Time	01:00 P.M. (IST)
Venue	Registered Office of the Company will be deemed as the venue of the AGM

Financial Year : April 1 to March 31

Financial Calendar (Tentative)

First Quarter Results :	31st July, 2026
Second Quarter / Half Yearly Results :	4th week of October, 2026
Third Quarter / Nine Months Results :	4th week of January, 2027
Fourth Quarter / Annual Results for the year ending 31st March 2027:	2nd week of May, 2027

Dividend Payment date

Final Dividend will be paid within 30 days from the date of declaration of dividend at the 40th Annual General Meeting of the Company to the shareholders of the Company, whose names appear in the Register of Members and the List of Beneficial Owners to be furnished by Depositories on the 'Record Date' for payment of the Final Dividend i.e. Monday, 21st September, 2026.

Shareholders of the Company are informed that pursuant to the SEBI's Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024 read with the SEBI's Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10th June, 2024, a shareholder who holds shares in physical mode needs to update his/her KYC details (including PAN/contact details/bank details, etc.) as the payment of dividend is made through electronic mode only. Thus, the shareholder who holds shares of the Company in physical mode, is requested to get updated their KYC details including the bank account details, etc. with the Company / its Registrar and Share Transfer Agent.

Dividend history for the last 5 years is as under:

Year	Dividend Rate (%)	In ₹ per Share	Dividend Amount (₹ in Crores)
2024-25	400	₹4.00	63.71
2024-25*	500	₹5.00	79.64
2023-24	600	₹6.00	95.55
2023-24*	600	₹6.00	95.55
2022-23	300	₹3.00	47.78
2022-23*	600	₹6.00	95.54
2021-22	300	₹3.00	47.77
2021-22*	800	₹8.00	127.34
2020-21*	1000	₹10.00	159.08

* Interim Dividend

During the year 2025-26, the Company has paid Interim Dividend @ ₹8 per share aggregating to ₹127.42 crores.

Unpaid / Unclaimed Dividend

The entire unpaid / unclaimed dividend up to the year 2017-18 has been transferred to Investor Education and Protection Fund ('IEPF'). No claims will lie against the Company in respect of unclaimed amount so transferred. The unclaimed dividend declared in respect of the year 2018-19 will become due to transfer to the IEPF on 25th September, 2026, as per the applicable laws.

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

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

Accordingly, pursuant to the IEPF Rules, the Company has transferred total 8,16,836 equity shares of ₹1 each, in respect of which dividend had not been claimed by the shareholders for 7 (seven) consecutive years or more to IEPF Authority and as on 31st March, 2026, the IEPF Authority has released 78,870 equity shares of ₹1/- each to the claimant(s).

Pursuant to the IEPF Rules, the unclaimed dividend for the year 2018-19 will become due for transfer in favour of the IEPF Authority on 25th September, 2026 (i.e. Due date) and accordingly, both the unclaimed dividend and shares in respect of which dividend had not been claimed by the shareholders for 7 (seven) consecutive years or more will be transferred to the IEPF Authority within 30 days of the Due date.

Listing on Stock Exchanges

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

Listing fees for the year 2026-27 have been paid by the Company within the stipulated time.

In case the securities are suspended from trading, the Directors' report shall explain the reason thereof: Not applicable.

Registrar & Share Transfer Agent

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

MCS SHARE TRANSFER AGENT LIMITED
179-180, 3rd Floor, DSIDC Shed, Okhla Industrial Area, Phase - I, New Delhi – 110020
Phone No.: +91-11-41406149-51
E-mail ID: admin@mcsregistrars.com

Share Transfer System

MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent ('RTA') for handling the share registry work relating to shares held in physical and electronic mode at single point. Subject to the provisions of the applicable laws, the applications received by the Company/its RTA for the transfer/transmission of shares are processed within the stipulated period.

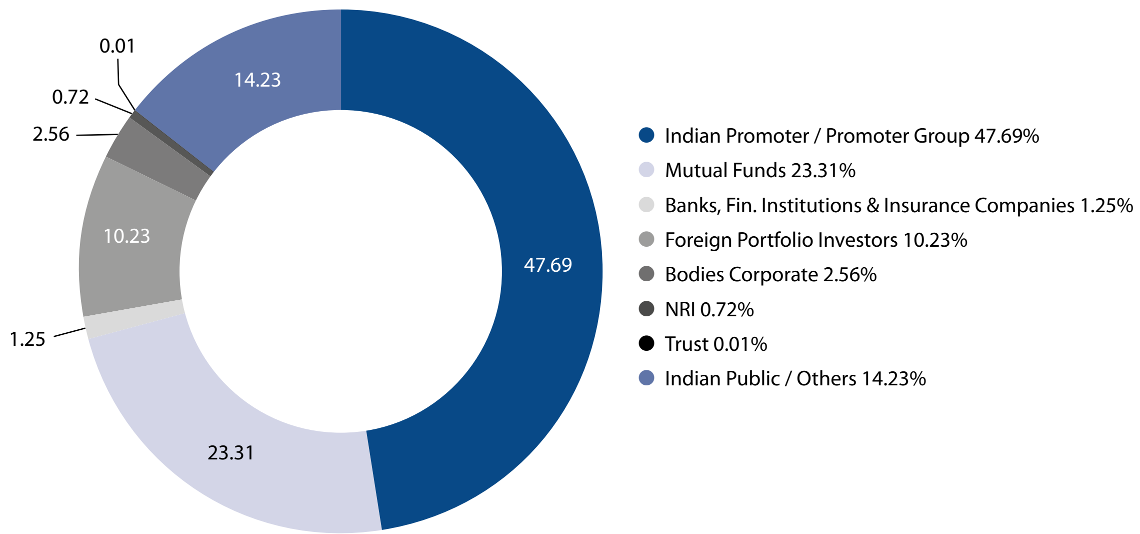
Pursuant to the amendment in the Regulation 40 of the Listing Regulations, transfer of shares in physical mode is discontinued with effect from 1st April, 2019. However, the SEBI has (vide SEBI's Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025) allowed to open a special window only for re-lodgment of transfer deeds, which were lodged prior to 1st April, 2019 and rejected/returned/not attended due to deficiency in the documents/process/or otherwise, for a period of six months from 7th July, 2025 till 6th January, 2026.

The SEBI has (vide HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30th January, 2026) further allowed to open Special Window for another period of one year from 5th February, 2026 to 4th February, 2027 to facilitate transfer and dematerialization of physical shares. During the said period, the shares that are re-lodged for transfer will be issued only in demat mode, subject to compliance of applicable laws including circular, etc. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding, as the shares of the Company are also under compulsory demat trading.

Shareholding Pattern as on 31st March, 2026

Category	No. of Shares Held	Percentage of Shareholding
Promoters/Promoter Group		
Indian Promoter/Promoter Group	75955231	47.69
Institutional Investors & Others		
Mutual Funds	37128790	23.31
Banks, Financial Institutions & Insurance Companies	1985746	01.25
Foreign Portfolio Investors	16299784	10.23
Bodies Corporate	4069442	02.56
NRI	1153934	00.72
Trust	11063	00.01
Indian Public / Others	22668300	14.23
Total	**159272290**	**100.00**

Shareholding Pattern as on 31.03.2026



Distribution of Shareholding as on 31st March, 2026

Category Range	No. of Shareholders		No. of shares	
	Total	% of shareholders	Total	% of share capital
1-500	88075	94.88	4436945	2.79
501-1000	2055	2.21	1584074	0.99
1001-2000	1212	1.31	1814924	1.14
2001-3000	493	0.53	1241045	0.78
3001-4000	247	0.27	874203	0.55
4001-5000	162	0.17	746392	0.47
5001-10000	265	0.28	1900553	1.19
10001 and above	322	0.35	146674154	92.09
Total	**92831**	**100.00**	**159272290**	**100.00**

Dematerialisation of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in depository systems of both the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As at 31st March 2026, 15,88,50,370 equity shares out of 15,92,72,290 equity shares of the Company, forming 99.74% of the Company's paid up capital are held in dematerialised mode. The status of shares held in demat and physical mode is given below:

Particulars	No. of Shares	Percentage
Shares in Demat Form		
NSDL	153768978	96.54
CDSL	5081392	3.20
Shares in Physical Form	421920	0.26
Total	**159272290**	**100.00**

Reconciliation Audit for Share Capital as on 31st March, 2026

Reconciliation Audit for Share Capital is carried out at every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of the Company. The said Report as on 31st March, 2026, inter-alia, confirms that the total listed and paid up capital of the Company is an agreement with the aggregate of the total number of shares in dematerialised mode (held with NSDL and CDSL) and in physical form.

Outstanding GDRs / ADRs / Warrants or other Convertible Instruments

The Company has not issued any GDR/ADR/Warrants or other convertible instruments during the year 2025-26.

Foreign Exchange Risk & Hedging Activities

There is no foreign currency loan outstanding as on 31st March 2026. The details of foreign currency exposure as on 31st March 2026 is provided in Note No. 48 of the Financial Statements. All import liabilities are unhedged because cost of forward premium was higher. However, all import liabilities are paid on the due date. There is no commodity price risk and commodity hedging risk during the year 2025-26.

Corporate Identification Number (CIN) of the Company: L26924HR1985PLC056150

Plant Locations

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

- A-27 to 30, Industrial Area, Sikandrabad, Distt.: Bulandshahr (U.P.) - 203205.
- 19 KM Stone, Bhiwadi – Alwar Road, Village: Gailpur, Distt.: Tijara (Rajasthan) – 301707 (Tiles and Adhesives plants).
- Alwar Shahpura Road, Village & Post: Malootana, Tehsil: Thanagazi, Distt.: Alwar (Rajasthan) -301022.
- Survey No. 129, Industrial Park, Opp. Bhavanisankarapuram, Thatiparthi (V), Thottambedu (M), Near Srikalahasti, Distt.: Chittoor (A.P.) - 517 642

Address for Correspondence

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

Email ID for Investors

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

For and on behalf of the Board

Ashok Kajaria
Chairman
(DIN: 00273877)

Place : New Delhi
Date : 31 July, 2026

CEO & CFO CERTIFICATE

To,
The Board of Directors of
Kajaria Ceramics Limited

Dear Sirs,

This is to certify that:

A. We have reviewed financial statements and the cash flow statement of Kajaria Ceramics Limited for the year ended 31st March, 2026 and that to the best of our knowledge and belief we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2026, which are fraudulent, illegal or in violation of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

1. significant changes in internal control over financial reporting during the year ended 31st March, 2026;

2. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

3. instances to significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Date : April 30, 2026

Sanjeev Agarwal
Chief Financial Officer

Rishi Kajaria
Managing Director

Declaration related to the Code of Conduct for Directors and Senior Management Personnel

This is to confirm that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended 31st March, 2026.

For Kajaria Ceramics Limited

Place : New Delhi
Date : 31 July, 2026

Rishi Kajaria
Managing Director

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
KAJARIA CERAMICS LIMITED
SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur Ghosi,
Gurugram, Haryana – 122001.

We have examined all relevant records of Kajaria Ceramics Limited (**'the Company'**) for the purpose of certifying all the conditions of Corporate Governance under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) for the financial year ended March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance under Listing Regulations.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 6689/2025

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302H000957242

Date: 31 July, 2026
Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
KAJARIA CERAMICS LIMITED
SF-11, Second Floor, JMD Regent Plaza
Mehrauli Gurgaon Road, Village Sikanderpur Ghosi,
Gurugram, Haryana- 122001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kajaria Ceramics Limited** (hereinafter referred to as **"the Company"**) having CIN: L26924HR1985PLC056150 and having Registered Office at SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurugram, Haryana -122001, produced before us by the Company, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and information furnished to us by the Company & its officers and based on the declarations received from respective Directors, we hereby certify that for the financial year ended on March 31, 2026, none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Mr. Ashok Kajaria	00273877	20/12/1985
2.	Mr. Chetan Kajaria	00273928	15/01/2000
3.	Mr. Rishi Kajaria	00228455	26/07/2003
4.	Mr. Dev Datt Rishi	00312882	14/01/2015
5.	Mr. Sudhir Bhargava	00247515	23/09/2022
6.	Dr. Lalit Kumar Panwar	03086982	23/09/2022
7.	Mrs. Ambika Sharma	08201798	30/03/2025
8.	Mr. Hitesh Sohanlal Jain	00130023	19/12/2025
9.	Mr. Pradeep Udhas	02207112	19/12/2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 6689/2025

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302H000957154

Date: 31 July, 2026
Place: Delhi

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L26924HR1985PLC056150
2.	**Name of the Listed Entity**	Kajaria Ceramics Limited ('the Company')
3.	**Year of incorporation**	1985
4.	**Registered office address**	SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon, Haryana- 122001
5.	**Corporate address**	J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
6.	**E-mail**	investors@kajariaceramics.com
7.	**Telephone**	+91-124-4081281 +91-11-26946409
8.	**Website**	www.kajariaceramics.com
9.	**Financial year for which reporting is being done**	FY 2025-26
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	INR 15.93 Crore
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Investor Relations Cell +91-11-26946409 investors@kajariaceramics.com
13.	**Reporting boundary - 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):**	Consolidated basis - The boundary covers Kajaria Ceramics Limited and its subsidiaries namely: Kajaria Infinity Private Limited Kajaria Vitrified Private Limited Kajaria Plywood Private Limited South Asian Ceramic Tiles Private Limited Kajaria Bathware Private Limited Kajaria Surfaces Private Limited Kajaria Sanitaryware Private Limited (Step-down subsidiary) Kerovit Global Private Limited (Step-down subsidiary)
14.	**Name of assurance provider**	DNV Business Assurance India Private Limited (DNV)
15.	**Type of assurance Obtained**	Reasonable assurance of BRSR Core Indicators

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	Tiles	Manufacturing and trading of ceramic and vitrified tiles	88.57%
2	Others including bath ware, sanitaryware, plywood products and tiles adhesives	Manufacturing and trading of sanitaryware and faucet and trading of plywood, laminates and tile adhesives	11.43%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing and trading of Ceramic / Vitrified Tiles. This activity accounts for majority turnover by our Company	239|2392|23929	88.57%
2	Manufacturing and trading of Faucets/ Sanitaryware	281|2813|28132 239|2392|23922	8.56%
3	Trading of Tile Adhesives	242|2429|24295	2.82%
4	Trading of Plywood and Laminates	466|4663|46631	0.05%

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	12	46	58
International	1	2	3

19. Markets served by the entity:

a. Number of locations

Locations	Value (in numbers)
National (No. of States and UT)	36
International (No. of Countries)	28

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

The contribution of exports as a percentage of the total turnover of Kajaria Ceramics Limited is 0.51%.

c. A brief on types of customers:

We serve a wide range of customers including homeowners, architects, interior designers, developers, contractors with the help of our well-connected dealers and sub-dealers' network. In addition to this, we also cater to institutional customers such as builders, corporates, and government agencies.

IV. Employees

20. Details as at the end of Financial Year (FY 2025-26):

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	2281	2183	96%	98	4%
2.	Other than Permanent	4	4	100%	0	0%
3.	**Total employees**	2285	2187	96%	98	4%
		Workers				
4.	Permanent	2075	2044	99%	31	1%
5.	Other than Permanent	2920	2797	96%	123	4%
6.	**Total workers**	4995	4841	97%	154	3%

b. Differently abled Employees and workers (FY 2025-26):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C/A)
		Differently Abled Employees				
1.	Permanent	0	0	0%	0	0%
2.	Other than Permanent	0	0	0%	0	0%
3.	**Total Employees**	0	0	0%	0	0%
		Differently Abled Workers				
4.	Permanent	0	0	0%	0	0%
5.	Other than Permanent	0	0	0%	0	0%
6.	**Total workers**	0	0	0%	0	0%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel	2	0	-

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19%	14%	19%	18%	14%	18%	15%	22%	15%
Permanent Workers	17%	18%	18%	16%	18%	18%	14%	16%	14%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Kajaria Vitrified Private Limited	Subsidiary	95.00%	No
2	Kajaria Infinity Private Limited	Subsidiary	84.59%	No
3	South Asian Ceramic Tiles Private Limited	Subsidiary	59.50%	No
4	Kajaria Plywood Private Limited	Subsidiary	100.00%	No
5	Kajaria Bathware Private Limited	Subsidiary	85.00%*	No
6	Kajaria Sanitaryware Private Limited	Step-down subsidiary	69.70%*	No
7	Kajaria International FZCO**	Subsidiary	100.00%	No
8	Kerovit Global Private Limited	Step-down subsidiary	85.00%*	No
9	Kajaria Adhesive Private Limited	Subsidiary	100.00%	No
10	Kajaria Surfaces Private Limited	Subsidiary	100.00%	No
11	Kajaria Ramesh Tiles Limited	Joint Venture	50.00%	No

*Diluted basis

**Name of Kajaria International DMCC changed to Kajaria International FZCO w.e.f. 22nd May, 2026, due to suffix change in the name pursuant to change in the law of Dubai.

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): **Yes**

ii. Turnover (in ₹): 4832.50 Crore*

iii. Net worth (in ₹): 3065.58 Crore

*Revenue of 2.14 crore is generated from Plywood business which is discontinued in FY 2025-26.

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			FY 2024-25		
		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	Yes, KajariaWhistleblowingPolicy.pdf	0	0	None	0	0	None
Investors (Other than Shareholders)		0	0		0	0	
Shareholders		22	0		16	0	
Employees and Workers		1	0		0	0	
Customers		50	0		52	0	
Value Chain Partners		0	0		0	0	

26. Overview of the entity's material responsible business conduct issues

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

S. No.	Material issues 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)
Refer materiality assessment section in Integrated Annual Report					

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	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	https://www.kajariaceramics.com/pdf/BusinessResponsibilityPolicy.pdf								
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)	We remain committed to the principles outlined in our Business Responsibility Policy and work closely with our value chain partners to embed these principles across our business relationships. Through active collaboration, we seek to extend a strong culture of sustainability beyond our direct operations by encouraging ethical practices, environmental responsibility, and social stewardship throughout our value chain.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	We have adopted a range of standards across our operations to ensure compliance with leading international best practices. These include: • ISO 9001:2015 for Quality Management System • ISO 14001:2015 for Environmental Management System • ISO 45001:2018 for Occupational Health & Safety Management System • ISO 22000:2005 for Preparation & Serving of Vegetarian Food/Non-Alcoholic Beverages for employees & visitors in its canteen • ISO 50001:2011- Energy Conservation • Membership: India Green Building Council (IGBC) • CE Certified Product • BISL: ISI Certified product (IS15622/2017) • CII-Green Products and Services Council Certified Entity Vitrified Tiles as Green Product								

Disclosure Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Sustainability remains integral to our business approach. Through the integration of Environmental, Social and Governance (ESG) principles across our operations, we strive to create lasting value for our stakeholders while contributing to sustainable and inclusive growth. Our efforts focus on minimizing our environmental impact, fostering a safe, diverse and inclusive workplace, and strengthening relationships with the communities in which we operate. We are equally committed to upholding the highest standards of corporate governance, ethics, transparency and accountability across all aspects of our business. Guided by these principles, we remain dedicated to advancing our ESG agenda and delivering meaningful, long-term value for our stakeholders, while contributing positively to society and the environment.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We have disclosed our ESG performance in relevant sections of this report.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Despite an evolving global landscape, our commitment to sustainable and responsible growth remains steadfast. Sustainability continues to be embedded in our business strategy, guiding decision-making across the organization. During the year, we further integrated Environmental, Social and Governance (ESG) principles into our operations, focusing on resource efficiency, energy conservation and initiatives aimed at reducing our environmental footprint. We remained committed to fostering a responsible workplace culture and upholding the highest standards of governance, ethics and transparency. Through clearly defined ESG priorities and continuous improvement efforts, we have made meaningful progress on our sustainability journey. We continue to strengthen our ESG performance and disclosures, creating long-term value for stakeholders while contributing to a more sustainable and resilient future.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Rishi Kajaria Managing Director DIN: 00228455								
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. Our Business Responsibility and Sustainability (BRS) Committee is responsible for the implementation of our Business Responsibility Policy and sustainability initiatives.								

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	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	We track the compliance requirements of each regulatory authority and proactively ensure all compliances are in place before due date.								

	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P 8**	**P9**
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	We have not carried out independent audit / evaluation of working of the BR Policy by an internal or external agency as of now. However, our internal control procedures ensure periodic assessment of our operations to verify compliance to our policies and applicable regulations.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	5 (as part of Board meetings)	Trainings, updates and awareness sessions related to regulatory changes are conducted for the Board of Directors & KMPs. Topics includes: • Corporate Governance • Understanding of the Companies Act and amendments thereof • Risk Management • SEBI's regulations and circulars • Topics pertaining to Environmental, Health & Safety • Ethics and Compliance including Code of conduct, compliance management	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	25	Trainings, updates and awareness sessions were given to employees included topics such as • Employee Induction program covering key business aspects • Technical skills like using Excel and data tools • Leadership and management abilities, • Safety and compliance knowledge. • Workplace ethics • Anti-corruption and anti-bribery • POSH • Understanding of environmental rules • Energy efficiency	100%
Workers	27	Trainings and awareness sessions were given to workers included topics such as • Workers Induction program covering key operations aspect • Technical aspects of operations and maintenance, including handling specific equipment • Ensuring workplace safety (PPEs, fire safety, working in hot areas, working near machines etc) • Handling emergencies, • Health and well-being • POSH • Working ergonomically • Ethical conduct • Materials management	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year 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	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	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	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	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	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.

Our commitment to ethical business practices, the highest standards of integrity, and a zero-tolerance approach to bribery and corruption is guided by our Code of Business Conduct and Ethics and Whistleblower Policy. The Code clearly defines expectations regarding ethical conduct, including the prevention of bribery, corruption, and conflicts of interest. In addition to this, our Whistleblower Policy provides employees and other stakeholders with a secure and confidential mechanism to report suspected unethical, improper, fraudulent, or corrupt activities, reinforcing our commitment to transparency, accountability, and responsible business conduct.

The Code of Business Conduct can be found at CodeofBusinessConductEthics.pdf and our Whistleblower Policy can be found at WhistleblowerPolicy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

8. Number of days of accounts payables

	FY 2025-26	FY 2024-25
Number of days of accounts payables	38	41

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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	FY 2024-25*
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not measured	Not measured
	b. Number of trading houses where purchases are made from	Not measured	Not measured
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not measured	Not measured
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	90%	91%
	b. Number of dealers/distributors to whom sales are made	2,448	2,649
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	11%	11%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	28%	29%
	b. Sales (Sales related parties / Total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties /Total loans & advances)	56%	74%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

* The numbers have been restated due to a change in the methodology adopted for reporting

Note: Reasonable assurance has been carried out by DNV for the above indicator.

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	% Age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

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, provisions related to Conflict of Interest are incorporated within our Company's Code of Business Conduct and Ethics ("Code"). All directors are required to disclose their interests in other companies, firms, bodies, corporates, or associations on an annual basis, or whenever there is any change in such interests. The Code requires Board members to avoid situations that may create an actual or potential conflict of interest and to promptly notify the Company of any potential conflicts concerning Company matters. All disclosures related to conflict of interest are made in writing and submitted to the Company Secretary/ Compliance Officer, who, in consultation with the Managing Director, advises the concerned individual on the necessary actions to address or eliminate the conflict. Additionally, during Board meetings, Directors abstain from deliberations or decisions on agenda items in which they hold a personal interest.

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	FY 2024-25	Details of improvements in Environmental and social impacts
R&D	Nil	Nil	Our R&D initiatives are centered on sustainable and eco-friendly technologies, including the use of recycled materials, increased reuse of process waste, and reduced freshwater consumption across our manufacturing operations. In addition, our cartons are manufactured using environmentally friendly, high-durability paper.
Capex	Nil	Nil	Over the years, we have undertaken several initiatives to strengthen our adoption of clean energy. Solar panels have been installed across our manufacturing facilities, while select locations source renewable electricity through Power Purchase Agreements (PPAs) and group captive arrangements. Furthermore, we have upgraded our infrastructure to enable the use of biomass as an alternative fuel, helping reduce reliance on conventional energy sources and supporting our sustainability objectives.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, we acknowledge the critical role of sustainable sourcing and remain committed to fostering responsible practices across our supply chain. We actively encourage our suppliers to adopt and uphold environmentally and socially responsible standards within their operations. As sustainability is a continuous journey, we remain dedicated to strengthening our approach, enhancing performance, and driving ongoing improvement in this area.

b. **If yes, what percentage of inputs were sourced sustainably?**

Currently, we do not track the percentage of inputs that were sourced sustainably. However, we strive to become more sustainable in sourcing our inputs.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Our products are designed for durability and have a long operational lifespan, reducing the need for frequent replacement and minimising resource consumption. Given the extended period for which our products remain in use, we currently do not see an immediate need for product reclamation processes.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable to us. However, we are committed to manage our waste properly and we are following waste management guidelines as prescribed by respective pollution control boards.

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.
We have not yet conducted any Life Cycle Assessment (LCA) studies; however, we acknowledge the importance of evaluating the environmental and social impacts of our products throughout their lifecycle.					

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		

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	FY 2024-25
We are committed to the practice of reusing input materials within our production processes wherever feasible. This allows us to conserve resources and reduce waste. However, we currently don't track the percentage of reused material to total material.		

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			FY 2024-25		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics including packaging)	Very small quantity of plastic is used in our packaging. There is no process of reclaiming it.			Very small quantity of plastic is used in our packaging. There is no process of reclaiming it.		
E-waste	Not applicable			Not applicable		
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
Nil	Nil

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	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	2,183	575	26%	2,167	99%	0	0%	0	0%	0	0%
Female	98	21	21%	98	100%	98	100%	0	0%	0	0%
Total	2,281	596	26%	2,265	99%	98	4%	0	0%	0	0%
Other than Permanent Employees											
Male	4	0	0%	1	25%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	4	0	0%	1	25%	0	0%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	2,044	110	5%	2,044	100%	0	0%	0	0%	0	0%
Female	31	0	5%	31	100%	31	100%	0	0%	0	0%
Total	2,075	110	5%	2075	100%	31	1%	0	0%	0	0%
Other than Permanent Workers											
Male	2,797	0	0%	222	8%	0	0%	0	0%	0	0%
Female	123	0	0%	62	50%	123	100%	0	0%	0	0%
Total	2,920	0	0%	282	9%	123	4%	0	0%	0	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26	FY 2024-25*
Cost incurred on well-being measures as a % of total revenue of the company	0.20%	0.20%

* The numbers have been restated due to a change in the methodology adopted for reporting.

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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

Benefits	FY 2025-26			FY 2024-25		
	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	98%	63%	Yes	98%	63%	Yes
Gratuity	98%	94%	Not applicable	98%	96%	Not applicable
ESI	2%	12%	Yes	2%	17%	Yes

*Permanent Workers only

3. Accessibility of workplaces

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

We are committed to fostering an inclusive and accessible workplace, as reflected in the accessibility measures implemented across our facilities. These include ramps, accessible restrooms and meeting spaces, as well as ergonomic workstations designed to support diverse employee needs. Through these initiatives, we strive to ensure ease of access for differently abled individuals and cultivate a culture of inclusion, respect, and equal opportunity for all.

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.

We are committed to providing equal opportunities to all employees and prospective candidates and maintaining a workplace free from discrimination. Employment decisions are made based on merit and are not influenced by factors such as age, caste, colour, nationality, ethnic origin, creed, gender, race, religion, disability, sexual orientation, or any other characteristic protected under applicable laws. Our Employee Wellbeing Policy, which forms part of the Business Responsibility Policy, includes provisions that promote and support equal opportunity practices across the Company.

The Business Responsibility Policy can be found at BusinessResponsibilityPolicy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not applicable	Not applicable	Not applicable	Not applicable
Female	100%	100%	100%	100%
Total	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, we have Grievance Redressal Mechanisms in place for all employees and workers. The mechanism includes a Standard Operating Procedure (SOP) for the management and timely redressal of our workforce's grievances. The access to SoP is available to everyone in the Company.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	2,281	0	0%	2,590	0	0%
Male	2,183	0	0%	2,491	0	0%
Female	98	0	0%	99	0	0%
Total Permanent Workers	2,075	152	7%	2,204	166	8%
Male	2,044	152	7%	2,165	166	8%
Female	31	0	0%	39	0	0%

8. Details of training given to employees and workers (permanent only):

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/ D)
Employees										
Male	2,183	1,149	53%	269	12%	2491	1,023	41%	268	11%
Female	98	0	0%	0	0%	99	2	2%	0	0%
Total	2,281	1,149	50%	269	12%	2590	1,025	40%	268	10%
Workers										
Male	2,044	884	43%	531	26%	2165	1,009	47%	692	32%
Female	31	22	71%	10	32%	39	15	38%	7	18%
Total	2,075	906	44%	541	26%	2204	1,024	46%	699	32%

9. Details of performance and career development reviews of employees and worker (permanent only):

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	2,183	2,183	100%	2,491	2,491	100%
Female	98	98	100%	99	99	100%
Total	2,281	2,281	100%	2,590	2,590	100%
Workers						
Male	2,044	2,044	100%	2,165	2,165	100%
Female	31	31	100%	39	39	100%
Total	2,075	2,075	100%	2,204	2,204	100%

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

We recognize that health and safety are fundamental to our operations and the well-being of our workforce. Our commitment to employee health and safety is embedded in our Employee Wellbeing Policy. Our comprehensive health and safety management system promotes employee and worker's welfare, minimizes workplace risks, and fosters a strong safety culture. Aligned with the principles of ISO 45001, we have implemented robust safety management practices across our manufacturing facilities to ensure a safe, healthy, and secure working environment for all employees and workers. Key features of our health and safety management system include:

- Regular safety assessments conducted by in-house safety officers to proactively identify workplace hazards and risks.
- Implementation of corrective and preventive actions based on assessment findings to mitigate identified risks.
- Periodic review and enhancement of the health and safety management system to ensure its adequacy, effectiveness, and alignment with evolving requirements.
- Conducting awareness campaigns and training programs on topics such as raw material handling, machine safety, and other workplace safety practices.
- Monitoring and reporting key health and safety performance indicators to support informed decision-making and continuous improvement.
- Emergency preparedness and response initiatives, including mock drills, emergency response training, and evacuation procedures.

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

We adopt a proactive approach to workplace health and safety through the regular implementation of Hazard Identification and Risk Assessment (HIRA) and Hazard and Operability (HAZOP) studies across our facilities. These assessments enable us to identify potential hazards, evaluate operational risks, and implement appropriate control measures to maintain a safe working environment.

Our risk management process is designed to effectively identify, assess, and mitigate workplace hazards. Potential risks are identified through multiple channels, including incident investigations, near-miss reporting, workplace observations, and employee feedback. Identified risks are then evaluated using a structured assessment framework that considers factors such as the likelihood and severity of potential impacts.

For non-routine activities, including maintenance work, plant modifications, and new projects, dedicated risk and impact assessments are conducted prior to commencement. Based on the findings, appropriate mitigation measures and control plans are implemented to ensure the safe execution of these activities and minimize operational risks.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

We have established processes for the identification and reporting of work-related hazards across our operations. Our workforce receives regular training and awareness programs to enhance their ability to recognize, assess, and report potential risks, unsafe acts, and hazardous conditions in the workplace.

We foster an open and proactive safety culture by encouraging employees and workers to report safety concerns, unsafe behaviours, near misses, and hazardous conditions without fear of retaliation. Such concerns can be raised with the designated Environment, Health and Safety (EHS) representatives at each facility, enabling timely intervention and the implementation of appropriate corrective and preventive measures. This approach supports our commitment to maintaining a safe, healthy, and risk-aware work environment.

d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Our employees and workers at our offices and manufacturing locations have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.37	0.45
	Workers	0.39	0.32
Total recordable work-related injuries	Employees	2	1
	Workers	6	4
Number of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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

The health, safety, and well-being of our workforce remain a top priority. We are committed to maintaining a safe and healthy workplace through the proactive identification of hazards, implementation of robust safety controls, and active engagement of employees in fostering a culture of safety. Through continuous improvement and adherence to established safety standards, we strive to further strengthen our health and safety performance. Key initiatives undertaken to ensure a safe and healthy workplace include:

- Providing regular health and safety training programmes for employees and workers, including daily toolbox talks, to reinforce safe work practices and enhance hazard awareness.
- Conducting periodic fire drills and emergency evacuation exercises to strengthen preparedness and emergency response capabilities.
- Maintaining structured processes for the timely reporting, investigation, and resolution of incidents, near misses, and unsafe conditions.
- Implementing Standard Operating Procedures (SOPs) for the proper use of Personal Protective Equipment (PPE), including masks, gloves, and other safety equipment.
- Promoting a strong safety culture that encourages employees and workers to raise concerns and share suggestions without fear of retaliation.
- Providing scheduled rest breaks and appropriate work arrangements to help prevent fatigue, reduce stress, and support employee well-being.
- Conducting regular workplace inspections and safety audits to assess compliance with safety requirements and identify opportunities for improvement.
- Ensuring the availability of first-aid facilities, trained first responders, and access to emergency medical support across our operations.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

We have extended term insurance facility to our permanent employees and permanent workers in the event of death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We comply with all applicable requirements relating to the deduction, payment, and deposit of statutory dues arising from our business transactions. They are regularly reviewed by our internal teams and external auditors from time to time. We also expect our value chain partners to uphold high standards of transparency and accountability and to ensure compliance with all applicable statutory obligations, including the timely deduction and remittance of statutory dues related to their business activities.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	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	FY 2024-25	FY 2025-26	FY 2024-25
Employees	Not applicable	Not applicable	Not applicable	Not applicable
Workers	1	Not applicable	1	Not applicable

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)

Currently, we do not offer transition assistance programmes aimed at supporting continued employability or managing career transitions resulting from retirement or termination of employment.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We recognise the importance of health and safety at our value chain partners. We expect them to ensure responsible business practices at their facilities.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable

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.**

We value the trust and support of our stakeholders and are committed to maintaining strong, transparent, and mutually beneficial relationships while safeguarding their interests. We actively engage with both internal and external stakeholders to understand their perspectives, gather feedback, and address matters that are important to them. Through our stakeholder engagement initiatives, we identify and assess stakeholder expectations, enabling us to strengthen our business practices and create long-term value. Our key stakeholder groups include investors, dealers, customers, employees, vendors, government and regulatory authorities, industry bodies, and local communities.

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
Refer stakeholder engagement section of Integrated Annual Report				

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.**

Through our stakeholder engagement initiatives, we seek to understand stakeholder perspectives and gather insights on key economic, environmental, and social matters relevant to our business and its stakeholders. The inputs received are consolidated and presented to the Business Responsibility and Sustainability Committee for deliberation and review. Based on the Committee's guidance and recommendations, appropriate action plans are developed and implemented to address identified priorities and drive continuous improvement.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, we engage regularly with our internal stakeholders to identify and discuss key risks and opportunities relating to Environmental, Social, and Governance (ESG) matters. Our materiality assessment incorporates relevant environmental and social topics that have significant implications for our business and stakeholders. The insights gained through this process enable us to strengthen and refine our sustainability strategy, priorities, and initiatives. Further details are provided in the Materiality Assessment section of the Annual Integrated Report.

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

There are no identified disadvantaged, vulnerable & marginalised stakeholder group.

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			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (D / C)
Employees						
Permanent	2,281	0	0%	2,590	0	0%
Other than permanent	4	0	0%	2	0	0%
Total Employees	2,285	0	0%	2,592	0	0%
Workers						
Permanent	2,075	0	0%	2,204	0	0%
Other than permanent	2,920	0	0%	2,856	0	0%
Total Workers	4,995	0	0%	5,060	0	0%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	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. (F)	% (F/D)
Employees										
Permanent	2,281	0	0%	2,281	100%	2,590	0	0%	2,590	100%
Male	2,183	0	0%	2,183	100%	2,491	0	0%	2,491	100%
Female	98	0	0%	98	100%	99	0	0%	99	100%
Other than Permanent	4	0	0%	4	100%	2	0	0%	2	100%
Male	4	0	0%	4	100%	2	0	0%	2	100%
Female	0	0	0%	0	100%	0	0	0%	0	0%

Category	FY 2025-26					FY 2024-25				
	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. (F)	% (F/D)
Workers										
Permanent	2,075	0	0%	2,075	100%	2,204	0	0%	2,204	100%
Male	2,044	0	0%	2,044	100%	2,165	0	0%	2,165	100%
Female	31	0	0%	31	100%	39	0	0%	39	100%
Other than Permanent	2,920	650	22%	2,270	78%	2,856	676	24%	2,180	76%
Male	2,797	589	21%	2,208	79%	2,748	613	22%	2,135	78%
Female	123	61	50%	62	50%	108	63	58%	45	42%

3. **Details of remuneration/salary/wages**

a. **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category (in ₹ Lakhs)	Number	Median remuneration/ salary/ wages of respective category (in ₹ lakhs)
Board of Directors (BoD)*	8	Nil**	1	-
Key Managerial Personnel	2	235.00	0	-
Employees other than BoD and KMP	2181	8.00	98	3.86
Workers	2044	6.50	31	3.65

*The Non-executive Directors of the Company are entitled for sitting fees only. The detail of remuneration of Non-executive Directors is provided in Corporate Governance Report and is governed by the Nomination and Remuneration. The sitting fees to Non-executive Directors is, therefore, not considered for the purpose above.

** No remuneration drawn by Executive Directors as they have forgone their remuneration during the FY 2025-26.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	3.29%	2.84%

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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)**

We are committed to upholding and respecting human rights throughout our operations. Our Business Responsibility and Sustainability Committee is responsible for addressing any human rights impacts or issues that our business may cause or contribute to. The Committee works closely with business leaders and functional teams to identify, assess, and appropriately address human rights-related risks and concerns, ensuring that our operations are conducted in a responsible and ethical manner.

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

We have robust grievance redressal mechanism to address human rights concerns across our operations. Employees and workers are encouraged to report any human rights-related issues to the Head of Human Resources or their respective HR representatives. To promote accessibility and confidentiality, concerns may also be raised anonymously through designated grievance channels.

All reported concerns are reviewed by the Business Responsibility and Sustainability Committee in consultation with the Head–HR, with due consideration given to the nature and severity of each case. Based on the assessment, appropriate recommendations and corrective actions are determined and communicated to the relevant stakeholders for implementation. We are committed to ensuring that all grievances are handled with fairness, confidentiality, impartiality, timeliness, and due process, thereby fostering a workplace built on respect, trust, and accountability.

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

	FY 2025-26			FY 2024-25		
	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	1	Nil	None	Nil	Nil	None
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/ Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	Nil
Complaints on POSH as a % of female employees/ workers	0.40%	Nil
Complaints on POSH upheld	Nil	Nil

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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

We have robust measures in place to protect the complainant in discrimination and harassment cases. The measures include safeguarding complainants from threats, intimidation, retaliation and victimisation. We also ensure that complainant's employment status or promotions will not be affected if he/she reports any incident related to discrimination or harassment.

In addition, our Whistleblower Policy provides protection to the complainant in case he/she reports actual or suspected instances of misconduct, unethical behaviour, inappropriate practices, or violations of applicable policies and regulations. The policy includes the following aspects

- No unfair treatment will be meted out to the Whistle Blower
- Treat victimisation as a serious matter including initiating disciplinary action on such person/(s)
- Ensure complete confidentiality
- Not attempt to conceal evidence of the Protected Disclosure
- Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made
- Provide an opportunity of being heard to the persons involved especially to the subject

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

At present, human rights do not form part of contractual clauses in our business agreements; however, we support our business associates and contractors to follow ethical practices and comply with relevant laws and regulations.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	We are not conducting formal assessments on these topics; however, we are in compliance with all applicable laws and regulations
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

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

Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the reporting period, we did not receive any grievances or complaints/grievances on human rights. Consequently, no new business processes were introduced/modified.

2. Details of the scope and coverage of any Human rights due diligence conducted.

We have not conducted any due diligence procedures for human rights issues during the year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

In line with our commitment on ensuring accessibility to differently abled employees and workers as mentioned in Principle 3, we stand committed to ensuring accessibility to differently abled visitors, demonstrated by significant accessibility measures across our offices and plants. These include ramps, accessible restrooms and meeting spaces, ensuring ease of access for differently abled visitors. We actively foster a culture of inclusivity for all.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	We recognise the importance of human rights across our value chain and expect our value chain partners to follow responsible business practices.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A) (GJ)	1,09,307	1,08,095
Total fuel consumption (B) (GJ)	17,77,293	18,35,343
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumed from renewable sources (A+B+C)	18,86,600	19,43,438
From non-renewable sources		
Total electricity consumption (D) (GJ)	8,73,990	9,28,977
Total fuel consumption (E) (GJ)	57,73,946	60,91,802
Energy consumption through other sources (F) (GJ)	0	0
Total energy consumed from non-renewable sources (D+E+F)	66,47,936	70,20,779
Total energy consumed (A+B+C+D+E+F)	85,34,536	89,64,217
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (GJ/INR)	0.00018	0.00019
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/ Revenue from operations adjusted for PPP) (GJ/US$)	0.0036	0.0040
Energy intensity in terms of physical output (GJ/sqm)	0.10	0.10
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Reasonable assurance has been carried out by DNV for the above indicator.

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, we are not a designated consumer of the PAT scheme.

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,17,954	1,96,427
(ii) Groundwater	7,98,688	8,47,826
(iii) Third party water	4,48,074	4,79,224
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	14,64,716	15,23,477
Total volume of water consumption (in kilolitres)	14,64,716	15,23,477
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations) (KL/INR)	0.000030	0.000033
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) (KL/US$)	0.00062	0.00068
Water intensity in terms of physical output (KL/sqm)	0.017	0.017
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Reasonable assurance has been carried out by DNV for the above indicator.

4. Provided the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	All our manufacturing facilities are equipped with Zero Liquid Discharge (ZLD) facility.	All our manufacturing facilities are equipped with Zero Liquid Discharge (ZLD) facility.
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment *		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Reasonable assurance has been carried out by DNV for the above indicator.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

We are committed to responsible water stewardship and the efficient management of water resources across our operations. As part of this commitment, we have implemented a Zero Liquid Discharge (ZLD) system across all our manufacturing facilities. Wastewater generated during operations is treated through Sewage Treatment Plants (STPs) and subsequently reused for suitable operational purposes. This enables us to reduce freshwater consumption, improve water-use efficiency, and advance our water conservation objectives while minimizing our environmental impact

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	FY 2024-25
NOx	Not measured		
SOx			
Particulate Matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others- please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No Independent assessment/ evaluation/ assurance was carried out for the reporting period.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,14,938	4,37,311
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,72,370	1,87,602
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) (tCO2e/INR)	-	0.000012	0.000013
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) (tCO2e/US$)	-	0.00025	0.00028
Total Scope 1 and Scope 2 emission intensity in terms of physical output (tCO2e/sqm)	-	0.0069	0.0071
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Reasonable assurance has been carried out by DNV for the above indicator.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

We are committed to actively reducing our greenhouse gas emissions across our operations through the following select initiatives:

- Utilizing biomass as a fuel source at our manufacturing facilities
- Procuring renewable electricity through on-site solar installations, Power Purchase Agreements (PPAs) with third parties, and group captive arrangements.
- Implementing energy-efficient technologies and process improvements to reduce electricity consumption across our manufacturing facilities. Further details are provided under Conservation of Energy in Annexure-6 of the Annual Report.
- Deploying electric forklifts at select manufacturing locations for the loading, unloading, and transportation of materials, thereby reducing emissions associated with material handling operations.
- Undertaking continuous monitoring and optimization of energy consumption to improve operational efficiency

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

Parameter	FY 2025-26	FY 2024-25*
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,809.48	1783.69
E-waste (B)	4.28	13.77
Bio-medical waste (C)	0.01	-
Construction and demolition waste (D)		-
Battery waste (E)	20.73	0.50
Radioactive waste (F)		-
Other Hazardous waste. Please specify, if any. (G)	66.97	63.64
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	43,951.97	36,426.93
Total (A+B + C + D + E + F + G + H)	45,853.44	38,288.53
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR)	0.00000095	0.00000083
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/US$)	0.000019	0.000017
Waste intensity in terms of physical output (MT/sqm)	0.00054	0.00044
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	17,778.74	22,250.85
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	17,778.74	22,250.85
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	26,496.93	16,037.68
(iii) Other disposal operations	-	-
Total	26,496.93	16,037.68

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Reasonable assurance has been carried out by DNV for the above indicator.

* The numbers have been restated due to a change in the methodology adopted for reporting.

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.

We are committed to minimizing waste generation across our operations through a systematic approach based on the principles of reduce, reuse, and recycle. We continuously strive to improve resource efficiency and promote responsible waste management practices across our facilities. For waste that cannot be avoided or recovered, we ensure environmentally responsible handling, treatment, and disposal in a responsible way. Key waste management initiatives undertaken include:

- Maintaining dedicated storage areas for the safe handling and segregation of various waste streams, including e-waste, battery waste, hazardous waste, and non-hazardous waste.
- Ensuring segregation of waste at source to facilitate efficient collection, recycling, and disposal.
- Managing hazardous waste in accordance with the applicable Hazardous Waste Management Rules and channelling it to authorized recyclers and treatment facilities for safe processing and/or disposal.
- Promoting the recycling and recovery of eligible waste materials to reduce landfill disposal and support circular economy principles.

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 as no EIA has been carried out during the current reporting period					

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, we are compliant with applicable laws, regulation, and guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Gailpur (Tijara block) & Sikandrabad

(ii) Nature of operations: Manufacturing of tiles

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	6,31,800	6,62,703
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (In kL)	6,31,800	6,62,703
Total volume of water consumption (In kL)	6,31,800	6,62,703
Water intensity per rupee of turnover (Water consumed / turnover)	0.000013	0.000014
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	All our manufacturing facilities are equipped with Zero Liquid Discharge (ZLD) facility.	All our manufacturing facilities are equipped with Zero Liquid Discharge (ZLD) facility.
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
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 estimated	
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 Independent assessment/ evaluation/ assurance was carried out for the reporting period.

No Independent assessment/ evaluation/assurance was carried out for the reporting period.

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:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of initiative
1	Utilisation of process waste in production process	We re-use majority of broken tiles, sludge and other process waste back into our manufacturing process	Lower waste generation during manufacturing process
2	Rainwater harvesting	We have installed rainwater harvesting structures at in our manufacturing facilities in Gailpur, Sikandrabad, Malutana and Srikalahasti to replenish ground water	Rainwater harvesting has helped in lowering the withdrawal of fresh water
3	Renewable energy	Procurement of renewable electricity through installation of solar panels and Power Purchase Agreement (PPA) with third parties	Lowering GHG emissions of the Company
4	Renewable fuel	Utilisation of biomass as fuel in the kilns at our manufacturing locations	Lowering GHG emissions of the Company
5	Energy efficiency	Installations of energy efficient technology leading to reduction in use of electricity in our manufacturing facilities. Refer CONSERVATION OF ENERGY under Annexure-6 of the Director Report for details.	Lowering power consumption of the Company

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

We have a comprehensive Business Continuity and Disaster Management framework to enhance organizational resilience and ensure the safety of our workforce. The framework is designed to minimize operational disruptions and enable an effective response to potential risks arising from natural disasters, emergencies, or other unforeseen events. Our Risk Committee is pivotal in managing our risk management strategies including disaster management and business continuity. The Committee plays a key role in identifying, assessing, and managing risks, while ensuring that appropriate measures are in place to maintain business continuity and protect critical operations.

Key features of our Business Continuity and Disaster Management Plan include:

- Maintaining uninterrupted business operations during disruptions and unforeseen events.
- Minimising operational downtime and mitigating potential financial impacts arising from disruptions.

- Ensuring a timely and coordinated response to emergencies and crisis situations.
- Facilitating swift recovery and restoration of operations following accidents, incidents, or other disruptions.
- Safeguarding the health and safety of employees, contractors, and visitors, while protecting Company assets.
- Conducting periodic mock drills and emergency preparedness exercises to assess response effectiveness and readiness.
- Organizing knowledge-sharing and awareness programmes to strengthen business continuity and disaster management capabilities across the organization.
- Identifying and protecting critical business processes, infrastructure, and information systems to enhance organizational resilience.
- Regularly reviewing and updating business continuity and disaster management plans to address evolving risks and operational requirements.

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.**

   Not applicable

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   We recognise the importance of environment and sustainability at our value chain partners. We expect them to ensure responsible business practices at their facilities.

8. **How many Green Credits have been generated or procured:**

   a) By listed entity: Nil

   b) By the top ten (in terms of value of purchases and sales respectively) value chain partners: - Nil

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.**

   Eleven

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chamber of Commerce and Industry	Pan India
2	PHD Chamber of Commerce	Pan India
3	Indian Council of Ceramic Tile and Sanitaryware	Pan India
4	Bhiwadi Manufacturers Association	Bhiwadi
5	Sikandrabad Industries Association	Sikandrabad
6	Indian Industries Association	Pan India

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
7	Bhiwadi Chamber of Commerce and Industries	Bhiwadi
8	National Safety Council of India	Mumbai
9	Bhiwadi Integrated Industrial Association	Bhiwadi
10	All India Organisation of Employers (AIOE)	National
11	Confederation of Indian Industry (CII)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	None	

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available
We are associated with various chambers of commerce/associations with an intention of mutual learning and contribution in development process. As and when required we put forth our views on the issues faced by the industry with respective business forums/chambers					

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 as no SIA was conducted			

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

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.

We have robust grievance redressal mechanism to receive, assess, and address concerns raised by communities. We actively engage with community stakeholders through various channels, including site visits, surveys, meetings, and outreach initiatives, to better understand their perspectives and respond to their concerns in a timely and appropriate manner. In addition, community members can communicate their feedback, concerns, or grievances through the "Contact Us" section of our website. We are committed to fostering transparent communication and maintaining continuous engagement with communities surrounding our operations. Through these efforts, we seek to build trust, strengthen relationships, and contribute positively to the social and economic well-being of the communities.

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

	FY 2025-26	FY 2024-25*
Directly sourced from MSMEs/small producers	19.09%	18.78%
Sourced directly from within India	Not measured	Not measured

* The numbers have been restated due to a change in the methodology adopted for reporting.

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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	FY 2024-25
Rural	40.68%	42.16%
Semi-urban	0%	0%
Urban	16.64%	14.84%
Metropolitan	42.68%	43.00%

Note: Reasonable assurance has been carried out by DNV for the above indicator.

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 ₹)
None			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

We do not have a preferential procurement policy.

(b) From which marginalised / vulnerable groups do you procure?

We do not have a preferential procurement policy. Our existing procurement mechanism do not bifurcate between procurement from our partners.

(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
None				

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	Brief of the Case
Not applicable		

6. **Details of beneficiaries of CSR Projects**

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
Please refer to director's report for CSR details			

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.**

   Customer satisfaction is central to our business and remains one of our highest priorities. We are committed to continuously enhancing our products and services by actively seeking and incorporating customer feedback. This enables us to better understand customer needs, enhance customer experience, and consistently meet or exceed expectations. To support this commitment, we have structured mechanism for receiving and addressing customer feedback, complaints, and grievances. Customers can reach us through our dedicated toll-free helpline or via the messaging feature available on the "Contact Us" section of our website. Every complaint is thoroughly reviewed to identify its root cause and implement appropriate corrective actions. We are committed to providing timely responses and ensuring the effective resolution of customer concerns.

   In addition, we regularly conduct customer engagement, feedback, and awareness programmes across various locations to strengthen relationships and gain valuable insights into customer expectations. We also work closely with our dealer network to ensure customer complaints are addressed within defined timelines and service standards. Through these efforts, we strive to enhance customer satisfaction, strengthen customer trust, and build lasting relationships with our stakeholders.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	100%
Recycling and/or safe disposal	0

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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	None	Nil	Nil	None
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Restrictive Trade practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Others	Nil	Nil		Nil	Nil	

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not applicable
Forced recalls	Nil	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.

We are committed to maintaining a resilient cybersecurity environment through proactive risk management, continuous monitoring, and robust security controls designed to protect our information assets and technology infrastructure. We have established a comprehensive framework to manage cybersecurity risks and safeguard data privacy, supported by appropriate preventive, detective, and corrective measures.

Our cybersecurity framework encompasses a broad range of controls, including cyber risk assessments, security policies, physical and personnel security, asset management, access controls, secure system development practices, incident response and management, and adherence to industry-recognized standards and best practices. These measures help protect our information assets, including data, software, hardware, and network systems, while supporting the confidentiality, integrity, and availability of critical information.

Our cybersecurity framework incorporates key strategies and controls designed to identify, prevent, detect, and respond to evolving cyber threats. Key elements of the framework include:

- Cyber Risk Governance: Conducting periodic assessments to identify, evaluate, and prioritize cybersecurity risks based on their likelihood and potential impact on business operations.
- Employee Awareness and Training: Fostering a security-conscious culture through regular training and awareness programmes covering topics such as password security, phishing prevention, and adherence to cybersecurity protocols.
- Layered Security Controls: Deploying multiple layers of security, including firewalls, intrusion detection systems, and encryption technologies, to protect network infrastructure and data.
- Data Resilience and Recovery: Maintaining secure and regularly tested backup systems for critical data to support business continuity and facilitate rapid recovery in the event of a disruption.
- Access Management: Implementing robust access control measures, ensuring that users have access only to the systems and information necessary for their roles.
- Vulnerability Assessment and Remediation: Conducting regular vulnerability assessments, security audits, and penetration testing, and promptly addressing identified weaknesses to strengthen system security.

- Incident Response Preparedness: Maintaining and periodically testing a comprehensive incident response plan to enable timely and effective management of cybersecurity incidents.
- Security Monitoring and Threat Detection: Continuously monitoring systems, networks, and user activities to detect suspicious behaviour and respond to potential threats in a timely manner.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

c. Impact, if any, of the data breaches

Not applicable

Note: Reasonable assurance has been carried out by DNV for the above indicator.

Leadership Indicators

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

Our customers have the access about our products and services on the Company's website. Additionally, we disseminate information to customers through our dealer network, display boards, exhibitions, catalogues, advertisements, and more.

Our product can be viewed at https://www.kajariaceramics.com/

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

We provide customers with clear and accessible information to facilitate the safe and responsible use of our products. This includes relevant usage instructions, safety guidelines, and cautionary information on product packaging to help customers use our products effectively and safely. In addition, our customer care team engages with customers through telephonic interactions to share best practices and product-related safety guidance. We also leverage digital platforms, including our website and social media channels, to raise awareness and disseminate information on the proper use of our products.

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

This question is not applicable since none of our products are categorised as essential services.

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

None

DNV

INDEPENDENT ASSURANCE STATEMENT

to the Management of Kajaria Ceramics Limited

Kajaria Ceramics Limited (Corporate Identity Number L26924HR1985PLC056150, hereafter referred to as 'Kajaria Ceramics Limited' or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent reasonable level of assurance of the Company's disclosures in its Business Responsibility and Sustainability Report (hereafter referred to as 'BRSR') for the Financial Year (FY) 25-26. The disclosures include the BRSR Core indicators as per Annexure 17A of Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.

Our Conclusion:

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2025-26 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core.

Scope of Work and Boundary

The scope of our engagement includes a reasonable level of assurance of the '9 BRSR Core Attributes' for the period FY 2025-26.

Boundary for the engagement covers the performance of Kajaria Ceramics Limited's operations in India that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of Kajaria Ceramics Limited across all locations in India for BRSR Core attributes 5-9. For BRSR Core attributes 1-4, the boundary is limited to the manufacturing plants in India.

Reporting Criteria and Standards

The disclosures have been prepared by Kajaria Ceramics Limited in reference to:

- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) as per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 captioned, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated November 11, 2024.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard and Level of Assurance

The assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate disclosures with respect to Greenhouse gases.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

DNV

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Kajaria Ceramics Limited. We carried out the following activities:

- Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.
- Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries.
- Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with internal stakeholders to gather insights and corroborative evidence for each disclosed indicator.
- DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for reasonable level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR Core indicators (for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV

Responsibility of the Company

Kajaria Ceramics Limited has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core attributes. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. Kajaria Ceramics Limited is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and Kajaria Ceramics Limited. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,	
Jas Sahib Singh Chadha Lead Verifier	Anjana Sharma Assurance Reviewer
Assurance Team: Syed Rameez, Himanshu Babbar	

04/08/2026, Bengaluru, India.

Standalone Financial Statements

Independent Auditor's Report

To the Members of **Kajaria Ceramics Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Kajaria Ceramics Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition Refer to the Company's material accounting policy information in note 2C(b) and the revenue related disclosures in note 25 of the standalone financial statements. The Company recognises the revenue from customers in accordance with Ind AS 115 "Revenue from Contracts with Customers" ('Ind AS 115') when the performance obligation is satisfied which is determined to be at a point in time when the customer obtains controls of the goods in accordance with the terms of contracts with the customers. The revenue is measured based on the transaction price specified in the contract, net of discounts, returns and goods and services tax. Owing to the diverse terms of contracts with customers, in line with the requirements of the standards of auditing, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 requires management to make certain judgements / estimates such as determining timing of revenue recognition and transaction price including impact of variable consideration in the form of rebates and discounts as per the terms of the contracts with customers. The Company also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is critical as there is a risk of revenue being recognised before the control is transferred to the customers. Considering the diverse terms of contracts with customers, size of distribution network, materiality of the amount involved, and significant attention required by auditor as mentioned above, revenue recognition has been identified as a key audit matter for the current year audit.	Our audit procedures, related to revenue recognition, included, but were not limited to, the following: • Evaluated the design and tested the operating effectiveness of Company's controls (including the automated controls) around revenue recognition (including rebates / discounts); • Assessed the appropriateness of Company's accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115; • Scrutinized sales ledgers to assess accuracy and completeness of sales transactions and revenue recognized during the year; • Performed test of details on samples of revenue transactions recorded during the year, including during a specific period before and after year end. For the samples selected, inspected supporting documents such as price lists, invoices, proof of dispatches, agreements and approved incentives / discounts schemes, to ensure correct amount of revenue is recorded in the correct period; • Tested the appropriateness of accruals for various rebates and discounts as at the year end; • Performed substantive analytical procedures on revenue recognised during the year which included review of price, quantity and product mix analysis etc; • Performed other substantive audit procedures including debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; and • Ensured the adequacy and appropriateness of related disclosures made in the standalone financial statements in accordance with the requirements of the applicable accounting standards.

Information other than the Standalone Financial Statements and Auditor’s Report thereon

6. The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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 financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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; and

- 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.

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

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

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

15. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) Except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 38(b) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2026;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(ii)(A) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(ii)(B) to the standalone financial statements, no funds have been received by the Company from any person or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2026 and until the date of this audit report is in compliance with section 123 of the Act. Further, the final dividend paid by the Company during the year ended 31 March 2026 in respect of the such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, as stated in note 57 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

vi. As stated in note 58 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was not enabled at the database level for accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software where such feature is enabled . Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000CJABDD8432
Place: New Delhi
Date: 30 April 2026

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Kajaria Ceramics Limited on the standalone financial statements for the year ended 31 March 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 4 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land situated at Gailpur, Malutana and Sikandrabad with gross carrying values of ₹ 4.61 crores, ₹ 5.57 crores and ₹ 2.56 crores respectively as at 31 March 2026, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) As disclosed in note 51 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans to firms, limited liability partnerships during the year. Further, the Company has made investments in, provided guarantee and granted unsecured loans to companies during the year, in respect of which:

(a) The Company has provided loans and guarantee to Subsidiaries/Joint Ventures /Others during the year as per details given below:

(₹ in crores)

Particulars	Guarantees	Loans*
Aggregate amount provided/granted during the year:		
- Subsidiaries	20.00	133.87
- Joint Ventures	42.18	-
- Others	-	8.60
Balance outstanding as at balance sheet date:		
- Subsidiaries	20.00	260.76
- Joint Ventures	130.31	-
- Others	-	9.18

*Loan amount is disclosed as gross of allowance for expected losses

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. Further the Company has not given any security or granted any advances in the nature of loans during the year.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed at the beginning of the year.

(f) The Company has not granted any loan, which is repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the company has not entered into any transaction covered under section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(₹ in crores)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.18	-	F.Y. 2020-21	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	0.27	-	F.Y. 2016-17	Commissioner of Income Tax Appeals
Goods and Service Tax Laws	Goods and Service Tax	2.25	-	F.Y. 2023-24	Assistant Commissioner of State Tax
Goods and Service Tax Laws	Goods and Service Tax	0.12	-	F.Y. 2017-18	Assistant Commissioner of State Tax

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion, and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Companies.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000CJABDD8432
Place: New Delhi
Date: 30 April 2026

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Kajaria Ceramics Limited ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000CJABDD8432
Place: New Delhi
Date: 30 April 2026

Standalone Balance Sheet as at 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,016.67	1,036.23
(b) Right-of-use assets	37	92.24	96.70
(c) Capital work-in-progress	4	102.52	97.26
(d) Intangible assets	5	0.22	0.49
(e) Financial assets			
(i) Investments	6	190.41	181.01
(ii) Loans	7	329.86	344.46
(iii) Other financial assets	8	190.32	42.82
(f) Non-current tax assets (net)	9	1.25	1.25
(g) Other non-current assets	10	2.67	4.11
Total non-current assets		**1,926.16**	**1,804.33**
Current assets			
(a) Inventories	11	325.16	369.85
(b) Financial assets			
(i) Trade receivables	12	536.64	502.48
(ii) Cash and cash equivalents	13	42.75	4.91
(iii) Bank balances other than (ii) above	14	699.18	563.99
(iv) Loans	7	4.31	3.87
(v) Other financial assets	8	8.84	3.63
(c) Other current assets	10	19.96	19.24
Total current assets		**1,636.84**	**1,467.97**
TOTAL ASSETS		**3,563.00**	**3,272.30**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	15.93	15.93
(b) Other equity	16	2,883.37	2,591.67
Total equity		**2,899.30**	**2,607.60**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	63.84	69.81
(b) Deferred tax liabilities (net)	20	76.48	74.81
(c) Other non-current liabilities	21	1.01	-
Total non-current liabilities		**141.33**	**144.62**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	2.95
(ii) Lease liabilities	18	24.99	23.56
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises; and		47.92	45.90
- Total outstanding dues of creditors other than micro enterprises and small enterprises		258.93	258.70
(iv) Other financial liabilities	23	82.47	97.55
(b) Other current liabilities	21	65.36	62.66
(c) Provisions	19	25.41	27.78
(d) Current tax liabilities (net)	24	17.29	0.98
Total current liabilities		**522.37**	**520.08**
TOTAL LIABILITIES		**663.70**	**664.70**
TOTAL EQUITY AND LIABILITIES		**3,563.00**	**3,272.30**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Standalone Statement of Profit and Loss for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
INCOME			
Revenue from operations	25	4,374.31	4,218.82
Other income	26	79.29	67.85
TOTAL INCOME		**4,453.60**	**4,286.67**
EXPENSES			
Cost of materials consumed	27	647.34	688.78
Purchases of stock-in-trade		1,648.68	1,612.47
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	47.91	(21.12)
Employee benefits expense	29	375.55	412.30
Finance costs	30	8.72	8.88
Depreciation and amortisation expense	31	117.92	117.22
Other expenses	32	959.97	1,036.51
TOTAL EXPENSES		**3,806.09**	**3,855.04**
Profit before exceptional items and tax		**647.51**	**431.63**
Exceptional items	39	(21.71)	(112.38)
Profit before tax		**625.80**	**319.25**
Tax expense:	33		
Current tax		170.76	117.36
Deferred tax		(1.73)	(2.25)
Profit for the year		**456.77**	**204.14**
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit or loss			
- Re-measurement of defined benefit plans		13.52	0.88
- Income-tax relating to items that will not be reclassified to statement of profit or loss		(3.40)	(0.22)
Total other comprehensive income for the year, net of tax		**10.12**	**0.66**
Total comprehensive income for the year		**466.89**	**204.80**
Earnings per equity share (face value of ₹ 1 each)	34		
- Basic (in ₹)		28.68	12.82
- Diluted (in ₹)		28.65	12.81

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Standalone Statement of Cash Flows for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	625.80	319.25
Adjusted for :		
Depreciation and amortisation expenses	117.92	117.22
Interest income	(72.17)	(64.41)
Interest expense	8.72	8.88
Gain on lease modification	(1.27)	-
Share based payments to employees (net)	15.94	6.10
Loss on sale/discard of property, plant and equipment (net)	2.25	9.06
Subsidy income	(0.87)	(0.38)
Bad debts written off	-	0.65
Provision for expected credit loss	9.93	24.06
Exceptional items	21.71	112.38
Operating profit before working capital changes	**727.96**	**532.81**
Working capital adjustments:		
Movement in inventories	44.69	(6.58)
Movement in trade and other receivables	(42.34)	7.49
Movement in other assets	(0.02)	(8.52)
Movement in trade and other payables	(8.21)	32.37
Movement in provisions	(4.78)	2.66
Cash flow generated from operations (gross)	**717.30**	**560.23**
Less: Direct taxes (paid)(net)	(154.45)	(105.72)
Net cash generated from operations (A)	**562.85**	**454.51**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital advances, capital work-in-progress, intangible assets and payable towards property, plant and equipment)	(95.52)	(129.60)
Proceeds from disposal of property, plant and equipment	16.57	22.74
Investment in subsidiaries and joint ventures	(4.91)	(24.49)
Loans given	(140.67)	(163.69)
Loans received back	146.83	65.95
Interest received	66.91	64.07
Movement in deposits having original maturity of more than three months (net)	(286.66)	(162.24)
Net cash used in investing activities (B)	**(297.45)**	**(327.26)**

Standalone Statement of Cash Flows (Contd.) for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(3.72)	(4.84)
Repayments of short term borrowings (net)	(2.07)	(2.82)
Principal payment of lease liabilities	(24.76)	(22.76)
Interest payment of lease liabilities	(5.88)	(4.81)
Proceeds from issue of shares	-	1.37
Dividend paid	(191.13)	(175.19)
Net cash used in financing activities (C)	**(227.56)**	**(209.05)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**37.84**	**(81.80)**
Cash and cash equivalents at the beginning of the year	4.91	86.71
Cash and cash equivalents at the end of the year	**42.75**	**4.91**
Non-cash financing and investing activities		
- Acquisition of right of use assets (refer note 37)	37.04	56.94
Components of cash and cash equivalents at the end of the year (refer note 13)		
Balances with banks		
- Current accounts	12.83	4.49
- Deposits with original maturity of less than three months	29.47	-
Cash on hand	0.45	0.42
	42.75	**4.91**

Note :

1. This cash flow statement is presented in accordance with "indirect method" as set out in Indian Accounting Standard - 7 ' Statement of cash flows' as specified in Indian Accounting Standard Rules, 2015 (as amended)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Standalone Statement of changes in equity for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

A. Equity share capital (refer note 15)

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the reporting year	15.93	15.93
Add: Changes in equity share capital during the year (refer note 15)	-	#
Balance at the end of the reporting year	**15.93**	**15.93**

(# rounded off to Nil, (₹ 13,990 equity share having face value of ₹ 1 per share))

B. Other equity (refer note 16)

Particulars	Reserves and surplus						Total other equity
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Capital reserve	Retained earnings	
Balance as at 1 April 2024	**320.37**	**182.62**	**5.00**	**15.49**	**(29.57)**	**2,060.68**	**2,554.59**
Profit for the year	-	-	-	-	-	204.14	204.14
Items of OCI for the year, net of tax							
Re-measurement of defined benefit plans	-	-	-	-	-	0.66	0.66
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**204.80**	**204.80**
Employee stock option scheme	-	-	-	6.10	-	-	6.10
Shares issued during the year (refer note 15)	-	1.37	-	-	-	-	1.37
Transferred from share options outstanding account to security premium reserve on issue of shares	-	0.57	-	(0.57)	-	-	-
Dividend distributed (including interim dividend)	-	-	-	-	-	(175.19)	(175.19)
Balance as at 31 March 2025	**320.37**	**184.56**	**5.00**	**21.02**	**(29.57)**	**2,090.29**	**2,591.67**
Profit for the year	-		-	-	-	456.77	456.77
Items of OCI for the year, net of tax							
Re-measurement of defined benefit plans	-	-	-	-	-	10.12	10.12
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**466.89**	**466.89**
Employee stock option scheme	-	-	-	15.94	-	-	15.94
Adjustment on account of Vested employee stock options lapsed during the year	2.20	-	-	(2.20)	-	-	-
Dividend distributed (including interim dividend)	-	-	-	-	-	(191.13)	(191.13)
Balance as at 31 March 2026	**322.57**	**184.56**	**5.00**	**34.76**	**(29.57)**	**2,366.05**	**2,883.37**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

1. Corporate information

KAJARIA CERAMICS LIMITED ("KCL" or "the Company") is a limited company domiciled in India and was incorporated on 20 December 1985. Equity shares of the Company are listed in India on the Bombay stock exchange and the National stock exchange. The registered office of the Company is located at SF-11, Second Floor, JMD Regent Plaza Mehrauli Gurgaon Road, Village Sikanderpur Ghosi Gurgaon Haryana - 122001, India.

The Company is engaged in the business of a manufacturing, selling and distribution of Ceramic and Vitrified wall and floor tiles.

The standalone financial statements for the year ended 31 March 2026 were authorised in accordance with a resolution of Board of Directors on 30 April 2026. The revision to the financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013.

2. Material accounting policies information

A. Basis of preparation of standalone financial statements:

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 (**"Act"**) read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and guidelines issued by the Security Exchange Boards of India to the extent applicable.

The Company has uniformly applied the accounting policies during the period presented.

These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended March 31, 2026, in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on April 30, 2026. The financial statements have been prepared on accrual and going concern basis.

The standalone financial statements have been prepared under the historical cost convention and amortised costs basis except for the following:

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations;
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

The standalone financial statements of the Company are presented in Indian Rupees (₹/Rs.), which is also its functional currency and all amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest two decimals in crores as per the requirement of Schedule III to the Act, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

B. Overall considerations

The standalone financial statements have been prepared using the material accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the standalone financial statements.

C. Material accounting policies

a. Current versus non-current classification

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

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

- Held primarily for the purpose of trading

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

b. Revenue recognition

The Company recognises revenue from product sales (including scrap sales) when control of the product transfers, generally upon shipment or delivery, to the customer.

Revenues are recorded in the amount of consideration to which the Company expects to be entitled in exchange for performance obligations upon transfer of control to the customer and is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of estimated incentives, returns, rebates, sales tax and applicable trade discounts, allowances, Goods and Services Tax (GST) and amounts collected on behalf of third parties.

Variable considerations are estimated and accounted in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. The revenue for such variable consideration is included in the Company's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty is resolved. The Company estimates the amount of variable consideration using the expected value method or historical record of performance of similar contracts.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Other Incomes:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other Income consists of rent income and miscellaneous income and is recognised when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably. Further, The Company recognises income from duty drawback and export benefit on an accrual basis.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

c. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores and spares, stock-in-trade and other products are carried at the lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

In determining the cost of raw materials, packing materials, stock-in-trade, stores and spares and other products, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, transport, handling costs, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

d. Property, plant and equipment

Measurement and recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

Capital work-in-progress and capital advances

Capital work in progress includes construction stores including material / equipment / services, etc. received at site for use in the projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalised at the time of commissioning of such assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as per requirement of Schedule III.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method (SLM) based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Useful lives
Plant and machinery	7, 10 and 18 years
Roads	30 and 60 years
Fit-out and other assets at sales outlets	5 years

Freehold land is not depreciated. Leasehold improvements are amortised over the period of the lease or the useful life of the asset, whichever is lower.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

e. Intangible assets

Measurement and recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

Amortisation

Intangible assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful finite economic life of 6 years.

De-recognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

f. Research and development costs

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment utilized for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

g. Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

h. Foreign currency transactions

Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss

i. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant (deferred income) is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. The loan or assistance is subsequently recognised in the statement of profit and loss on a straight line basis over the period of loan.

j. Taxes on income

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

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

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

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

enacted at the balance sheet date. Tax relating to items recognised directly in equity/other comprehensive income is recognised in respective head and not in the statement of profit and loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k. Employee benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-employment benefits:

I. Defined contribution plans:

The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

II. Defined benefit plans:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other long-term employee benefits:

Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

Compensated absences

The employees of the Company can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash subject to the terms of Group's leave policy including on retirement or termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is also classified as a long-term provision. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in profit or loss in the period in which they arise.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

l. Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

m. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of property leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

n. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company."

o. Provisions, contingent liabilities and contingent assets

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Earnings per share

Basic earnings per equity share is calculated by dividing the net profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity share.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade Receivables that does not contain a significant financial component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- **Financial assets carried at amortised cost**

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

- **Financial assets at fair value through other comprehensive income**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

  A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

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- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Offsetting of financial instruments

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

s. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors

t. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

u. Investment in Subsidiaries and joint ventures

In accordance with Ind AS 27 – Separate Financial Statements, investments in equity instruments of subsidiaries and joint ventures can be measured at cost or at fair value in accordance with Ind AS 109. The Company has opted to measure such investments at cost at initial recognition.

Subsequently, such investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss

v. Exceptional Items

Exceptional items are those items that management considers, by virtue of their size, nature or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's results and require separate disclosures in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement.

D. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the standalone financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the standalone financial statements. Changes in estimates are accounted for prospectively

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators

b. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes tin these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f. Estimation of current tax and deferred tax

Management judgement is required for the calculation of provision of income- taxes and

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in these standalone financial statements.

g. Right-of-use assets and lease liability

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company has exercised judgement in determining the lease term as the no cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

h. Share based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). The details of variables used are given in note 43.

i. Allowance for obsolete and slow-moving inventory:

The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the financial statements.

j. Provisions:

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

3. Recent accounting pronouncementss

The Ministry of Corporate Affairs ("MCA") has notified certain amendments to existing Indian Accounting Standards and a new standard under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Amendments effective from April 1, 2025

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting standards) Second Amendment Rules, 2025 on the following effective from April 1, 2025:

- Lacs of exchangeability- Amendments to IND AS 21
- Classification of Liabilities as Current or Non-current and Non- current Liabilities with Covenants-Amendments to IND AS 1
- Supplier Finance Arrangements – Amendments to IND AS 7 and IND AS 107
- International Tax Reform – Pillar Two Model Rules-Amendments to Ind AS 12

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

The Company has reviewed the new pronouncements and the same were not applicable or material to the Company.

Standard issued but not yet effective

Classification of Liabilities as Current or Non-current and Non-current Liabilities with covenants - Amendments to Ind AS 1 - The amendments clarify that lender waivers obtained after the reporting date cannot be considered for the purpose of classifying liabilities as current or non-current and require retrospective application in accordance with Ind AS 8. These amendments are effective for reporting periods beginning on or after April 1, 2026.

The Company does not expect any material impact on its standalone financial statement.

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(Amount in ₹ crores, unless otherwise stated)

4(a) Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Display assets	Total
Gross carrying amount									
As at 1 April 2024	68.19	372.51	1,244.73	10.93	60.14	10.69	7.00	20.43	1,794.62
Additions	0.04	5.92	50.11	0.41	12.72	2.20	0.91	13.52	85.83
Disposals	-	0.51	114.60	0.68	24.48	0.99	0.31	4.05	145.62
As at 31 March 2025	**68.23**	**377.92**	**1,180.24**	**10.66**	**48.38**	**11.90**	**7.60**	**29.90**	**1,734.83**
Additions	4.86	15.62	37.54	1.07	12.28	1.47	0.35	17.77	90.96
Disposals	-	0.97	29.99	0.16	20.63	0.63	0.09	4.68	57.15
As at 31 March 2026	**73.09**	**392.57**	**1,187.79**	**11.57**	**40.03**	**12.74**	**7.86**	**42.99**	**1,768.64**
Accumulated depreciation									
As at 1 April 2024	-	110.89	554.43	6.93	20.00	6.63	4.92	13.96	717.76
Depreciation charge for the year (refer note 31)	-	10.35	72.89	0.67	7.07	1.18	0.81	1.69	94.66
Disposals	-	0.11	96.07	0.62	12.13	0.91	0.30	3.68	113.82
As at 31 March 2025	**-**	**121.13**	**531.25**	**6.98**	**14.94**	**6.90**	**5.43**	**11.97**	**698.60**
Depreciation charge for the year (refer note 31)	-	10.66	67.40	0.67	4.90	1.25	0.89	5.93	91.70
Disposals	-	0.22	23.99	0.13	9.25	0.56	0.08	4.10	38.33
As at 31 March 2026	**-**	**131.57**	**574.66**	**7.52**	**10.59**	**7.59**	**6.24**	**13.80**	**751.97**
Net carrying amount :									
As at 31 March 2026	**73.09**	**261.00**	**613.13**	**4.05**	**29.44**	**5.15**	**1.62**	**29.19**	**1,016.67**
As at 31 March 2025	**68.23**	**256.79**	**648.99**	**3.68**	**33.44**	**5.00**	**2.17**	**17.93**	**1,036.23**

Notes:

I. Property, plant and equipment pledged as security

Refer note 50 for information on property, plant and equipment pledged as security by the Company.

II. Contractual obligations

Refer to note 38 (a) for disclosure on contractual commitments for the acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Property, plant and equipment (cont'd)

III. Title deeds

Title deeds of all the immovable property held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company except as referred in note below.

IV. Freehold land and buildings amounting to ₹12.42 crore and ₹ 44.95 crore respectively, had been acquired through merger with Kajaria Tiles Private Limited. During the current year the Company has transferred such freehold land and building and the same has been changed to Kajaria Ceramics Limited in the records of Registrar of properties.

4(b) Capital work-in-progress

Capital work-in-progress amounting to ₹ 102.52 crores (31 March 2025 : ₹ 97.26 crores) mainly pertains to building (Faridabad site) and machinery pending installation and civil work being carried on at the plants of the Company.

I. Details of Capital Work in Progress (CWIP) movement and ageing is as below:

Particulars	Amount
As at 1 April 2024	**54.51**
Add: Additions	48.20
Less: Capitalisations	(5.45)
As at 31 March 2025	**97.26**
Add: Additions	25.32
Less: Capitalisations	(20.06)
As at 31 March 2026	**102.52**

Ageing of CWIP

Capital work-in-progress	As at 31 March 2026				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	24.22	28.38	20.08	29.84	102.52
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress	As at 31 March 2025				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	48.25	19.17	17.00	12.84	97.26
Projects temporarily suspended	-	-	-	-	-

Note: There are no such project under capital work in progress whose completion is overdue or has exceeded it's cost compared to its original plan as of 31 March 2026 and 31 March 2025.

II. Capital work-in-progress pledged as security

Refer note 50 for the Capital work-in-progress pledged as security.

III. Contractual commitments

Refer note 38 (a) for disclosure on contractual commitments for the acquisition of Capital work-in-progress.

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5 Intangible assets

Particulars	Software	Total
Gross carrying amount		
As at 1 April 2024	8.87	8.87
Additions	-	-
Disposals/Adjustments	7.16	7.16
As at 31 March 2025	**1.71**	**1.71**
Additions	-	-
Disposals/Adjustments	-	-
As at 31 March 2026	**1.71**	**1.71**
Accumulated amortisation		
As at 1 April 2024	8.06	8.06
Amortisation charge for the year (refer note 31)	0.32	0.32
Disposals/Adjustments	7.16	7.16
As at 31 March 2025	**1.22**	**1.22**
Amortisation charge for the year (refer note 31)	0.27	0.27
Disposals/Adjustments	-	-
As at 31 March 2026	**1.49**	**1.49**
Net carrying amount :		
As at 31 March 2026	**0.22**	**0.22**
As at 31 March 2025	**0.49**	**0.49**

6 Investments - Non-current

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in equity instruments (unquoted)		
(a) Investments in subsidiaries (measured at cost)		
(i) Domestic Companies		
Kajaria Vitrified Private Limited 1,42,02,500 (31 March 2025: 1,42,02,500) equity shares of ₹ 10 each fully paid up	34.43	34.43
Kajaria Adhesive Private Limited ^ 10,000 (31 March 2025: 7,500) equity shares of ₹ 10 each fully paid up	0.01	0.01
Kajaria Infinity Private Limited 76,98,991 (31 March 2025: 76,98,991) equity shares of ₹ 10 each fully paid up	39.34	39.34
Kajaria Bathware Private Limited 2,50,00,000 (31 March 2025: 2,50,00,000) equity shares of ₹ 10 each fully paid up	40.00	40.00
Kajaria Plywood Private Limited 4,50,00,000 (31 March 2025: 4,50,00,000) equity shares of ₹ 10 each fully paid up	45.00	45.00
South Asian Ceramic Tiles Private Limited 1,24,95,000 (31 March 2025:1,24,95,000) equity shares of ₹ 10 each fully paid up	29.33	29.33
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)* % 95,00,000 (31 March 2025: 85,50,000) equity shares of ₹ 10 each fully paid up	9.71	8.55

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

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6 Investments - Non-current (Contd.)

Particulars	As at 31 March 2026	As at 31 March 2025
(ii) Overseas Company		
Kajaria International DMCC 1,000 (31 March 2025: 1,000) equity shares of United Arab Emirates (UAE) Dirham 1,000 each fully paid up	2.25	2.25
(b) Investments in joint venture (measured at cost)		
Overseas Company		
Kajaria Ramesh Tiles Limited# 50,67,000 (31 March 2025 : 37,48,200) equity shares of Nepalese Rupee 100 each fully paid up	31.67	23.43
(c) Investments in other entity (measured at FVTPL)		
Sunsure Solarpark Two Private Limited 27,901 (31 March 2025: 27,901) equity shares of ₹ 10 each fully paid up	3.67	3.67
Total	**235.41**	**226.01**
Less: Impairment in the value of investments (refer note 39)		
Kajaria Plywood Private Limited	**45.00**	**45.00**
Total	**190.41**	**181.01**
Aggregate amount of unquoted investments	**235.41**	**226.01**
Aggregate amount of impairment in value of investments	**45.00**	**45.00**

^ During the current year, the Company has made further investment in 2,500 (31 March 2025 : 7,500) equity shares of Kajaria Adhesive Private Limited.

* Name of Keronite Tiles Private Limited has been changed to Kajaria Surfaces Private Limited w.e.f. 06 May 2025.

% During the current year, the Company has made further investment in 9,50,000 (31 March 2025 : 8,550,000) equity shares of Kajaria Surfaces Private Limited

During the current year, the Company has made further investment in 13,18,800 (31 March 2025 : 17,48,200) equity shares of Kajaria Ramesh Tiles Limited.

7 Loan*

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured, unless otherwise stated				
Loans to other companies (refer note (i))	5.77	9.18	3.41	2.86
Loans to related parties, considered good (refer note (ii))	324.09	335.28	0.90	1.01
Loans to related parties, considered doubtful (refer note (ii))	92.82	85.28	-	-
Less: Allowance for expected credit losses	(92.82)	(85.28)	-	-
Total	**329.86**	**344.46**	**4.31**	**3.87**

* Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Notes to the Standalone Financial Statements

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Notes:

(i) Loans to other companies represents interest bearing loans given for the business purposes.

(ii) Represents loans given to subsidiary companies and Kajaria Ceramics Employee Gratuity Trust. The loan granted to these subsidiaries is used for business purposes (refer note 40B(6) for details).

8 Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured				
Deposits with original maturity of greater than twelve months	168.16	16.51	-	-
Insurance claim receivables	-	-	0.78	0.78
Export benefit receivables	-	-	0.09	0.14
Application money paid towards securities	-	4.49	-	-
Security deposits	22.16	21.82	-	-
Interest receivable	-	-	7.97	2.71
Total	**190.32**	**42.82**	**8.84**	**3.63**

9 Non-current tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Prepaid taxes and advance tax (net of provisions)	1.25	1.25
Total	**1.25**	**1.25**

10 Other assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good- unsecured				
Capital advances	1.58	3.32	-	-
Advances other than above				
Advance to suppliers	-	-	8.27	6.85
Prepaid expenses	1.09	0.79	7.75	7.10
Balances with statutory authorities	-	-	3.12	3.64
Others	-	-	0.82	1.65
Total	**2.67**	**4.11**	**19.96**	**19.24**

Notes to the Standalone Financial Statements

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11 Inventories (valued at lower of cost or net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	40.24	37.73
Work-in-progress	9.25	10.14
Finished goods	205.24	257.55
Stock-in-trade	21.15	15.86
Stores and spares	42.12	41.93
Packing material	7.16	6.64
Total	**325.16**	**369.85**

12 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured	536.64	502.48
Credit impaired	20.00	11.82
Less: Allowance for expected credit losses	(20.00)	(11.82)
Total	**536.64**	**502.48**
Amount due from related parties (refer note 40B (6))	3.43	6.94

Note:

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or amounts dues from firms or private companies in which any director is a partner, director or a member.

b) The net carrying value of trade receivables is considered a reasonable approximation of fair value.

c) Amount due from related parties is disclosed net of allowance for expected credit losses

Particulars	As at 31 March 2026						
	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	287.06	242.16	0.48	0.80	0.82	0.17	**531.49**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed trade receivables - credit impaired	-	0.03	3.11	8.90	0.17	0.12	**12.33**
(iv) Disputed trade receivables - considered good	-	-	-	1.00	1.77	2.38	**5.15**
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	**-**

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Particulars	As at 31 March 2026						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	Total
(vi) Disputed trade receivables - credit impaired	-	-	-	1.45	2.65	3.57	**7.67**
Less: Allowance for expected credit losses	-	(0.03)	(3.11)	(10.35)	(2.82)	(3.69)	**(20.00)**
	287.06	**242.16**	**0.48**	**1.80**	**2.59**	**2.55**	**536.64**

Particulars	As at 31 March 2025						
	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	300.46	188.22	6.91	2.69	0.07	0.11	**498.46**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed trade receivables - credit impaired	-	0.06	4.37	1.19	0.02	0.10	**5.74**
(iv) Disputed trade receivables - considered good	-	-	-	1.07	0.45	2.50	**4.02**
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables - credit impaired	-	-	-	1.63	0.68	3.77	**6.08**
Less: Allowance for expected credit losses	-	(0.06)	(4.37)	(2.82)	(0.70)	(3.87)	**(11.82)**
	300.46	**188.22**	**6.91**	**3.76**	**0.52**	**2.61**	**502.48**

Note: There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

13 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- Current accounts	12.83	4.49
- Deposits with original maturity of less than three months	29.47	-
Cash on hand	0.45	0.42
Total	**42.75**	**4.91**

Note: There are no repatriation restrictions with regard to cash and cash equivalents as the end of the reporting period and prior period.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

14 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked balances with banks in current accounts - unpaid dividends*	2.79	2.61
Deposits with original maturity of greater than three months and remaining maturity of less than twelve months**	696.39	561.38
Total	**699.18**	**563.99**

* These balances are not available for use by the Company and not due for deposit in the Investor Education and Protection Fund.

** Deposits amounting to ₹ 174.20 crores (31 March 2025 : ₹ 139.55 crores) have been pledged by the Company against facilities taken by various subsidiaries and against performance guarantees of the Company.

15 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised:		
77,00,00,000 equity shares of ₹ 1 each (31 March 2025: 77,00,00,000 of ₹ 1 each)	77.00	77.00
77,10,000 preference shares of ₹ 100 each (31 March 2025: 77,10,000 of ₹ 100 each)	77.10	77.10
	154.10	**154.10**
Issued and subscribed and fully paid up:		
15,92,72,290 equity shares of ₹ 1 each (31 March 2025: 15,92,72,290 equity shares of ₹ 1 each)	15.93	15.93
Total	**15.93**	**15.93**

A. Reconciliation of the authorised share:

There is no change in authorised capital of equity shares and preference share during the current year and previous year.

B. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2026		As at 31 March 2025	
	No of shares	Amount	No of shares	Amount
At the beginning of the reporting year	15,92,72,290	15.93	15,92,58,300	15.93
Add: issued on exercise of employee share option	-	-	13,990	#
Outstanding at the end of the year	**15,92,72,290**	**15.93**	**15,92,72,290**	**15.93**

(# rounded off to Nil, ₹ 13,990 (equity share having face value of ₹ 1 per share))

C. Terms/rights attached to equity shares

The Company has only one class of equity share having face value of ₹ 1 per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding.

Notes to the Standalone Financial Statements

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In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors have recommended a final dividend of ₹ 6/- per equity share (31 March 2025: ₹4/- per equity share) of face value of ₹ 1/- each for the financial year ended 31 March 2026 subject to the approval of the shareolders in the ensuing Annual General Meeting. During the year, the Company has paid Interim Dividend of ₹ 8/- per equity share (31 March 2025: ₹5/- per equity share)thereby making the total dividend of ₹ 14/- per equity share (previous year Rs 9/- per share).

Further, during the year, the final dividend for ₹ 4 per equity share (31 March 2025: ₹ 6 per equity share) has been distributed to the shareholders of the Company pertains to the previous year.

D. Shares reserved for issue under options

Information relating to Kajaria Ceramics Employee Stock Option Plan, 2015, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 43.

E. Details of shareholders holding more than 5% shares in the Company*:

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% of holding in class	Number of shares	% of holding in class
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	8.12%	1,29,33,973	8.12%
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.24%
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.24%
SBI Mutual Fund (holding through various schemes)	1,16,34,777	7.30%	58,02,703	3.64%
Kotak Mahindra Mutual Fund (holding through various schemes)	48,82,845	3.07%	93,43,185	5.87%

* As per the records of the Company, including its register of members

F. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and brought back during the last 5 years for each class of shares

The Company has alloted equity shares aggregating 3,15,090 shares (31 March 2025 : 3,21,990) of ₹ 1 each on exercise of option granted under the employee stock option plan wherein part consideration was received in form of employee service during the period of five years immediately preceding the reporting date.

Nil (31 March 2025: Nil) equity shares bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013 (Refer note 59).

The Company has issued Nil equity shares (31 March 2025 : Nil) as fully paid up bonus shares for which entire consideration not received in cash.

Notes to the Standalone Financial Statements

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(Amount in ₹ crores, unless otherwise stated)

G. Details of shares held by promotors:

S. No.	Promotor Name	As at 31 March 2026				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
4	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)	4,50,000	-	4,50,000	0.28%	-
5	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
6	Mr. Chetan Kajaria	13,39,880	1,00,000	14,39,880	0.90%	7.46%
7	Mr. Rishi Kajaria	18,05,716	1,80,000	19,85,716	1.25%	9.97%
8	Mrs. Versha Devi Kajaria	17,77,014	50,000	18,27,014	1.15%	2.81%
9	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
10	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
11	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

S. NO.	Promotor Name	As at 31 March 2025				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
4	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust	-	4,50,000	4,50,000	0.28%	100.00%

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

S. NO.	Promotor Name	As at 31 March 2025				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
5	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
6	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
7	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
8	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
9	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
10	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
11	Mr. Kartik Kajaria	4,50,000	-	4,50,000	0.28%	-
12	Mr. Raghav Kajaria	4,50,000	(4,50,000)	-	0.00%	-100.00%
13	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
14	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
15	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
16	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
17	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

16 Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
a) General reserves		
Balance at the beginning of the year	**320.37**	**320.37**
Add: Transfer from Share option outstanding on account of vested employee stock options lapsed	2.20	-
Balance at the end of the year	**322.57**	**320.37**
b) Securities premium		
Balance at the beginning of the year	**184.56**	**182.62**
Share issued during the year (refer note 15)	-	1.37
Amount transferred from Share option outstanding account to Security premium on issue of shares	-	0.57
Balance at the end of the year	**184.56**	**184.56**
c) Capital redemption reserve		
Balance at the beginning/end of the year	**5.00**	**5.00**
d) Share options outstanding account		
Balance at the beginning of the year	**21.02**	**15.49**
Employee stock option scheme	15.94	6.10
Transferred to General Reserve on account of vested employee stock options lapsed	(2.20)	-
Transferred to security premium on issue of shares	-	(0.57)
Balance at the end of the year	**34.76**	**21.02**

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for the year ended 31 March 2026
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Particulars	As at 31 March 2026	As at 31 March 2025
e) Capital reserve		
Balance at the beginning/end of the year	**(29.57)**	**(29.57)**
f) Retained earnings		
Balance at the beginning of the year	**2,090.29**	**2,060.68**
Profit for the year	456.77	204.14
Other comprehensive income (OCI) for the year, net of tax	10.12	0.66
Dividend distributed (including interim dividend)	(191.13)	(175.19)
Balance at the end of the year	**2,366.05**	**2,090.29**
Total other equity	**2,883.37**	**2,591.67**

Nature and purpose of reserves -

a) General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

b) Securities premium

This reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

c) Capital redemption reserve

This reserve was created on redemption of preference shares in the financial year 2001-02. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

d) Share options outstanding account

The reserve is used to recognise the grant date fair value of the options issued to employees under Kajaria Ceramics Employee Stock Option Plan, 2015.

e) Capital reserve

The reserve was created on Scheme of Arrangement (the Scheme) between the Company and erstwhile Kajaria Securities Private Limited ('KSPL') in financial year 2017-18 and erstwhile Kajaria Tiles Private Limited ('KTPL') in the financial year 2021-22.

f) Retained earnings

Created from profit/loss of the Company, as adjusted for distributions to owners in the form of dividend and transfer to other reserve.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

17 Borrowings

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Term loan - Secured				
Deferred payment liabilities Interest free loan from Financial Institution (Sales tax deferment scheme - State of Uttar Pradesh)	-	0.88	-	-
Less: current maturities of non-current borrowings	-	(0.88)	-	0.88
Working capital facility - Secured				
From banks	-	-	-	2.07
Total	**-**	**-**	**-**	**2.95**

Terms of borrowings

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2026	As at 31 March 2025			
Term loan - deferred payment liabilities	-	0.88	Nil	Secured against first charge on factory land and building of the Company at Sikandrabad, Uttar Pradesh.	Repayable in one instalment after 7 years from date of disbursement.
Working capital facility (secured)	-	2.07	Rate of interest is 7.5% to 8.5% per annum (Previous year 8.25% to 9.30% per annum)	Secured against first charge on inventories and book debts of the Company and second charge on immovable and movable assets of its factories at Sikandrabad, Uttar Pradesh and Gailpur, Rajasthan.	Repayable on demand

The above loans have been utilised as per the purpose for these loans were sanctioned.

The property on which mortgaged or any charged created has been duly registered with Registrar of companies.

18 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Lease liabilities (refer note 37)	63.84	69.81	24.99	23.56
Total	**63.84**	**69.81**	**24.99**	**23.56**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
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19 Provisions

Particulars	Current	
	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits obligation		
Gratuity	5.22	7.08
Compensated absences	20.19	20.70
Total	**25.41**	**27.78**

20 Deferred tax liabilities (net)

	Particulars	As at 31 March 2026	As at 31 March 2025
(a)	Deferred tax liability on:		
	Difference between book balance and tax balance of property, plant and equipment and intangible assets	84.60	85.10
		84.60	**85.10**
(b)	Deferred tax assets on:		
	Provision for compensated absences	5.08	5.21
	Others	3.04	5.08
		8.12	**10.29**
	Deferred tax liabilities (net)	**76.48**	**74.81**

Movements in deferred tax liabilities and deferred tax assets:

	Property, plant and equipment	Compensated absences	Others	Total
As at 1 April 2024	85.47	(4.58)	(3.83)	77.06
(Credited)/ charged to the statement of profit or loss	(0.37)	(0.63)	(1.25)	(2.25)
As at 31 March 2025	**85.10**	**(5.21)**	**(5.08)**	**74.81**
(Credited)/ charged to the statement of profit or loss	(0.50)	0.13	2.04	1.67
As at 31 March 2026	**84.60**	**(5.08)**	**(3.04)**	**76.48**

21 Other liabilities

Particulars	Non Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Advance received from customers	-	-	28.05	23.48
Statutory dues payable	-	-	37.19	39.13
Deferred government grant	1.01	-	0.12	0.05
Total	**1.01**	**-**	**65.36**	**62.66**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

22 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 42)	47.92	45.90
- Total outstanding dues of creditors other than micro enterprises and small enterprises	258.93	258.70
Total	**306.85**	**304.60**

Particulars	As at 31 March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed dues of micro enterprises and small enterprises	47.92	-	-	-	**47.92**
- Undisputed dues of creditors other than micro enterprises and small enterprises	258.30	0.63	-	-	**258.93**
- Disputed Dues - micro enterprises and small enterprises	-	-	-	-	**-**
- Disputed Dues - other than micro enterprises and small enterprises	-	-	-	-	**-**
	306.22	**0.63**	**-**	**-**	**306.85**

Particulars	As at 31 March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed dues of micro enterprises and small enterprises	45.90	-	-	-	**45.90**
- Undisputed dues of creditors other than micro enterprises and small enterprises	258.69	-	-	0.01	**258.70**
- Disputed Dues - micro enterprises and small enterprises	-	-	-	-	**-**
- Disputed Dues - other than micro enterprises and small enterprises	-	-	-	-	**-**
	304.59	**-**	**-**	**0.01**	**304.60**

Note: There are no unbilled dues.

23 Other current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Unclaimed dividends*	2.79	2.61
Security deposits from customers	20.10	22.68
Security deposits others	14.49	17.18
Employee payable	44.13	52.71

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Liabilities toward unspent corporate social responsibility (refer note 56)	-	0.47
Creditors for capital goods	0.75	1.79
Others	0.21	0.11
Total	**82.47**	**97.55**

* Not due for deposit to the Investor Education and Protection Fund.

24 Current tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax liabilities (net of advance tax and TDS)	17.29	0.98
Total	**17.29**	**0.98**

25 Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products		
Tiles & Others	4,371.06	4,215.14
Other operating revenues	3.25	3.68
Total	**4,374.31**	**4,218.82**

Disclosure pursuant to Ind AS-115 'Revenue from contracts with customers', are as follows:

(a) Disaggregation of revenue:

Revenue arises mainly from the sale of manufactured and traded goods. The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Particulars	Year ended 31 March 2026		
	Revenue from sale of products	Other operating revenue	Total
Revenue by geography			
Domestic	4,345.27	3.25	4,348.52
Export	25.79	-	25.79
Total	**4,371.06**	**3.25**	**4,374.31**
Revenue by time			
Revenue recognized at point in time			4,374.31
Revenue recognized over time			-
			4,374.31

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2025		
	Revenue from sale of products	Other operating revenue	Total
Revenue by geography			
Domestic	4,164.35	3.68	4,168.03
Export	50.79	-	50.79
Total	**4,215.14**	**3.68**	**4,218.82**
Revenue by time			
Revenue recognized at point in time			4,218.82
Revenue recognized over time			-
			4,218.82

Sale of products are net of discounts amounting to ₹ 177.07 crores (31 March 2025 : ₹ 182.63 crores)

(b) Assets and liabilities related to contracts with customers is as below:

Particulars	As at 31 March 2026	As at 31 March 2025
Contract liabilities related to sale of goods		
Advance from customers	28.05	23.48
Trade receivables*	556.64	514.30
Less : Allowances for expected credit loss	(20.00)	(11.82)
Net receivables	**536.64**	**502.48**

* Trade receivables balance as at 31 March 2026 is ₹ 536.64 crores (31 March 2025: ₹ 502.48 crores) (net of allowances for expected credit loss)

(c) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 45 days from the completion of performance obligation.

There is no significant financing component in any transaction with the customers.

(d) Significant changes in contract assets and liabilities:

The change in contract liabilities (advance from customers) during the year.

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers		
Opening balance	**23.48**	**25.57**
Revenue recognised during the year	(23.48)	(25.57)
Addition during the year (net)	28.05	23.48
Closing balance	**28.05**	**23.48**

Notes to the Standalone Financial Statements

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(Amount in ₹ crores, unless otherwise stated)

(e) Reconciliation of revenue from sale of products with the contracted price

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price	4,548.13	4,397.77
Less: Incentive and discount	177.07	182.63
Sale of products	**4,371.06**	**4,215.14**

26 Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income measured at amortised cost on:		
Loan to subsidiaries (refer note 40)	27.06	27.38
Fixed deposits with banks	42.45	32.67
Other financial assets carried at amortised cost	0.64	0.64
Others	2.02	3.72
Net gain on foreign currency transaction and translation	2.40	0.79
Other non-operating income	4.72	2.65
Total	**79.29**	**67.85**

27 Cost of materials consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Body material	324.03	328.63
Glaze, frits and chemicals	220.37	232.23
Packing material consumed	102.94	127.92
Total	**647.34**	**688.78**

28 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance		
Finished goods	257.55	238.28
Stock-in-trade	15.86	13.57
Work-in-progress	10.14	10.58
Total	**283.55**	**262.43**
Closing balance		
Finished goods	205.24	257.55
Stock-in-trade	21.15	15.86
Work-in-progress	9.25	10.14
Total	**235.64**	**283.55**
	47.91	**(21.12)**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

29 Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	335.49	381.63
Contribution to provident and other funds (also refer note 36)	16.68	17.33
Share based payments to employees	15.94	6.10
Less: Amounts recovered towards share based payments to employees of a subsidiary	(0.17)	(0.51)
Staff welfare expenses	7.61	7.75
Total	**375.55**	**412.30**

30 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expenses	2.07	2.96
Interest on lease liabilities	5.88	4.81
Other borrowing costs	0.77	1.11
Total	**8.72**	**8.88**

31 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment (refer note 4)	91.70	94.66
Amortisation of intangible assets (refer note 5)	0.27	0.32
Depreciation on right-of-use assets (refer note 37)	25.95	22.24
	117.92	**117.22**

32 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	88.97	95.97
Power and fuel	614.31	613.63
Repairs and maintenance:		
- Buildings	5.58	6.59
- Plant and equipment	20.42	20.72
- Others	3.92	6.29
Rent (refer note 37d)	2.36	2.65
Rates and taxes	2.13	2.42
Traveling and conveyance	29.74	51.82
Insurance charges	3.65	4.23
Legal and professional charges	8.06	4.37

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Payment to auditors as:		
- Audit fee	0.95	1.00
- for other services	0.13	0.05
- for reimbursement of expenses	0.08	0.09
Packing, freight and forwarding expenses	38.64	41.70
Advertisement, publicity and sales promotion	73.77	95.41
Sales commission	12.71	15.00
Loss on disposal of property, plant and equipment	2.25	9.06
Provision for expected credit loss	9.93	24.06
Bad debts written off	-	0.65
Corporate social responsibility expenditure (refer note 56)	9.64	9.72
Research and development expenses (refer note 35)	2.03	5.60
Miscellaneous expenses	30.70	25.48
	959.97	**1,036.51**

33 Income-tax expense

Particulars		Year ended 31 March 2026	Year ended 31 March 2025
(a)	**Income-tax expense debited/(credited) to statement of profit and loss**		
	Current tax		
	Current tax on profits for the year	169.28	117.51
	Adjustment of tax relating to earlier periods	1.48	(0.15)
	Total current tax expense	**170.76**	**117.36**
	Deferred tax		
	Deferred tax charge for the year	(1.73)	(2.25)
		(1.73)	**(2.25)**
	Total tax expense	**169.03**	**115.11**
(b)	**Income-tax expense debited/(credited) to other comprehensive income**		
	Current tax		
	Tax charge for the year	3.40	0.22
		3.40	**0.22**
(c)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**		
	Profit before tax	625.80	319.25
	Tax at the Indian tax rate of 25.168%	157.50	80.35
	Adjustment of tax relating to earlier periods	1.48	(0.15)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Expenses not allowed as deduction	10.05	34.91
	Income-tax expense	**169.03**	**115.11**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

34 Earnings per share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit attributable to equity holders of the Company for basic earnings (₹ in crores) for the year	456.77	204.14
Weighted average number of equity shares in calculating basic earnings per share (Nos.)	15,92,72,290	15,92,64,471
Weighted average number of equity shares in calculating diluted earnings per share (refer note below) (Nos.)	15,94,45,336	15,93,37,845
Earnings per share		
- Basic (₹)	28.68	12.82
- Diluted (₹)	28.65	12.81

Note: Weighted average number of equity shares used as denominator

Particulars	No. of shares	
	As at 31 March 2026	As at 31 March 2025
Weighted average number of equity shares used as denominator in calculating basic earnings per shares	15,92,72,290	15,92,64,471
Adjustments for calculation of diluted earnings per share:		
- Outstanding employee stock options	1,73,046	73,374
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	**15,94,45,336**	**15,93,37,845**

35 Research and development expenditure

Research and development expenditure incurred during the year ended 31 March 2026 and 31 March 2025 is as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Capital expenditure	0.01	0.20
Revenue expenditure	2.03	5.60
Total	**2.04**	**5.80**

36 Employee benefits

The Company has following post-employment benefit plans:

A) Defined contribution plan

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. Company has no obligation, other than the contribution payable to the provident fund.

The Company's contribution to the provident fund is ₹10.90 crores (31 March 2025: ₹ 11.59 crores)

B) Defined benefit plans - Gratuity (funded)

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz, the Code on Wages, 2019; Industrial Relations Code, 2020; the Code on Social Security, 2020; and the occupational Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the 'New Labout Codes'). These codes have been made effective from 21 November 2025. The Government is in the process of notifying related rules to the New Labour Codes and impact of these will be evaluated and accounted for in accordance with the applicable accounting standards in the period in which they are notified.

In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Company has estimated the financial implications thereof and made additional provision of ₹ 15.93 crores towards gratuity and compensated leave liability disclosed under exceptional items in the standalone financial statements for the year ended 31 March 2026. The Company continues to monitor and assess the impact of further government clarifications, state specific rules and will provide appropriate updates based on such development as and when necessary.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Defined benefit obligation at the beginning of the year	66.64	62.20
Current service cost	4.71	4.60
Interest cost	4.76	4.36
Past service cost	11.44	-
Benefits paid	(6.91)	(3.77)
Actuarial loss/(gain) on obligations	(10.01)	(0.75)
Defined benefit obligation at the end of the year	**70.63**	**66.64**

Changes in the fair value of plan assets are, as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Fair value of plan assets at the beginning of the year	59.56	54.39
Contribution during the year	5.00	5.00
Benefits paid	(6.91)	(3.77)
Expected return on plan assets	4.25	3.81
Actuarial gain on plan asset	3.51	0.13
Fair value of plan assets at the end of the year	**65.41**	**59.56**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	As at 31 March 2026	As at 31 March 2025
Fair value of plan assets	65.41	59.56
Defined benefit obligation	70.63	66.64
Net liability recognised in the Balance Sheet (refer note 19)	**(5.22)**	**(7.08)**
Current	5.22	7.08
Non current	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Amount recognised in Statement of Profit and Loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	4.71	4.60
Interest cost	4.76	4.36
Expected return on plan asset	(4.25)	(3.81)
Past service cost	11.44	-
Amount recognised in Statement of Profit and Loss	**16.66**	**5.15**

Breakup of actuarial gain/(loss)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial gain/(loss) on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	5.08	(1.14)
Actuarial gain/(loss) arising from experience adjustments	4.93	1.89
Actuarial gain/(loss) on plan assets	3.51	0.13
Amount of gain/(loss) recognised in other comprehensive income	**13.52**	**0.88**

The major categories of plan assets are as follows:

Gratuity

Particulars	As at 31 March 2026	As at 31 March 2025
Investment details	**Funded**	**Funded**
Investment with gratuity funds	100%	100%

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	7.14%	6.80%
Expected rate of return on plan assets	7.14%	6.80%
Future salary increases	8.60%	8.60%
Attrition rate:-		
18-30 years	15.00%	2.00%
30-44 years	15.00%	2.00%
44-58 years	15.00%	2.00%
Retirement age	58 years	58 years
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Note:

a.) The discount rate is based upon the market yield available on government bonds at the accounting date relevant to currency of benefits payments for a term that matches the liability.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
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b.) The estimates for future salary increase rate taxes amount of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

c.) The Company provides for gratuity for employees in India as per the Payment of Gratuity Act,1972.

Experience adjustment:

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation	70.63	66.64	62.20	55.69	49.90
Experience gain/(loss) on liability	4.93	1.89	(0.03)	(0.05)	(0.46)

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 and 31 March 2025 is as shown below:

Gratuity plan	Sensitivity level		Impact on Defined benefit obligation	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Assumptions				
Discount rate	+1%	+1%	(2.76)	(5.40)
	-1%	-1%	3.00	6.25
Future salary increases	+1%	+1%	2.93	5.73
	-1%	-1%	(2.75)	(5.16)
Withdrawal rate	+1%	+1%	(0.20)	(0.10)
	-1%	-1%	0.23	0.09

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Effect of plan on Company's future cash flows

(a) Funding arrangements and funding Policy

The Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) The following payments are expected contributions to the defined benefit plan in future years (in absolute terms i.e. undiscounted):

Particulars	As at 31 March 2026	As at 31 March 2025
Within the next 12 months (next annual reporting period)	15.88	8.18
Between 2 and 5 years	23.31	17.40
Beyond 5 years	31.44	41.06
Total expected payments	**70.63**	**66.64**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

(c) Expected contribution for next year is ₹ 4.94 crores (31 March 2025 : 5.41 crores)

(d) Average duration of the defined benefit obligation at the end of reporting period is 10 years (31 March 2025 : 8.71 years)

C) Other long-term employee benefits - Compensated absences (unfunded)

Particulars	As at 31 March 2026	As at 31 March 2025
Amounts recognised in the balance sheet		
Current	20.19	20.70
Non current	-	-
Total	**20.19**	**20.70**

37 Leases

a) The Company had adopted Ind AS 116 'Leases' from 1 April 2019 in the standalone financial statements.

b) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use assets	No. of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	48	1 to 10 years	5.07 years
	(31 March 2025 : 58)	(31 March 2025 : 1 to 10 years)	(31 March 2025 : 4.05 years)

There are no leases entered by the Company which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

c) **Amounts recognised in balance sheet and statement of profit and loss :**

The balance sheet shows the following amounts relating to leases:

Particulars	Category of right-of-use assets		
	Land	Buildings	Total
Balance as at 1 April 2024	**4.85**	**58.26**	**63.11**
Add: Additions	-	56.94	56.94
Less: Deletions	-	(1.11)	(1.11)
Less: Depreciation charged on the right-of-use assets (refer note 31)	(0.06)	(22.18)	(22.24)
Balance as at 31 March 2025	**4.79**	**91.91**	**96.70**
Add: Additions	-	37.04	37.04
Less: Deletions	-	(15.55)	(15.55)
Less: Depreciation charged on the right-of-use assets (refer note 31)	(0.06)	(25.89)	(25.95)
Balance as at 31 March 2026	**4.73**	**87.51**	**92.24**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

d) Lease payments not recognised as lease liabilities:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Expenses relating to short term leases (included in other expenses)	2.36	2.65
Total	**2.36**	**2.65**

e) Interest on lease liabilities

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	5.88	4.81
Total	**5.88**	**4.81**

f) The total cash outflow for leases (principal and interest) for the year ended 31 March 2026 is ₹ 30.64 crores (31 March 2025: ₹ 27.57 crores).

g) Future minimum lease payments are as follows:

Minimum lease payments due	As at 31 March 2026		
	Lease payments	Finance charges	Net present values
Within 1 year	30.42	5.42	25.00
1 - 2 years	27.56	3.69	23.87
2 - 3 years	24.05	2.08	21.97
More than 3 years	18.97	0.98	17.99
Total	**101.00**	**12.17**	**88.83**

Minimum lease payments due	As at 31 March 2025		
	Lease payments	Finance charges	Net present values
Within 1 year	29.37	5.81	23.56
1 - 2 years	26.86	4.16	22.70
2 - 3 years	23.89	2.60	21.29
More than 3 years	27.22	1.40	25.82
Total	**107.34**	**13.97**	**93.37**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

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38 Commitments, contingencies and litigations

	Particulars	As at 31 March 2026	As at 31 March 2025
(a)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	17.42	15.34
(b)	**Contingent liabilities**		
(i)	Corporate guarantees given (including undrawn amount)	283.24	263.24
(ii)	Standby Letter of Credit in respect of loan taken by Joint Venture	130.31	88.13
(iii)	Claims against the Company not acknowledged as debt*		
	In respect of income tax, goods and service tax, value added tax and service tax demands pending before various authorities and in dispute	2.82	26.22
	Others	3.92	3.74

* The Company is contesting the above demands and the management, including its solicitor, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised.

The Company has certain litigations involving customers, vendors and based on legal advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

39 Exceptional Items

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Past Service Cost ^		
Gratuity	11.44	-
Leave Encashment	4.49	-
Provision for Impairments :^^		
Impairment of Loan	5.78	67.38
Impairment of Investment	-	45.00
Total	**21.71**	**112.38**

^ The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz, the Code on Wages, 2019; Industrial Relations Code, 2020; the Code on Social Security, 2020; and the occupational Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the 'New Labout Codes'). These codes have been made effective from 21 November 2025. The Government is in the process of notifying related rules to the New Labour Codes and impact of these will be evaluated and accounted for in accordance with the applicable accounting standards in the period in which they are notified.

In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Company has estimated the financial implications thereof and made additional provision of ₹ 15.93 crores towards gratuity and compensated leave liability disclosed under exceptional items in the standalone financial statements for the year ended 31 March 2026. The Company continues to monitor and assess the impact of further government clarifications, state specific rules and will provide appropriate updates based on such development as and when necessary.

^^During the current year, the Company has recorded an additional impairment loss of ₹ 5.78 crore in respect of the loan given to its wholly owned subsidiary, kajaria International DMCC.

^^During the previous year, the Company has decided to discontinue the operations of Kajaria Plywood Private Limited (KPPL), a wholly owned subsidiary of the Company due to lack of strategic fit and continued losses. Accordingly, the Company has fully impaired its investment of ₹ 45.00 crores and loan amounting to ₹ 67.38 crores and same has been charged to the statement of profit and loss under exceptional items.

Notes to the Standalone Financial Statements

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40 Related party disclosures as per Ind AS 24 - Related Party disclosures

A. List of related parties as per Ind AS 24

(a) List of entities substantially owned directly or indirectly by the Company:

Direct subsidiaries:

S. No.	Name	Country of incorporation	Ownership interest of Kajaria Ceramics Limited (%)	
			As at 31 March 2026	As at 31 March 2025
1	Kajaria Vitrified Private Limited	India	95.00%	95.00%
2	Kajaria Infinity Private Limited	India	84.59%	84.59%
3	Kajaria Bathware Private Limited	India	85.00%	85.00%
4	Kajaria Plywood Private Limited	India	100.00%	100.00%
5	South Asian Ceramic Tiles Private Limited	India	59.50%	59.50%
6	Kajaria International DMCC	UAE	100.00%	100.00%
7	Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)*	India	100.00%	90.00%
8	Kajaria Adhesive Private Limited**	India	100.00%	75.00%

* Subsidiary of the Company w.e.f. 20 May 2024

** Subsidiary of the Company w.e.f. 14 February 2025

Step down subsidiaries:

Subsidiary of 'Kajaria Bathware Private Limited' (where control exists):

S. No.	Name	Country of incorporation	Ownership interest of Kajaria Ceramics Limited (%)	
			As at 31 March 2026	As at 31 March 2025
1	Kajaria Sanitaryware Private Limited	India	69.70%	69.70%
2	Kerovit Global Private Limited	India	85.00%	85.00%

(b) Key management personnel:

S. No.	Name	Designation
1	Mr. Ashok Kajaria#	Chairman
2	Mr. Chetan Kajaria#	Vice Chairman
3	Mr. Rishi Kajaria#	Managing Director
4	Mr. Dev Datt Rishi	Non-Executive Director
5	Mr. Sudhir Bhargava	Independent Director
6	Dr. Lalit Kumar Panwar	Independent Director
7	Mr. Rajender Mohan Malla*	Independent Director
8	Mrs. Ambika Sharma	Independent Director (w.e.f. 30 March 2025)
9	Mr. Hitesh Sohanlal Jain	Independent Director (w.e.f. 19 December 2025)
10	Mr. Pradeep Udhas	Independent Director (w.e.f. 19 December 2025)

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

S. No.	Name	Designation
11	Mr. Sanjeev Agarwal#	Chief Financial Officer
12	^Mr. Vinit Kumar#	General Counsel and Company Secretary
13	**Mr. Ram Chandra Rawat#	COO (A&T) and Company Secretary

* Ceased to be director w.e.f. closing hours of 22 September 2025

Key management personnel (KMP) as defined under Section 2(51) of the Companies Act, 2013

^ KMP w.e.f. 1 April 2026

** Ceased to be KMP w.e.f. closing hours of 31 March 2026

(c) Enterprises owned by Key Management Personnel or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise:-

S. No.	Name
1	Dua Engineering Works Private Limited
2	Malti Devi Kajaria Foundation
3	Kajaria Ceramics Employees Gratuity trust
4	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust))
5	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)
6	RK Trustees Private Limited (in tis capacity as sole trustee of Rishi Kajaria Family Private Trust)
7	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)
8	A.K. Kajaria (HUF)
9	Chetan Kajaria (HUF)
10	Rishi Kajaria (HUF)
11	RC Rawat (HUF)

(d) Relatives of key management personnel

S. No.	Name
1	Mrs. Versha Devi Kajaria
2	Mrs. Rasika Kajaria
3	Mrs. Shikha Kajaria
4	Mr. Kartik Kajaria
5	Mr. Raghav Kajaria
6	Mr. Vedant Kajaria
7	Mr. Parth Kajaria

(e) Joint Venture

S. No.	Name	Remarks
1	Kajaria RMF Trading LLC	50% Joint venture of Kajaria International DMCC
2	Kajaria UKP Limited (till 1 August 2025)*	50% Joint venture of Kajaria International DMCC
3	Kajaria Ramesh Tiles Limited	50% Joint venture of Kajaria Ceramics Limited

*currently under liquidation

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B. Transactions with the related parties

(1) Details relating to remuneration of Key Managerial Personnel (KMP)

Name of KMP	Year ended 31 March 2026		Year ended 31 March 2025	
	Short-term employee benefits	Sitting fees	Short-term employee benefits	Sitting fees
Mr. Ashok Kajaria*	-	-	5.67	-
Mr. Chetan Kajaria*	-	-	5.74	-
Mr. Rishi Kajaria*	-	-	5.80	-
Mr. Dev Datt Rishi	-	0.05	-	0.04
Mrs. Sushmita Singha#	-	-	-	0.06
Mr. Sudhir Bhargava	-	0.10	-	0.09
Dr. Lalit Kumar Panwar	-	0.08	-	0.08
Mr. Rajender Mohan Malla##	-	0.04	-	0.07
Mrs. Ambika Sharma###	-	0.06	-	-
Mr. Hitesh Sohanlal Jain$	-	0.01	-	-
Mr. Pradeep Udhas$$	-	0.01	-	-
Mr. Sanjeev Agarwal*	2.39	-	2.24	-
^Mr. Ram Chandra Rawat*	2.34	-	2.28	-

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Company as a whole.

Ceased to be director w.e.f. closing hours of 29 March 2025

Ceased to be director w.e.f. closing hours of 22 September 2025

Director w.e.f. 30 March 2025

$ Director w.e.f. 19 December 2025

$$ Director w.e.f. 19 December 2025

^ Ceased to be KMP w.e.f. closing hours of 31 March 2026

(2) Dividend paid

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Key management personnel and relatives of KMP		
Mr. Ashok Kajaria	1.26	1.15
Mr. Chetan Kajaria	1.73	1.47
Mr. Rishi Kajaria	2.29	1.99
Mrs. Versha Devi Kajaria	2.13	1.95
Mrs. Rasika Kajaria	0.68	0.63
Mrs. Shikha Kajaria	0.72	0.66
Mr. Kartik Kajaria	0.54	0.50
Mr. Vedant Kajaria	0.54	0.50
Mr. Parth Kajaria	0.54	0.50

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

(3) Remuneration paid to relative of KMP during the year

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Mr. Kartik Kajaria*	0.60	0.60

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Company as a whole.

(4) Sale of vehicles to KMP and relatives of KMP

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Mr. Ashok Kajaria	-	0.18
Mr. Chetan Kajaria	-	4.54
Mr. Rishi Kajaria	-	2.83
Mrs. Versha Devi Kajaria	-	0.05

(5) Purchase of shares from KMP and relatives of KMP

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Mr. Chetan Kajaria		
Purchase of Nil (31 March 2025: 5,000) equity shares of ₹ 10 each of Kajaria Adhesive Private Limited	-	0.01
Mr. Kartik Kajaria		
Purchase of 2,500 (31 March 2025: 2,500) equity shares of ₹ 10 each of Kajaria Adhesive Private Limited (# rounded off to nil, ₹ 25000 (2500 equity shares of ₹ 10 each))	#	#

(6) The following transactions were carried out with related parties in the ordinary course of business:-

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Purchase of goods						
Kajaria Vitrified Private Limited	361.87	-	-	350.33	-	-
Kajaria Infinity Private Limited	157.74	-	-	239.56	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	142.17	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	121.93	-	-	133.75	-	-
Total	**783.71**	**-**	**-**	**723.64**	**-**	**-**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Sale of products						
Kajaria Bathware Private Limited	0.01	-	-	0.05	-	-
Kajaria Infinity Private Limited	0.02	-	-	0.03	-	-
Kajaria RMF Trading LLC	-	-	4.31	-	-	3.64
Kajaria Vitrified Private Limited	0.05	-	-	-	-	-
Kajaria UKP Limited	-	-	-	-	-	8.23
Kajaria Ramesh Tiles Limited.	-	-	0.58	-	-	-
Kerovit Global Private Limited	-	-	-	0.23	-	-
Total	**0.08**	**-**	**4.89**	**0.31**	**-**	**11.87**
Sale of assets						
Kajaria Infinity Private Limited	-	-	-	0.06	-	-
Kajaria Vitrified Private Limited	-	-	-	0.01	-	-
Total	**-**	**-**	**-**	**0.07**	**-**	**-**
Purchase of assets						
Kajaria Infinity Private Limited	0.68	-	-	-	-	-
Kajaria Vitrified Private Limited	-	-	-	0.01	-	-
Total	**0.68**	**-**	**-**	**0.01**	**-**	**-**
Rent paid						
Dua Engineering Works Private Limited	-	1.59	-	-	1.59	-
South Asian Ceramic Tiles Private Limited	0.01	-	-	0.01	-	-
Total	**0.01**	**1.59**	**-**	**0.01**	**1.59**	**-**
Recovery of expenses						
Kajaria Bathware Private Limited	2.26	-	-	2.58	-	-
Kajaria Infinity Private Limited	-	-	-	1.60	-	-
Kajaria Plywood Private Limited	-	-	-	0.01	-	-
Kajaria Vitrified Private Limited	-	-	-	1.95	-	-
South Asian Ceramic Tiles Private Limited	0.58	-	-	1.44	-	-
Total	**2.84**	**-**	**-**	**7.58**	**-**	**-**
Reimbursement of expenses						
Kajaria International DMCC	2.16	-	-	1.70	-	-
Kajaria RMF Trading LLC	-	-	-	-	-	0.52
Total	**2.16**	**-**	**-**	**1.70**	**-**	**0.52**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Rent received						
Kajaria Bathware Private Limited	2.38	-	-	1.15	-	-
Kajaria Plywood Private Limited	-	-	-	0.02	-	-
Kajaria Vitrified Private Limited	0.36	-	-	0.36	-	-
Total	**2.74**	**-**	**-**	**1.53**	**-**	**-**
Corporate Guarantee charges received						
Kajaria Bathware Private Limited	-	-	-	0.01	-	-
Kajaria Infinity Private Limited	-	-	-	0.01	-	-
Kajaria Sanitaryware Private Limited	-	-	-	0.01	-	-
Kajaria Vitrified Private Limited	-	-	-	0.01	-	-
Kerovit Global Private Limited	-	-	-	0.01	-	-
South Asian Ceramic Tiles Private Limited	-	-	-	0.01	-	-
Total	**-**	**-**	**-**	**0.06**	**-**	**-**
Interest income						
Kajaria Bathware Private Limited	0.54	-	-	0.35	-	-
Kajaria Infinity Private Limited	1.39	-	-	1.60	-	-
Kajaria International DMCC	0.58	-	-	1.36	-	-
Kajaria Plywood Private Limited	-	-	-	3.20	-	-
Kajaria Sanitaryware Private Limited	1.52	-	-	1.84		
Kajaria Vitrified Private Limited	6.16	-	-	9.11	-	-
Kerovit Global Private Limited	9.55	-	-	6.18	-	-
Kajaria Adhesive Private Limited	0.58	-	-	0.01	-	-
South Asian Ceramic Tiles Private Limited	0.71	-	-	0.71	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	6.03	-	-	3.02	-	-
Total	**27.06**	**-**	**-**	**27.38**	**-**	**-**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Investment						
Investments in equity instruments						
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)						
950,000 (31 March 2025:8,550,000) equity shares of ₹ 10 each fully paid up	1.16	-	-	8.55	-	-
Kajaria Adhesive Private Limited						
2,500 (31 March 2025:7,500) equity shares of ₹ 10 each fully paid up	#	-	-	0.01	-	-
Kajaria Plywood Private Limited						
Nil (31 March 2025:5,000,000) equity shares of ₹ 10 each fully paid up (also refer note 39)	-	-	-	5.00	-	-
Kajaria Ramesh Tiles Limited 1,318,800 (31 March 2025 : 1,748,200) equity shares of Nepalese Rupee 100 each fully paid up	-	-	8.24	-	-	10.93
Application money paid towards securities	-	-	-	-	-	4.49
Total	**1.16**	**-**	**8.24**	**13.56**	**-**	**15.42**
Loan given to						
Kajaria Bathware Private Limited	46.76	-	-	-	-	-
Kajaria International DMCC	2.33	-	-	15.44	-	-
Kajaria Plywood Private Limited	-	-	-	27.53	-	-
Kajaria Sanitaryware Private Limited	1.00	-	-	-	-	-
Kajaria Vitrified Private Limited	9.00	-	-	-	-	-
Kerovit Global Private Limited	57.11	-	-	60.00	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	-	-	-	33.47	-	-
Kajaria Adhesive Private Limited	17.67	-	-	0.60	-	-

Rounded off to nil

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Ceramics Employee Gratuity Trust	-	6.80	-	-	4.22	-
Total	**133.87**	**6.80**	**-**	**137.04**	**4.22**	**-**
Loan repaid by						
Kajaria Bathware Private Limited	28.26	-	-	8.00	-	-
Kajaria Infinity Private Limited	13.00	-	-	-	-	-
Kajaria Plywood Private Limited	-	-	-	-	-	-
Kajaria Sanitaryware Private Limited	1.25	-	-	7.00	-	-
Kajaria Vitrified Private Limited	84.00	-	-	17.00	-	-
Kerovit Global Private Limited	7.11	-	-	10.00	-	-
South Asian Ceramic Tiles Private Limited	-	-	-	0.03	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	6.30	-	-	7.00	-	-
Kajaria Ceramics Employee Gratuity Trust	-	6.91	-	-	3.78	-
Total	**139.92**	**6.91**	**-**	**49.03**	**3.78**	**-**
Guarantee/Standby Letter of Credit given during the year						
Kajaria Ramesh Tiles Limited	-	-	42.18	-	-	20.00
Kerovit Global Private Limited	-	-	-	20.00	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	20.00	-	-	-	-	-
Total	**20.00**	**-**	**42.18**	**20.00**	**-**	**20.00**
Dividend paid						
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	-	15.52	-	-	14.23	-
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	-	31.04	-	-	28.45	-
RK Trustees Private Limited (in tis capacity as sole trustee of Rishi Kajaria Family Private Trust)	-	31.04	-	-	28.45	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)	-	0.54	-	-	0.50	-
A.K. Kajaria (HUF)	-	2.36	-	-	2.16	-
Chetan Kajaria (HUF)	-	0.05	-	-	0.05	-
Rishi Kajaria (HUF)	-	0.01	-	-	0.01	-
RC Rawat (HUF) (#)	-	-	-	-	-	-
Total	**-**	**80.56**	**-**	**-**	**73.85**	**-**
# Rounded off to nil						
Donation paid						
Malti Devi Kajaria Foundation	-	0.75	-	-	0.65	-
Total	**-**	**0.75**	**-**	**-**	**0.65**	**-**
Balances outstanding at year end:						
Investment in equity instruments						
Kajaria Bathware Private Limited	40.00	-	-	40.00	-	-
Kajaria Infinity Private Limited	39.34	-	-	39.34	-	-
Kajaria International DMCC	2.25	-	-	2.25	-	-
Kajaria Plywood Private Limited	45.00	-	-	45.00	-	-
Kajaria Vitrified Private Limited	34.43	-	-	34.43	-	-
South Asian Ceramic Tiles Private Limited	29.33	-	-	29.33	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	9.71	-	-	8.55	-	-
Kajaria Adhesive Private Limited	0.01	-	-	0.01	-	-
Kajaria Ramesh Tiles Limited	-	-	31.67	-	-	23.43
Credit impaired:						
Kajaria Plywood Private Limited (also refer note 39)	(45.00)	-	-	(45.00)	-	-
Total	**155.07**	**-**	**31.67**	**153.91**	**-**	**23.43**
Loan given*						
Kajaria Bathware Private Limited	18.50	-	-	-	-	-
Kajaria Infinity Private Limited	7.00	-	-	20.00	-	-
Kajaria International DMCC (also refer note 39)	28.11	-	-	23.38	-	-
Kajaria Plywood Private Limited (also refer note 39)	67.38	-	-	67.38	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Kajaria Sanitaryware Private Limited	18.75	-	-	19.00	-	-
Kajaria Vitrified Private Limited	31.00	-	-	106.00	-	-
Kerovit Global Private Limited	149.00	-	-	99.00	-	-
South Asian Ceramic Tiles Private Limited	8.90	-	-	8.90	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	70.00	-	-	76.30	-	-
Kajaria Adhesive Private Limited	18.27	-	-	0.60	-	-
Kajaria Ceramics Employee Gratuity Trust	-	0.90	-	-	1.01	-
Credit impaired:						
Kajaria International DMCC	(25.44)	-	-	(17.90)	-	-
Kajaria Plywood Private Limited (also refer note 39)	(67.38)	-	-	(67.38)	-	-
Total	**324.09**	**0.90**	**-**	**335.28**	**1.01**	**-**
Trade payables/(advances given)						
Kajaria Vitrified Private Limited	26.93	-	-	40.60	-	-
Kajaria Infinity Private Limited	8.97	-	-	21.82	-	-
South Asian Ceramic Tiles Private Limited	9.20	-	-	8.55	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	15.22	-	-	26.46	-	-
Total	**60.32**	**-**	**-**	**97.43**	**-**	**-**
Security deposit						
Dua Engineering Works Private Limited	-	0.60	-	-	0.60	-
Total	**-**	**0.60**	**-**	**-**	**0.60**	**-**
Receivables / (Payables)						
Kajaria International DMCC	(1.15)	-	-	-	-	-
Kajaria Ramesh Tiles Limited	-	-	0.15	-	-	-
Kajaria RMF Trading LLC	-	-	3.28	-	-	2.88
Kajaria UKP Limited	-	-	8.79	-	-	9.06
Less: allowance for expected credit loss	-	-	(8.79)	-	-	(5.00)
Total	**(1.15)**	**-**	**3.43**	**-**	**-**	**6.94**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture	Subsidiaries	Enterprises over which KMP or their relatives are able to exercise significant influence	Joint venture
Interest receivable						
Kajaria Adhesive Private Limited	-	-	-	0.01	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	-	-	-	0.42	-	-
Kajaria Sanitaryware Private Limited	0.11	-	-	-	-	-
Kerovit Global Private Limited	6.73	-	-	1.68	-	-
Kajaria International DMCC	0.61	-	-	-	-	-
Total	**7.45**	**-**	**-**	**2.11**	**-**	**-**
Guarantees/Standby Letter of Credit given outstanding at year end#						
Kajaria Bathware Private Limited	20.00	-	-	20.00	-	-
Kajaria Infinity Private Limited	47.00	-	-	47.00	-	-
Kajaria Ramesh Tiles Limited	-	-	130.31	-	-	88.13
Kajaria Sanitaryware Private Limited	13.00	-	-	13.00	-	-
Kajaria Vitrified Private Limited	65.00	-	-	65.00	-	-
Kerovit Global Private Limited	80.00	-	-	80.00	-	-
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	20.00	-	-	-	-	-
South Asian Ceramic Tiles Private Limited	38.24	-	-	38.24	-	-
Total	**283.24**	**-**	**130.31**	**263.24**	**-**	**88.13**

* The aforementioned loans and guarantees have been given for business purposes.

The aforementioned guarantees/standby letter of credit given represents the guarantees given by the Company in respect of original sanction limits of the working capital borrowings taken by the respective entity.

All the related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

41 Segment information

According to Ind AS 108 'Operating Segment', identification of operating segments is based on Chief Operating Decision Maker ('CODM') approach for making decisions about allocating resources to the segment and assessing its performance. The Company's business falls within a single reportable business segment in terms of Indian Accounting Standards 108 'Operating Segments' and hence no additional disclosure are required. Further, the Company has opted for exemption under IND AS 108 'Operating Segments', as the segment reporting is reported in consolidated financial statements of the Company.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

42 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars		As at 31 March 2026	As at 31 March 2025
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
	Principal amount due to micro and small enterprises	47.89	45.90
	Interest due on above	0.03	-
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

43 Share based payments

a) During the year ended 31 March 2022, the Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company and its subsidiaries under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 980
Grant date	02 March 2022
Vesting conditions	70,520 options 24 months after the grant date ('First vesting')
	1,41,040 options 36 months after the grant date ('Second vesting')
	2,11,560 options 48 months after the grant date ('Third vesting')
	2,82,080 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	7,05,200
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 980 per option which is 9.36 % below the stock price i.e. ₹ 1,081.25 per share on the date of grant, i.e. 2 March 2022.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2024	6,43,800	980.00
Forfeited during the year	(49,580)	980.00
Exercised during the year	(11,880)	980.00
At 31 March 2025	**5,82,340**	980.00
Exercisable as at 31 March 2025	**5,82,340**	980.00
Weighted average remaining contractual life (in years)	**4.92**	
At 1 April 2025	5,82,340	980.00
Forfeited during the year	(1,57,940)	980.00
At 31 March 2026	**4,24,400**	980.00
Exercisable as at 31 March 2026	**4,24,400**	980.00
Weighted average remaining contractual life (in years)	**3.92**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**02 March 2022**	**02 March 2022**	**02 March 2022**	**02 March 2022**
Vesting date	**02 March 2024**	**02 March 2025**	**02 March 2026**	**02 March 2027**
Expiry date	**02 March 2030**	**02 March 2030**	**02 March 2030**	**02 March 2030**
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.68%	0.68%	0.68%	0.68%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

b) During the year ended 31 March 2023, the Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company and its Subsidiaries under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company and its subsidiaries to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 980
Grant date	19 April 2022
Vesting conditions	13,240 options 24 months after the grant date ('First vesting')
	26,480 options 36 months after the grant date ('Second vesting')

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
	39,720 options 48 months after the grant date ('Third vesting')
	52,960 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	1,32,400
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 980 per option which is 5.05 % below the stock price i.e. ₹ 1,032.10 per share on the date of grant, i.e. 19 April 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2024	1,07,300	980.00
Granted during the year	(6,110)	980.00
Forfeited during the year	(2,110)	980.00
At 31 March 2025	**99,080**	980.00
Exercisable as at 31 March 2025	**99,080**	980.00
Weighted average remaining contractual life (in years)	**5.05**	
At 1 April 2025	99,080	980.00
Forfeited during the year	(24,940)	980.00
At 31 March 2026	**74,140**	980.00
Exercisable as at 31 March 2026	**74,140**	980.00
Weighted average remaining contractual life (in years)	**4.05**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**19 April 2022**	**19 April 2022**	**19 April 2022**	**19 April 2022**
Vesting date	**19 April 2024**	**19 April 2025**	**19 April 2026**	**19 April 2027**
Expiry date	**19 April 2030**	**19 April 2030**	**19 April 2030**	**19 April 2030**
Fair value of option at grant date	409.13	433.45	447.54	462.58
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.92%	0.92%	0.92%	0.92%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

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c) During the year ended 31 March 2026, the Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employee of the Company to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 800
Grant date	30 May 2025
Vesting conditions	Nil options shall vest in 1st year of grant;
	2,00,000 options shall vest at the end of period 1 (one) year from date of grant; (First vesting)
	2,00,000 options shall vest at the end of period 2 (two) years from date of grant; (Second vesting)
	1,00,000 options shall vest at the end of period 3 (three) years from date of grant; (Third vesting)
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	5,00,000
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 800 per option which is 31.23% below the stock price i.e. ₹ 1,049.85 per share on the date of grant, i.e. 30 May 2025.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2025	-	-
Granted during the year	5,00,000	800.00
At 31 March 2026	**5,00,000**	800.00
Exercisable as at 31 March 2026	**5,00,000**	800.00
Weighted average remaining contractual life (in years)	**7.17**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

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Grant date	**30 May 2025**	**30 May 2025**	**30 May 2025**
Vesting date	**30 May 2026**	**30 May 2027**	**29 May 2028**
Expiry date	**30 May 2033**	**30 May 2033**	**30 May 2033**
Fair value of option at grant date	387.40	387.40	387.40
Exercise price	800.00	800.00	800.00
Expected volatility of returns	28.61%	28.61%	28.61%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	1.06%	1.06%	1.06%
Risk free interest rate	5.61%	5.61%	5.61%

d) During the year ended 31 March 2026, the Board of Directors and the shareholders of the Company has approved to issue additional stock options to the eligible employees of the Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Company to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement of the Company is given below:

Particulars	**Kajaria Ceramics Employee Stock Option Plan 2015**
Exercise Price	₹ 800
Grant date	22 July 2025
Vesting conditions	Nil options shall vest in 1st year of grant;
	54,000 options shall vest at the end of period 1 (one) year from date of grant; (First vesting)
	54,000 options shall vest at the end of period 2 (two) years from date of grant; (Second vesting)
	27,000 options shall vest at the end of period 3 (three) years from date of grant; (Third vesting)
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	1,35,000
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 800 per option which is 56.64% below the stock price i.e. ₹ 1,253.10 per share on the date of grant, i.e. 22 July 2025.

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The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2025	-	-
Granted during the year	1,35,000	800.00
At 31 March 2026	**1,35,000**	800.00
Exercisable as at 31 March 2026	**1,35,000**	800.00
Weighted average remaining contractual life (in years)	**7.31**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**22 July 2025**	**22 July 2025**	**22 July 2025**
Vesting date	**22 July 2026**	**22 July 2027**	**21 July 2028**
Expiry date	**22 July 2033**	**22 July 2033**	**22 July 2033**
Fair value of option at grant date	562.42	562.42	562.42
Exercise price	800.00	800.00	800.00
Expected volatility of returns	28.32%	28.32%	28.32%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	1.06%	1.06%	1.06%
Risk free interest rate	5.60%	5.60%	5.60%

44 A. Category wise classification of financial instruments

	As at 31 March 2026			As at 31 March 2025		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Financial assets						
Non-current						
(i) Investments#	-	3.67	-	-	3.67	-
(ii) Loans	-	-	329.86	-	-	344.46
(iii) Other financial assets			190.32			42.82
Current						
(i) Trade receivables	-	-	536.64	-	-	502.48
(ii) Cash and cash equivalents	-	-	42.75	-	-	4.91
(iii) Bank balances other than (ii) above	-	-	699.18	-	-	563.99
(iv) Loans	-	-	4.31	-	-	3.87
(v) Other financial assets	-	-	8.84	-	-	3.63
Total financial assets	**-**	**3.67**	**1,811.90**	**-**	**3.67**	**1,466.16**

#Excludes non-current investment measured at costs ₹ 231.74 crores (previous year ₹ 222.34 crores). This amount excludes allowance for expected credit losses.

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	As at 31 March 2026			As at 31 March 2025		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Financial liabilities						
Non-current						
(i) Lease liabilities	-	-	63.84	-	-	69.81
Current						
(i) Borrowings	-	-	-	-	-	2.95
(ii) Lease liabilities	-	-	24.99	-	-	23.56
(iii) Trade payables	-	-	306.85	-	-	304.60
(iv) Other financial liabilities	-	-	82.47	-	-	97.55
Total financial liabilities	**-**	**-**	**478.15**	**-**	**-**	**498.47**

The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. Further, the subsequent measurements of all assets and liabilities (other then investments in mutual funds) is at amortised cost, using effective interest rate method.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the Company's interest bearings borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.

- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

B. Fair value measurements

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out below:-

	As at 31 March 2026		As at 31 March 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Investment	186.74	186.74	177.34	177.34
Loans	334.17	334.17	348.33	348.33
Trade receivables	536.64	536.64	502.48	502.48
Cash and cash equivalents	42.75	42.75	4.91	4.91
Bank balances other than above	699.18	699.18	563.99	563.99
Other financial assets	199.16	199.16	46.45	46.45
Total financial assets	**1,998.64**	**1,998.64**	**1,643.50**	**1,643.50**

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	As at 31 March 2026		As at 31 March 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Borrowings	-	-	2.95	2.95
Lease liabilities	88.83	88.83	93.37	93.37
Trade payables	306.85	306.85	304.60	304.60
Other financial liabilities	82.47	82.47	97.55	97.55
Total financial liabilities	**478.15**	**478.15**	**498.47**	**498.47**

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be same as their fair values, due to short term in nature. The carrying value of the amortised financial assets and liabilities are approximate to the fair values on the respective reporting dates.

Investment in subsidiaries and joint venture as at the close of the year ended March 31, 2026 are carried at cost, per the option availed by the Company under the relevant provision of Ind AS.

45 Fair value hierarchy

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2026 and 31 March 2025.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2026 and 31 March 2025 as follows:

As at 31 March 2026	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67
Total	**-**	**-**	**3.67**	**3.67**

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67
Total	**-**	**-**	**3.67**	**3.67**

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Valuation technique used to determine fair value:

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair value, due to their short term nature.

46 Financial risk management objectives and policies

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below:

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, interest bearing deposits, loans and derivative financial instruments.

The sensitivity analyses of the above mentioned risk in the following sections exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in note 38.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However the risk is very low due to negligible borrowings. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

At the reporting date, the interest rate profile of the entity's interest bearing financial instrument is as its fair value:

Particulars	As at 31 March 2026	As at 31 March 2025
Fixed rate borrowings	-	0.88
Variable rate borrowings	-	2.07
Total borrowings	**-**	**2.95**

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	Year ended 31 March 2026			Year ended 31 March 2025		
	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity (net of tax)	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity (net of tax)
INR	+50	-	-	+50	(0.09)	(0.07)
INR	-50	-	-	-50	0.09	0.07

B. Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and AUD exchange rates, with all other variables held constant. Also refer note 48 for details of foreign currency exposure.

	Year ended 31 March 2026			Year ended 31 March 2025		
	% change in rate	Effect on profit before tax	Effect on Equity (net of tax)	% change in rate	Effect on profit before tax	Effect on Equity (net of tax)
USD	+5%	0.08	0.06	+5%	0.21	0.16
	-5%	(0.08)	(0.06)	-5%	(0.21)	(0.16)
EURO	+5%	(0.02)	(0.01)	+5%	(0.01)	(0.00)
	-5%	0.02	0.01	-5%	0.01	0.00
GBP	+5%	0.41	0.31	+5%	0.42	0.31
	-5%	(0.41)	(0.31)	-5%	(0.42)	(0.31)
AUD	+5%	0.01	0.01	+5%	0.02	0.01
	-5%	(0.01)	(0.01)	-5%	(0.02)	(0.01)

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables. The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company 's policy is to provides for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category

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of such financial assets. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of bad debt risk other than that disclosed in note 12.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 44. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Movement in allowance for expected credit losses on trade receivable:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	11.82	5.66
Add: Allowance provided during the year	8.18	6.16
Balance at the end of the year	**20.00**	**11.82**

B. Financial instruments and cash deposits

The management considers the credit quality of current accounts and deposits with banks to be good and reviews the banking relationships on an on–going basis.

The Company does not require any security in respect of the above financial assets. There are no impairment provisions as at each statement of financial position date against these financial assets, except as disclosed in respect of trade receivables above. The management considers that all the above financial assets that are not impaired or past due for each of the statement of financial position dates under review are of good credit quality.

III. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

	Upto 1 year	1 to 5 years	> 5 years	Total
As at 31 March 2026				
Lease liabilities	30.42	70.58	-	101.00
Trade payables	306.22	0.63	-	306.85

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	Upto 1 year	1 to 5 years	> 5 years	Total
Other financial liabilities	82.47	-	-	82.47
	419.11	**71.21**	**-**	**490.32**
As at 31 March 2025				
Borrowings	2.95	-	-	2.95
Lease liabilities	29.37	77.97	-	107.34
Trade payables	304.60	-	-	304.60
Other financial liabilities	97.55	-	-	97.55
	434.47	**77.97**	**-**	**512.44**

47 Capital Management

The Company's capital management objectives are:

a) to ensure the Company's ability to continue as going concern; and

b) to provide an adequate return to stakeholders

As at 31 March 2026, the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

48 Foreign currency exposure

The Company has no outstanding derivative instruments at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under -

	As at 31 March 2026		As at 31 March 2025	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Foreign trade payables*				
USD (in crores)	0.05	4.21	0.04	3.68
EUR (in crores)	#	0.34	#	0.11
(# rounded off to zero)				
Foreign trade receivables*				
USD (in crores)	0.06	5.71	0.09	7.91
GBP (in crores)	0.08	8.23	0.08	8.32
AUD (in crores)	#	0.14	0.01	0.34

(# rounded off to zero)

*Also refer note 46B for sensitivity

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49 Key Financials Ratio

S. No.	Ratio	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance (%age)	Reasons*
1	Current Ratio	Current Assets	Current Liabilities	3.13	2.82	11.01%	NA
2	Debt Equity Ratio	Non Current Borrowings + Current Borrowings + Current Maturities of Non Current Borrowings (Total Debt)	Total Equity	#	#	#	NA
3	Debt Service Coverage Ratio	Profit after tax + Depreciation & Amortisation + Interest on Long term loans + Proceeds from fresh long term loans	Interest on Long term loans + Principal repayments of long term loans	#	#	#	NA
4	Return on Equity (ROE)	Net profit after Tax	Average shareholder's Equity	16.59%	7.88%	110.39%	Refer Note 1 below
5	Inventory Turnover Ratio	Cost of Goods Sold (Cost of Materials Consumed +Purchases + Changes in Inventories + Stores and Spares consumed + Power & Fuel)	Average Inventories	8.77	8.16	7.51%	NA
6	Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivables	8.41	8.27	1.72%	NA
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	10.66	11.55	-7.69%	NA
8	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	3.93	4.45	-11.81%	NA
9	Net Profit Ratio	Profit after tax	Revenue from Operations	10.44%	4.84%	115.80%	Refer Note 1 below
10	Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed	21.80%	12.49%	74.53%	Refer Note 1 below
11	Return on Investment (ROI)	Interest Income during the year	Average Fixed Deposits	5.77%	6.58%	-12.29%	NA

(# rounded off to zero)

*Reasons for variance above 25% has been explained.

Note 1: These ratios have improved mainly on account of increase in profit in the current year.

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50 Asset pledged as security (refer note 17)

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Inventories	325.16	369.85
Trade receivables	536.64	502.48
Total current assets pledged as security	**861.80**	**872.33**
Non-current		
Property, plant and equipment (including CWIP)	642.44	668.82
Total non-current assets pledged as security	**642.44**	**668.82**

51 Reporting to banks

The Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

52 There are no loans which have been given to promoters, directors and KMP's.

53 **Struck off Companies:** Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at March 31, 2026 (Nos).	Balance outstanding as at March 31, 2025 (Nos).	Relation with struck off Company
Trivia Infotech Private Limited (CIN: U74990MH2010PTC198657)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder
Crystal Infowave Solutions Private Limited (CIN: U74900MH2009PTC198049)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder

The Company has no transaction other than payment of declared dividend with struck off companies.

54 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami property:

No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) Utilisation of borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) 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

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b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) 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

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(iii) Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) Details of crypto currency or virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vi) Valuation of Property plant and equipments, intangible asset and investment property:

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(viii) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.

55 Other disclosures

(A) Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made are given in Note 6.

(ii) Details of guarantees issued or loans given by the Company as at 31 March, 2026 and 31 March, 2025 are given in Note 40 and 7 respectively.

(B) Disclosure as per Part A of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the loans granted to subsidiaries, joint ventures and other companies in which the directors are interested:

Name of the entity	Relationship		Amount outstanding		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent company
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	
Loans given							
Kajaria Bathware Private Limited	Subsidiary	Subsidiary	18.50	-	24.08	8.00	Nil

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(Amount in ₹ crores, unless otherwise stated)

Name of the entity	Relationship		Amount outstanding		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent company
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	
Kajaria International DMCC	Wholly owned subsidiary	Wholly owned subsidiary	28.11	23.38	28.11	23.38	Nil
Kajaria Plywood Private Limited	Wholly owned subsidiary	Wholly owned subsidiary	67.38	67.38	67.38	67.38	Nil
Kerovit Global Private Limited	Step-down subsidiary	Step-down subsidiary	149.00	99.00	150.00	99.00	Nil
Kajaria Infinity Private Limited	Subsidiary	Subsidiary	7.00	20.00	20.00	20.00	Nil
Kajaria Vitrified Private Limited	Subsidiary	Subsidiary	31.00	106.00	106.00	123.00	Nil
South Asian Ceramic Tiles Private Limited	Subsidiary	Subsidiary	8.90	8.90	8.90	8.93	Nil
Keronite Surfaces Private Limited(formerly Known as Keronite Tiles Private Limited)	Wholly owned subsidiary	Subsidiary	70.00	76.30	76.30	76.30	Nil
Kajaria Adhesive Private Limited	Wholly owned subsidiary	Subsidiary	18.27	0.60	18.27	0.60	Nil
Kajaria Sanitaryware Private Limited	Step-down subsidiary	Step-down subsidiary	18.75	19.00	20.00	26.00	Nil

Note: The balances are disclosed on gross basis i.e. excluding allowance for expected credit losses

56 Corporate social responsibility ('CSR')

As per Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend ₹ 9.51 crores (31 March 2025: ₹ 9.69 crores) for Corporate Social Responsibility activities. The Company has incurred CSR expenditure of ₹ 9.64 crores during the current financial year (31 March 2025: ₹ 9.25 crores) on the projects/activities for the benefit of the public in general and in the neighbourhood of the manufacturing facilities of the Company. Further the Company has provided an amounting to ₹ nil crores (31 March 2025: ₹ 0.47 crores) against the projects in hand of CSR in accordance with requirements of the Act.

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
	Amount required to be spent by the Company during the year	9.51	9.69
	Amount of expenditure incurred on:		
(i)	Construction/acquisition of any asset		
	Paid in cash	0.66	1.41
	Other than cash	1.75	2.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(ii)	On purposes other than (i) above		
	Paid in cash	7.23	5.84
(iii)	Projects in hand	-	0.47
(iv)	Shortfall at the end of the year	-	-
(v)	Total of previous years shortfall	-	-
(vi)	Reason for shortfall	NA	NA
(vii)	Nature of CSR activities	Education, healthcare and empowerment programs	
	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	0.75	0.65
		9.64	**9.72**

57 i) The Company has entered into international transactions with its associated enterprises. As per transfer pricing legislation under section 92 - 92F of the Income -tax Act, 1961, the Company is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporanious in nature, the Company has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these standalone financial statements.

ii) As at 31 March 2026, the Company has foreign currency receivables amounting to ₹8.79 crores (31 March 2025: ₹9.19 crores) outstanding for a period exceeding 15 months. As per Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 read with notification number FEMA 23(R)/2015-RB dated 12 January 2016 receipts of export of goods should be realized within a period of 15 months from the date of export. These balances are under settlement with AD bank under the regulations of Reserve Bank of India.

58 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31 March 2026, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consume storage space on the disk and can impact database performance significantly. Further, the audit trail has been preserved by the company as per the statutory requirements for record retention.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

59 The Board of Directors approved (subject to approval of shareholders) the Buyback of fully paid up equity shares having face value of ₹ 1 each of the Company not exceeding 21,50,000 equity shares, representing 1.35 % of the total number of equity shares in the total paid-up equity capital of the Company as of March 31, 2026, at a price of ₹ 1,380 per equity share of the Company for an aggregate amount not exceeding ₹ 296.70 crores.

60 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current borrowings	-	2.95
Lease liabilities	88.83	93.37
Net debt	**88.83**	**96.32**

Particulars	Current borrowings (including current maturities)	Lease liabilities	Non-current borrowings	Total
Net debt as at 1 April 2024	**5.77**	**60.30**	**0.78**	**66.85**
Add : Lease liabilities on leased entered during the year	-	56.94	-	56.94
Less: Lease completed during the year	-	(1.11)	-	(1.11)
Interest expenses on lease liabilities	-	4.81	-	4.81
Cash flows (net)	(2.82)	(27.57)	-	(30.39)
Non-cash adjustments - Fair value adjustments*	-	-	(0.78)	(0.78)
Net debt as at 31 March 2025	**2.95**	**93.37**	**-**	**96.32**
Add : Lease liabilities on leased entered during the year	-	37.04	-	37.04
Less: Lease completed during the year	-	(15.55)	-	(15.55)
Interest expenses on lease liabilities	-	5.88	-	5.88
Cash flows (net)	(2.07)	(30.64)	-	(32.71)
Transfer of current maturities from non-current borrowings to current borrowings	(0.88)	-	-	(0.88)
Non-cash adjustments*	-	(1.27)	-	(1.27)
Net debt as at 31 March 2026	**-**	**88.83**	**-**	**88.83**

* pertains to unwinding of interest cost on non-current borrowings/gain on lease modification in current year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

61 The Board has approved expansion of Srikalhasti (Andhra Pradesh) facility at an approximate investment of ₹ 210 crores for putting up 10 MSM capacity of Glazed Vitrified Tiles.

62 The Board have approved to make investment upto ₹ 45 crores by way of subscribing 4.5 crores, 0.25% non-convertible Preference Shares of Rs 10 each of Kerovit Global Private Limited ('KGPL'), a stepdown subsidiary, to be redeemable in ten years.

63 The figures of the previous year have been re-classified according to current year classification wherever required. The impact of the same is not material to the users of the standalone financial statements.

64 The standalone financial statements for the year ended 31 March 2026 were approved by the Board of Directors on 30 April 2026.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Consolidated Financial Statements

Independent Auditor's Report

To the Members of **Kajaria Ceramics Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Kajaria Ceramics Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its joint ventures, as listed in Annexure 1, 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 Cash Flow and the Consolidated Statement of Changes in Equity for the year ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint ventures, as at 31 March 2026, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in Paragraph 15 of the Other Matter Section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer to the Group's material accounting policy information in note 2(D)(b) and the revenue related disclosures in note 27 of the Consolidated financial statements. The Group recognizes the revenue from customers in accordance with Ind AS 115 "Revenue from Contracts with Customers" ('Ind AS 115') when the performance obligation is satisfied which is determined to be at a point in time when the customer obtains controls of the goods in accordance with the terms of contracts with the customers. The revenue is measured based on the transaction price specified in the contract, net of discounts, returns and goods and services tax. Owing to the diverse terms of contracts with customers, in line with the requirements of the standards of auditing, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 requires management to make certain judgements / estimates such as determining timing of revenue recognition and transaction price including impact of variable consideration in the form of rebates and discounts as per the terms of the contracts with customers. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is critical as there is a risk of revenue being recognized before the control is transferred to the customers. Considering the diverse terms of contracts with customers, size of distribution network, materiality of the amount involved and significant attention required by auditor as mentioned above, revenue recognition has been identified as a key audit matter for the current year audit.	Our audit procedures, related to revenue recognition, included, but were not limited to, the following: • Evaluated the design and tested the operating effectiveness of Company's controls (including the automated controls) around revenue recognition (including rebates/ discounts); • Assessed the appropriateness of Company's accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115; • Scrutinized sales ledgers to assess accuracy and completeness of sales transactions and revenue recognized during the year; • Performed test of details on samples of revenue transactions recorded during the year, including during a specific period before and after year end. For the samples selected, inspected supporting documents such as price lists, invoices, proof of dispatches, agreements and approved incentives / discounts schemes, to ensure correct amount of revenue is recorded in the correct period; • Tested the appropriateness of accruals for various rebates and discounts as at the year-end; • Performed substantive analytical procedures on revenue recognized during the year which included review of price, quantity and product mix analysis etc; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; and • Ensured the adequacy and appropriateness of related disclosures made in the consolidated financial statements in accordance with the requirements of the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but, does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint ventures.

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

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

15. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets of ₹733.49 crores as at 31 March 2026, total revenues of ₹900.28 crores and net cash outflows amounting to ₹6.10 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹1.02 crores for the year ended 31 March 2026 in respect of three joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports has been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, are based solely on the reports of the other auditors.

    Further, of these subsidiaries and joint ventures, one subsidiary and three joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that four subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the Holding Company and five subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of the Holding Company and such subsidiaries.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements for the year ended 31 March 2026 and covered under the Act we report that:

Following are the qualifications/adverse remarks reported by the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2026 for which such Order reports have been issued till date and made available to us:

S No	Name	CIN	Holding Company / subsidiary / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Kerovit Global Private Limited	U28994DL2022PTC392556	Subsidiary Company	Clause xi (a)

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) Except for the matters stated in paragraph 18(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company, and its subsidiaries respectively, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Holding Company and its subsidiaries are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.

f) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in note 40(b) to the consolidated financial statements;

ii. The Holding Company, its subsidiaries and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended 31 March 2026. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries covered under the Act, during the year ended 31st March, 2026.

iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 58(ii)(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries, to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on of Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 58(ii)(B) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2026 and until the date of this audit report is in compliance with section 123 of the Act. The final dividend paid by the Holding Company during the year ended 31 March 2026 in respect of the such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, as stated in note 50 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Further, the subsidiary companies have not declared or paid any dividend during the year ended 31 March 2026, and

vi. As stated in note 52 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, of the Holding Company which are companies incorporated in India and audited under the Act, the Holding Company and its subsidiaries, in respect of financial year commencing on or after 1 April 2025, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was not enabled at the database level for accounting software to log any direct changes. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Furthermore, the audit trail has been preserved by the Holding Company and above referred subsidiaries as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000VXXPFU7956
Place: New Delhi
Date: 30 April 2026

Annexure 1

S.No	Name of the Entity	Relationship
1	Kajaria Ceramics Limited	Holding Company
2	Kajaria Vitrified Private Limited	Subsidiary
3	Kajaria Infinity Private Limited	Subsidiary
4	Kajaria Plywood Private Limited	Subsidiary
5	Kajaria Bathware Private Limited	Subsidiary
6	Kajaria International DMCC	Subsidiary
7	South Asian Ceramics Tiles Private Limited	Subsidiary
8	Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	Subsidiary
9	Kajaria Sanitaryware Private Limited	Step down subsidiary
10	Kerovit Global Private Limited	Step down subsidiary
11	Kajaria Adhesive Private Limited	Subsidiary
12	Kajaria RMF Trading LLC	Joint Venture
13	Kajaria UKP LTD (till 20 August 2025) (under liquidation)	Joint Venture
14	Kajaria Ramesh Tiles Limited	Joint Venture

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Kajaria Ceramics Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint ventures as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated financial statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated financial statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to seven subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹729.58 crores as at 31 March 2026, total revenues of ₹900.28 crores and net cash outflows amounting to ₹7.16 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to consolidated financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000VXXPFU7956
Place: New Delhi
Date: 30 April 2026

Consolidated Balance Sheet as at 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4(a)	1,535.11	1,583.92
(b) Right-of-use assets	39	106.97	100.76
(c) Capital work-in-progress	4(b)	119.25	108.74
(d) Goodwill	5	31.94	31.94
(e) Other intangible assets	6	0.61	0.79
(f) Investments accounted for using the equity method	7	35.37	30.19
(g) Financial assets			
(i) Investments	8	3.67	3.67
(ii) Loans	16	5.77	10.78
(iii) Other financial assets	9	197.36	50.24
(h) Non-current tax assets (net)	10	5.55	4.52
(i) Deferred tax assets (net)	22	1.77	0.78
(j) Other non-current assets	11	3.51	11.31
Total non-current assets		**2,046.88**	**1,937.64**
Current assets			
(a) Inventories	12	551.46	618.13
(b) Financial assets			
(i) Trade receivables	13	628.47	570.18
(ii) Cash and cash equivalents	14	55.94	18.87
(iii) Bank balances other than (ii) above	15	699.18	563.99
(iv) Loans	16	5.77	6.90
(v) Other financial assets	9	3.46	4.28
(c) Other current assets	11	38.05	36.21
Total current assets		**1,982.33**	**1,818.56**
TOTAL ASSETS		**4,029.21**	**3,756.20**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	15.93	15.93
(b) Other equity	18	3,049.65	2,728.41
Equity attributable to the shareholders of the Holding Company		**3,065.58**	**2,744.34**
(c) Non- controlling interests		64.90	65.75
Total Equity		**3,130.48**	**2,810.09**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	49.14	71.38
(ii) Lease liabilities	20	72.20	72.87
(b) Provisions	21	7.96	5.04
(c) Deferred tax liabilities (net)	22	101.46	89.13
(d) Other non-current liabilities	23	1.01	-
Total non-current liabilities		**231.77**	**238.42**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	81.18	104.56
(ii) Lease liabilities	20	26.07	25.05
(iii) Trade payables	24		
- Total outstanding dues of micro enterprises and small enterprises; and		81.00	96.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises		238.51	241.66
(iv) Other financial liabilities	25	106.44	127.99
(b) Other current liabilities	23	86.14	81.02
(c) Provisions	21	29.26	29.85
(d) Current tax liabilities (net)	26	18.36	1.14
Total current liabilities		**666.96**	**707.69**
TOTAL LIABILITIES		**898.73**	**946.11**
TOTAL EQUITY AND LIABILITIES		**4,029.21**	**3,756.20**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Consolidated Statement of Profit and Loss for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
A. CONTINUING OPERATIONS			
INCOME			
Revenue from operations	27	4,830.36	4,635.07
Other income	28	52.86	42.74
TOTAL INCOME		**4,883.22**	**4,677.81**
EXPENSES			
Cost of materials consumed	29	992.26	1,067.88
Purchases of stock-in-trade		1,005.03	990.61
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	70.17	(92.96)
Employee benefits expense	31	529.86	566.12
Finance costs	32	22.63	20.03
Depreciation and amortisation expense	33	169.37	165.40
Other expenses	34	1,368.06	1,477.24
TOTAL EXPENSES		**4,157.38**	**4,194.32**
Profit before share of Profit from joint venture and tax from continuing operations		**725.84**	**483.49**
Add: Share of profit from joint ventures		1.02	0.77
Profit before exceptional items and tax from continuing operations		**726.86**	**484.26**
Exceptional items	63	(44.02)	-
Profit before tax from continuing operations		**682.84**	**484.26**
Tax expense:	35		
Current tax		185.32	127.81
Deferred tax expense		7.46	8.14
Profit for the year from continuing operations		**490.06**	**348.31**
B. DISCONTINUED OPERATIONS			
Loss before tax from discontinued operations		(3.06)	(48.29)
Tax expense from discontinued operations:		-	-
Loss for the year from discontinued operations		**(3.06)**	**(48.29)**
Profit for the year (A+B)		**487.00**	**300.02**
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit and loss			
- Remeasurement of defined benefit plans		15.40	1.44
- Income-tax relating to items that will not be reclassified to statement of profit and loss		(3.89)	(0.29)
Items that will be reclassified to statement of profit and loss			
- Exchange differences on translation of foreign operations		(1.79)	0.08
- Income-tax relating to items that will be classified to statement of profit and loss		-	-
Total other comprehensive income for the year, net of tax		**9.72**	**1.23**
Total comprehensive income for the year		**496.72**	**301.25**
Profit for the year attributable to:			
(a) Owners of the Holding Company		485.41	294.35
(b) Non-controlling interest		1.59	5.67
Other comprehensive income for the year attributable to:			
(a) Owners of the Holding Company		9.55	1.18
(b) Non-controlling interest		0.17	0.05
Total comprehensive income for the year attributable to:			
(a) Owners of the Holding Company		494.96	295.53
(b) Non-controlling interest		1.76	5.72
Earnings per equity share (face value of ₹ 1 each)	36		
i) For continuing operations			
- Basic (in ₹)		30.67	21.51
- Diluted (in ₹)		30.63	21.50
ii) For Discontinued operations			
- Basic (in ₹)		(0.19)	(3.03)
- Diluted (in ₹)		(0.19)	(3.03)
iii) For Continued and discontinued operations			
- Basic (in ₹)		30.48	18.48
- Diluted (in ₹)		30.44	18.47

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Consolidated Statement of Cash Flows for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	682.84	484.26
Loss before tax from discontinued operations	(3.06)	(48.29)
Profit before tax	**679.78**	**435.97**
Adjustments for :		
Depreciation and amortisation expense	169.37	165.40
Interest income	(45.58)	(38.44)
Interest expense	22.63	20.03
Share in profit of joint ventures	(1.02)	(0.77)
Gain on lease modification	(1.43)	-
Unrealised gain on foreign exchange fluctuation	(2.08)	(1.08)
Share based payments to employees (net)	15.94	6.10
Subsidy income	(0.87)	(0.38)
Bad debts written off	-	0.65
Provision for expected credit loss	8.62	22.67
Loss on sale/discard of property, plant and equipment (net)	3.54	9.23
Exceptional items	44.02	-
Operating profit before working capital changes	**892.92**	**619.38**
Working capital adjustments		
Movement in inventories	66.67	(79.91)
Movement in trade and other receivables	(64.83)	41.18
Movement in other assets	(1.87)	(2.60)
Movement in trade and other payables	(33.79)	35.75
Movements in provisions	(26.29)	4.38
Cash flow generated from operations	832.81	618.18
Less: Direct taxes paid(net)	(169.14)	(117.19)
Net cash generated from operating activities (A)	**663.67**	**500.99**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital advances, capital work-in-progress, intangible assets and capital creditors)	(127.34)	(220.51)
Proceeds from disposal of property, plant and equipment	26.73	24.98
Investment in joint ventures	(3.30)	(19.50)
Proceeds from disposal of investments	4.08	-
Loans received/(paid) (net)	4.35	(36.24)
Interest received	45.78	38.95
Movement in deposits having original maturity of more than three months (net)	(286.67)	(159.73)
Net cash used in investing activities (B)	**(336.37)**	**(372.05)**

Consolidated Statement of Cash Flows (Contd.) for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(15.99)	(14.45)
Proceeds from issue of share capital	-	1.37
Proceeds from non-current borrowings	-	39.02
Repayment of non-current borrowings	(22.24)	(31.35)
(Repayments)/proceeds from current borrowings (net)	(22.50)	2.31
Principal payment of lease liabilities	(31.66)	(24.93)
Interest payment of lease liabilities	(6.71)	(5.33)
Dividend paid	(191.13)	(175.19)
Net cash used in financing activities (C)	**(290.23)**	**(208.55)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**37.07**	**(79.61)**
Cash and cash equivalents at the beginning of the financial year	18.87	98.32
Add: Cash and cash equivalents of Kajaria Surfaces Private limited (formerly known as Keronite Tiles Private Limited) as on date of acquisition	-	0.16
Cash and cash equivalents at the end of the financial year	**55.94**	**18.87**
Non-cash financing and investing activities		
- Acquisition of right of use assets	49.61	55.61
Components of cash and cash equivalents at the end of the year (refer note 14)		
Balances with banks		
- Current accounts	25.95	18.40
- Deposits with original maturity of less than three months	29.47	-
Cash on hand	0.52	0.47
Cash and cash equivalents at the end of the year	**55.94**	**18.87**

Note :

1. This consolidated statement of cash flow is presented in accordance with "indirect method" as set out in Indian Accounting Standard - 7 'Statement of cash flows' as specified in Indian Accounting Standard Rules, 2015 (as amended)

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Consolidated Statement of changes in equity for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

A. Equity share capital (refer note 17)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the reporting year	15.93	15.93
Add: Change in equity share capital during the year (refer note 17)	-	#
Balance at the end of the reporting year	**15.93**	**15.93**

(# rounded off to Nil, ₹ 13,990 (equity share having face value of ₹ 1 per share))

B. Other equity (refer note 18)

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)	Total other equity attributable to owners of the Holding Company	Non- controlling interests (NCI)	Total
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Capital reserve	Retained earnings	Exchange differences on translation of foreign operations			
Balance at 1 April 2024	**320.38**	**182.62**	**5.00**	**15.49**	**21.45**	**2,055.75**	**(0.09)**	**2,600.60**	**59.08**	**2,659.68**
Profit for the year	-	-	-	-	-	294.35	-	294.35	5.67	300.02
Items of OCI for the year, net of tax										
Remeasurement of defined benefit plans	-	-	-	-	-	1.10	-	1.10	0.05	1.15
Fair valuation of investment in equity instruments through OCI	-	-	-	-	-	-	0.08	0.08	-	0.08
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**295.45**	**0.08**	**295.53**	**5.72**	**301.25**
Shares issued during the year (refer note 17)	-	1.37	-	-	-	-	-	1.37	-	1.37
Employee stock option scheme	-	-	-	6.10	-	-	-	6.10	-	6.10
Transferred to security premium from stock options outstanding account on issue of shares	-	0.57	-	(0.57)	-	-	-	-		-
Dividend distributed (including interim dividend)	-	-	-	-	-	(175.19)	-	(175.19)	-	(175.19)
Transactions with holders of NCI	-	-	-	-	-	-	-	-	0.95	0.95
Balance at 31 March 2025	**320.38**	**184.56**	**5.00**	**21.02**	**21.45**	**2,176.01**	**(0.01)**	**2,728.41**	**65.75**	**2,794.16**

Consolidated Statement of changes in equity for the year ended 31 March 2026

CIN: L26924HR1985PLC056150

(Amount in ₹ crores, unless otherwise stated)

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)	Total other equity attributable to owners of the Holding Company	Non- controlling interests (NCI)	Total
	General reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Capital reserve	Retained earnings	Exchange differences on translation of foreign operations			
Profit for the year	-	-	-	-	-	485.41	-	485.41	1.59	487.00
Items of OCI for the year, net of tax										
Remeasurement of defined benefit plans	-	-	-	-	-	11.34	-	11.34	0.17	11.51
Fair valuation of investment in equity instruments through OCI	-	-	-	-	-	-	(1.79)	(1.79)	-	(1.79)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**496.75**	**(1.79)**	**494.96**	**1.76**	**496.72**
Employee stock option scheme	-	-	-	15.94	-	-	-	15.94	-	15.94
Adjustment on account of vested employee stock options lapsed during the year	2.20	-	-	(2.20)	-	-	-	-	-	-
Dividend distributed (including interim dividend)	-	-	-	-	-	(191.13)	-	(191.13)	-	(191.13)
Transactions with holders of NCI	-	-	-	-	-	1.47	-	1.47	(2.61)	(1.14)
Balance as at 31 March 2026	**322.58**	**184.56**	**5.00**	**34.76**	**21.45**	**2,483.10**	**(1.80)**	**3,049.65**	**64.90**	**3,114.55**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

1. Corporate information

KAJARIA CERAMICS LIMITED ("KCL" or "the Holding Company") is a limited company domiciled in India and was incorporated on 20 December 1985. Equity shares of the Company are listed in India on the Bombay stock exchange and the National stock exchange. The registered office of the Company is located at SF-11, Second Floor, JMD Regent Plaza Mehrauli Gurgaon Road, Village Sikanderpur Ghosi Gurgaon Haryana - 122001, India.

The Consolidated Financial Statements comprise financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures for the period ended 31 March, 2026.

The Consolidated Financial Statements comprise of the financial statements of the members of the Group as under:

Name of the Company	Nature of activities	Principal Place of Business	% Shareholding and Voting Power	
			As at March 31, 2026	As at March 31, 2025
Kajaria Vitrified Private Limited	Manufacturing of Tiles	India	95.00%	95.00%
Kajaria infinity Private Limited	Manufacturing of Tiles	India	84.59%	84.59%
Kajaria Plywood Private Limited	Trading of plywood	India	100.00%	100.00%
Kajaria Bathware Private Limited	Manufacturing of bath fittings	India	85.00%	85.00%
South Asian Ceramic Tiles Private Limited	Manufacturing of Tiles	India	59.50%	59.50%
Kajaria International DMCC	Trading	UAE	100.00%	100.00%
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited) *	Manufacturing of Tiles	India	100.00%	90.00%
Kajaria Adhesive Private Limited	Manufacturing of Tile Adhesive Products	India	100.00%	75.00%
Kajaria Sanitaryware Private Limited (step-down subsidiary).	Manufacturing of sanitaryware products	India	69.70%	69.70%
Kerovit Global Private Limited (step-down subsidiary).	Manufacturing of sanitaryware products	India	85.00%	85.00%
Kajaria RMF Trading LLC	Trading in Tiles and Bath products	UAE	50.00%	50.00%
Kajaria UKP Limited#	Trading in Tiles and Bath products	UK	50.00%	50.00%
Kajaria Ramesh Tiles Limited	Trading in Tiles and Bath products	Nepal	50.00%	50.00%

Name of Keronite Tiles Private Limited has been changed to Kajaria Surfaces Private Limited w.e.f. 06 May 2025

Filed for Liquidation w.e.f. 20 August 2025

The consolidated financial statements for the year ended 31 March 2026 were authorised in accordance with a resolution of Board of Directors on 30 April 2026. The revision to the consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013.

2. Material accounting policies information

A. Basis of preparation of consolidated financial statements:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

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Rules, 2015 (as amended from time to time) and guidelines issued by the Security Exchange Boards of India, to the extent applicable.

The Group has uniformly applied the accounting policies during the period presented.

The Consolidated financial statements have been prepared under historical cost convention basis except for the following:

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations;
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

The consolidated financial statements of the Group are presented in Indian Rupees (₹/Rs.), which is also its functional currency and all amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest two decimals in crores as per the requirement of Schedule III to the Act, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

B. Overall considerations

The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the consolidated financial statements.

C. Principals of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial

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statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on 31 March 2026.

Consolidation procedure:

a. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2026.

b. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

c. 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.

d. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

   Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments accounted for using the equity method

Investments in Joint Ventures are accounted for using the equity method unless otherwise stated. Under the equity method of accounting, on initial recognition the investment in a Joint Venture is recognised at cost. The carrying amount of the investment in Joint Ventures is increased or decreased to recognise the Group's

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share of the profit or loss after the date of acquisition, unless the share purchase agreement specify otherwise. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. Unrealised gains and losses on transactions between the Group and its Joint Ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

If an entity's share of losses of a Joint Venture equal or exceeds its interest in the Joint Venture, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the Joint Venture. If the Joint Venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

D. Material accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

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

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

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

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

b. Revenue recognition

The Group recognises revenue from product sales (including scrap sales) when control of the product transfers, generally upon shipment or delivery, to the customer.

Revenues are recorded in the amount of consideration to which the group expects to be entitled in exchange for performance obligations upon transfer of control to the customer and is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of estimated incentives, returns, rebates, sales tax and applicable trade discounts, allowances, Goods and Services Tax (GST) and amounts collected on behalf of third parties.

Variable consideration are estimated and accounted in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. The revenue for such variable consideration is included in the Group's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty is resolved. The Group estimates the amount of variable consideration using the expected value method or historical record of performance of similar contracts.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

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A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Other Incomes:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the right to receive payment has been established, provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably.

Other Income consists of rent income and miscellaneous income and is recognised when it is probable that the economic benefits will flow to the group and amount of income can be measured reliably. Further, the group recognises income from duty drawback and export benefit on an accrual basis.

Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores and spares, stock-in-trade and other products are carried at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

In determining the cost of raw materials, packing materials, stock-in-trade, stores and spares and other products, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, transport and handling costs, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

c. **Property, plant and equipment**

<u>Measurement and recognition</u>

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and

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depreciated over their useful life. Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

Capital work-in-progress and capital advances

Capital work in progress includes construction stores including material / equipment / services, etc. received at site for use in the projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalised at the time of commissioning of such assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as per requirement of Schedule III.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method (SLM) based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Particulars	Useful lives
Plant and machinery	7, 10 and 18 years
Roads	30 and 60 years
Fit-out and other assets at sales outlets	5 years

Freehold land is not depreciated. Leasehold improvements are amortised over the period of the lease or the useful life of the asset, whichever is lower.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised..

d. Intangible assets

Measurement and recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any..

Amortisation

Intangible assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful economic life

De-recognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

e. Research and development costs

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

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Items of property, plant and equipment utilized for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment

f. Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

g. Foreign currency transactions

Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss

h. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant (deferred income) is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. The loan or assistance is subsequently recognised in the statement of profit and loss on a straight line basis over the period of loan

i. Taxes on income

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax..

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which

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applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognised directly in equity/other comprehensive income is recognised in respective head and not in the statement of profit and loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j. Employee benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid..

Post-employment benefits:

I. Defined contribution plans:

The Group makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

II. Defined benefit plans:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

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Other long-term employee benefits:

Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Group determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

Compensated absences

The employees of the Group can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash subject to the terms of Group's leave policy including on retirement or termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is also classified as a long-term provision. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in profit or loss in the period in which they arise.

k. Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

l. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of property leases. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile

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of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

m. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

n. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

o. Earnings per share

Basic earnings per equity share is calculated by dividing the net profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity share.

p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity..

a) Financial assets

Classification

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or

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loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade Receivables that does not contain a significant financial component are measured at transaction price..

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- **Financial assets carried at amortised cost**

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

- **Financial assets at fair value through other comprehensive income**

  A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

  A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

b) Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except

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for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Offsetting of financial instruments

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

r. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously

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recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

s. Fair value measurement

The Group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

t. Exceptional Items

Exceptional items are those items that management considers, by virtue of their size, nature or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's results and require separate disclosures in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement.

E. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the consolidated financial statements. Changes in estimates are accounted for prospectively

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including

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legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators

b. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes tin these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any

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objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

f. Estimation of current tax and deferred tax

Management judgement is required for the calculation of provision of income- taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in these consolidated financial statements.

g. Right-of-use assets and lease liability

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group has exercised judgement in determining the lease term as the no cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option.

h. Share based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). The details of variables used are given in note 43.

i. Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

j. Allowance for obsolete and slow-moving inventory:

The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation

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could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the financial statements.

k. Provisions:

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

3. Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") has notified certain amendments to existing Indian Accounting Standards and a new standard under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Amendments effective from April 1, 2025

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting standards) Second Amendment Rules, 2025 on the following effective from April 1, 2025:

- Lacs of exchangeability- Amendments to IND AS 21
- Classification of Liabilities as Current or Non-current and Non- current Liabilities with Covenants- Amendments to IND AS 1
- Supplier Finance Arrangements – Amendments to IND AS 7 and IND AS 107
- International Tax Reform – Pillar Two Model Rules- Amendments to Ind AS 12

The Group has reviewed the new pronouncements and the same were not applicable or material to the Group.

Standard issued but not yet effective

Classification of Liabilities as Current or Non-current and Non-current Liabilities with covenants - Amendments to Ind AS 1 - The amendments clarify that lender waivers obtained after the reporting date cannot be considered for the purpose of classifying liabilities as current or non-current and require retrospective application in accordance with Ind AS 8. These amendments are effective for reporting periods beginning on or after April 1, 2026.

The Group does not expect any material impact on its consolidated financial statement.

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4(a) Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Display assets	Total
Gross carrying amount									
As at 1 April 2024	**102.97**	**503.42**	**1,689.64**	**15.90**	**69.74**	**12.93**	**8.41**	**29.30**	**2,432.31**
Addition on account of business combination (refer footnote iv below)	4.80	-	-	-	-	-	-	-	4.80
Additions	3.65	69.85	105.28	3.11	14.45	4.32	1.36	19.66	221.68
Disposals	-	0.51	116.47	0.69	25.69	1.22	0.38	6.01	150.97
Adjustments (refer footnote v below)	-	-	0.27	0.16	0.16	0.02	-	-	0.61
As at 31 March 2025	**111.42**	**572.76**	**1,678.18**	**18.16**	**58.34**	**16.01**	**9.39**	**42.95**	**2,507.21**
Additions	6.93	27.10	48.88	1.24	13.22	1.65	0.60	23.63	123.25
Disposals	-	2.06	49.52	0.46	22.12	0.67	0.19	4.98	80.00
As at 31 March 2026	**118.35**	**597.80**	**1,677.54**	**18.94**	**49.44**	**16.99**	**9.80**	**61.60**	**2,550.46**
Accumulated depreciation									
As at 1 April 2024	**-**	**134.36**	**698.64**	**9.55**	**23.14**	**7.57**	**6.01**	**19.45**	**898.72**
Depreciation charge for the year (refer note 33)	-	16.11	110.07	1.21	8.16	1.58	1.07	2.87	141.07
Disposals	-	0.11	96.48	0.62	12.68	1.00	0.35	5.26	116.50
As at 31 March 2025	**-**	**150.36**	**712.23**	**10.14**	**18.62**	**8.15**	**6.73**	**17.06**	**923.29**
Depreciation charge for the year (refer note 33)	-	17.27	106.47	1.25	5.92	1.87	1.18	7.83	141.79
Disposals	-	0.28	34.44	0.17	9.80	0.58	0.16	4.30	49.73
As at 31 March 2026	**-**	**167.35**	**784.26**	**11.22**	**14.74**	**9.44**	**7.75**	**20.59**	**1,015.35**
Net carrying amount :									
As at 31 March 2026	**118.35**	**430.45**	**893.28**	**7.72**	**34.70**	**7.56**	**2.04**	**41.01**	**1,535.11**
As at 31 March 2025	**111.42**	**422.40**	**965.95**	**8.02**	**39.72**	**7.86**	**2.66**	**25.89**	**1,583.92**

Notes:

(i) Property, plant and equipment pledged as security - refer to note 54 for information on property, plant and equipment pledged as security by the Group.

(ii) Contractual obligations - refer to note 40(a) for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) Title deeds of all the immovable property held by the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Group.

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4(a) Property, plant and equipment (cont'd)

(iv) Adjustments are on account of business combination of Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited) (also refer note 59)

(v) Adjustment on account of recoverability of property, plant and equipment pertaining to Kajaria Plywood Private Limited.

(vi) Addition in property plant and equipments includes borrowing cost of ₹ 0.58 crore (31 March 2025 : ₹ 1.80 crore).

4(b) Capital work-in-progress mainly pertains to Building (Faridabad site) and Plant and Equipment pending installation and civil work being carried on at the plants of the Group.

Details of Capital Work in Progress (CWIP) movement and ageing is as below:

Particulars	Amount
As at 1 April 2024	**67.93**
Add: Addition	112.01
Less: Capitalised	71.20
As at 31 March 2025	**108.74**
Add: Addition	36.08
Less: Capitalised	25.57
As at 31 March 2026	**119.25**

Capital work-in-progress	As at 31 March 2026				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	39.66	29.67	20.08	29.84	119.25
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress	As at 31 March 2025				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	59.73	19.17	17.00	12.84	108.74
Projects temporarily suspended	-	-	-	-	-

Note : There are no such project under capital work in progress whose completion is overdue or has exceeded it's cost compared to its original plan as of 31 March 2026 and 31 March 2025.

(a) Refer note 54 for the Capital work-in-progress pledged as security.

(b) Refer note 40 (a) for disclosure on contractual commitments for the acquisition of Capital work-in-progress.

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5 Goodwill

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	31.94	32.68
Less: impairment of goodwill	-	(0.74)
Balance at the end of the year	**31.94**	**31.94**

Note:

The goodwill impairment testing is performed at the level of the cash generating unit which represents the smallest identifiable group of assets that generates independent cash flows. The impairment testing is performed annually or whenever there is an indication that the cash generating unit to which the goodwill has been allocated may be impaired. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. Key assumptions on which management has based its determination of value-in-use includes estimated growth rates (including terminal growth rates) and discount rates. Cash flow projections are usually considered for next five years.

Further, goodwill amounting to ₹ Nil (31 March 2025: ₹ 0.74 crores), with respect to Kajaria Plywood Private Limited has been impaired by the Group, considering it as discontinued operations.

6 Other intangible assets

Particulars	Software	Total
Gross carrying amount		
As at 1 April 2024	**9.88**	**9.88**
Additions	0.16	0.16
Disposals	7.16	7.16
As at 31 March 2025	**2.88**	**2.88**
Additions	0.17	0.17
Disposals	-	-
As at 31 March 2026	**3.05**	**3.05**
Accumulated amortisation		
As at 1 April 2024	**8.85**	**8.85**
Amortisation charge for the year (refer note 33)	0.39	0.39
Disposals	7.15	7.15
As at 31 March 2025	**2.09**	**2.09**
Amortisation charge for the year (refer note 33)	0.35	0.35
Disposals	-	-
As at 31 March 2026	**2.44**	**2.44**
Net carrying amount :		
As at 31 March 2026	**0.61**	**0.61**
As at 31 March 2025	**0.79**	**0.79**

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7 Investments accounted for using the equity method

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in equity instruments (unquoted)		
Investments in joint venture (measured at cost)		
(i) Overseas Companies		
Kajaria RMF Trading LLC 500 (31 March 2025: 500) equity shares of United Arab Emirates (UAE) Dirham 1000 each fully paid up	1.16	1.16
Less: Adjustments for share in loss of joint venture	(1.16)	(1.16)
Kajaria UKP Limited^ 1,50,000 (31 March 2025: 1,50,000) equity shares of 1 Great Britain Pound each fully paid up	1.60	1.60
Less: Adjustments for share in loss of joint venture	(1.60)	(1.60)
Kajaria Ramesh Tiles Limited* 50,67,000 (31 March 2025: 37,48,200) equity shares of Nepalese Rupee 100 each fully paid up	31.67	23.43
Less: Adjustments for share in profit of joint venture	3.70	2.68
Investments in compulsorily convertible preference shares (unquoted)		
Investments in joint venture (measured at cost)		
(ii) Domestic Company		
Shri Vinayak Ply Industries Private Limited Nil (31 March 2025: 40,79,540) compulsorily convertible preference shares of ₹ 10 each fully paid up	-	4.08
Total	**35.37**	**30.19**
Aggregate value of unquoted investments	**35.37**	**30.19**
Aggregate value of Impairment	-	-

^During the Current year, Kajaria UKP Limited has filed for liquidation w.e.f. 20 August 2025.

*During the Current year, the Company has made further investment in 13,18,800 (31 March 2025 : 17,48,200) equity shares of Ramesh Tiles Limited.

8 Non-current Investments (measured at FVTPL)

Particulars	As at 31 March 2026	As at 31 March 2025
Sunsure Solarpark Two Private Limited 27,901 (31 March 2025: 27,901) equity shares of ₹ 10 each fully paid up	3.67	3.67
Total	**3.67**	**3.67**
Aggregate value of unquoted investments	**3.67**	**3.67**
Aggregate amount of impairment in value of investment	-	-

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9 Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured				
Deposits with original maturity of greater than twelve months	168.58	16.92	-	-
Share application money	-	4.94	-	-
Security deposits*	28.78	28.38	1.00	1.58
Export benefit receivables	-	-	1.83	0.14
Interest accrued on deposits	-	-	0.63	0.83
Others	-	-	-	1.73
Total	**197.36**	**50.24**	**3.46**	**4.28**

* Includes Security Deposit given to related party amounting to ₹ 0.60 crore (31 March 2025 ₹ 0.60 crore) (refer note 37)

10 Non-current tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Prepaid taxes and advance tax (net of provisions)	5.55	4.52
Total	**5.55**	**4.52**

11 Other assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good- unsecured				
Capital advances	2.33	10.38	-	-
Advance other than capital advances:				
Prepaid expenses	1.18	0.93	9.23	9.41
Advance to suppliers	-	-	13.50	9.31
Balance with statutory authorities	-	-	13.26	13.94
Others	-	-	2.06	3.55
Total	**3.51**	**11.31**	**38.05**	**36.21**

12 Inventories (valued at lower of cost or net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	61.89	59.50
Work-in-progress	50.77	35.57
Finished goods	326.99	426.16
Stock-in-trade	46.85	35.23
Stores and spares	54.93	52.32
Packing material	10.03	9.35
Total	**551.46**	**618.13**

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13 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Considered good-unsecured	628.47	570.18
Credit impaired	24.64	20.00
Less: Allowance for expected credit losses	(24.64)	(20.00)
Total	**628.47**	**570.18**

Amount due from related parties (refer note 37) 3.43 6.94

Note:

a) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person or amounts dues from firms or private companies in which any director is a partner, director or a member.

b) The net carrying value of trade receivables is considered a reasonable approximation of fair value.

c) Amount due from related parties is disclosed net of allowance for expected credit losses

Particulars	As at 31 March 2026						
	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	272.71	344.10	3.27	1.24	1.37	0.63	**623.32**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed trade receivables - credit impaired	-	0.03	3.20	10.71	2.09	0.67	**16.70**
(iv) Disputedtrade receivables - considered good	-	-	-	1.00	1.77	2.38	**5.15**
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables - credit impaired	-	-	0.03	1.65	2.65	3.61	**7.94**
Less: Allowance for expected credit losses	-	(0.03)	(3.23)	(12.36)	(4.74)	(4.28)	**(24.64)**
	272.71	**344.10**	**3.27**	**2.24**	**3.14**	**3.01**	**628.47**

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Particulars	As at 31 March 2025						
	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	334.37	215.93	10.14	5.09	0.41	0.22	**566.16**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed trade receivables - credit impaired	-	1.20	6.06	5.40	1.00	0.23	**13.89**
(iv) Disputed trade receivables - considered good	-	-	-	1.07	0.45	2.50	**4.02**
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables - credit impaired	-	-	-	1.63	0.71	3.77	**6.11**
Less: Allowance for expected credit losses	-	(1.20)	(6.06)	(7.03)	(1.71)	(4.00)	**(20.00)**
	334.37	**215.93**	**10.14**	**6.16**	**0.86**	**2.72**	**570.18**

Note: There are no unbilled receivables.

14 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- Current accounts	25.95	18.40
- Deposits with original maturity of less than three months	29.47	-
Cash on hand	0.52	0.47
Total	**55.94**	**18.87**

Note: There are no repatriation restrictions with regard to cash and cash equivalents as the end of the reporting period and prior periods.

15 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked balances with banks in current accounts - unpaid dividends*	2.79	2.61
Deposits with original maturity of greater than three months and remaining maturity of less than twelve months**	696.39	561.38
Total	**699.18**	**563.99**

Note:

* These balances are not available for use by the Group and not due for deposit in the Investor Education and Protection Fund.

** Deposits amounting to ₹ 174.20 crores (31 March 2025 : ₹ 139.55 crores) have been pledged by the Holding Company against facilities taken by various subsidiaries and against performance guarantee of the Holding company.

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for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

16 Loans#

Particulars	Non-Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured, unless otherwise stated				
Loans to other companies (refer note (i))	5.77	10.78	3.41	2.86
Loans to related parties considered good (refer note (ii))	-	-	2.36	4.04
Loan to related parties considered doubtful (refer note ii)	-	-	22.24	17.90
Less: Allowance for expected credit losses	-	-	(22.24)	(17.90)
Total	**5.77**	**10.78**	**5.77**	**6.90**

#Loans are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Notes:

(i) Loans to other companies represents interest bearing loans given for the business purposes.

(ii) Represents loans given to related parties (refer note 37 for details).

17 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised:		
77,00,00,000 equity shares of ₹ 1 each (31 March 2025: 77,00,00,000 of ₹ 1 each)	77.00	77.00
77,10,000 preference shares of ₹ 100 each (31 March 2025: 77,10,000 of ₹ 100 each)	77.10	77.10
	154.10	**154.10**
Issued and subscribed and fully paid up:		
15,92,72,290 equity shares of ₹ 1 each (31 March 2025: 15,92,72,290 equity shares of ₹ 1 each)	15.93	15.93
Total	**15.93**	**15.93**

A. Reconciliation of the authorised share capital:

There is no change in authorised capital of equity share and preference share during the current year and previous year.

B. Reconciliation of the issued and subscribed shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2026		As at 31 March 2025	
	No of shares	Amount	No of shares	Amount
At the beginning of the reporting year	15,92,72,290	15.93	15,92,58,300	15.93
Add: Shares issued on exercise of employee share option	-	-	13,990	#
Outstanding at the end of the year	**15,92,72,290**	**15.93**	**15,92,72,290**	**15.93**

(# rounded off to Nil, ₹ 13990 (equity share having face value of ₹ 1 per share))

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
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C. Terms/Rights attached to equity shares

The Holding Company has only one class of equity share having face value of ₹ 1/- per equity share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of share is entitled to voting rights proportionate to their share holding. The interim dividend has been distributed to the shareholders on approval of Board of Directors.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive assets of the Holding Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors of Holding Company have recommended a final dividend of ₹ 6/- per equity share (31 March 2025: ₹ 4/- per equity share) of face value of ₹ 1/- each for the financial year ended 31 March 2026 subject to the approval of the shareolders in the ensuing Annual General Meeting. During the year, the Holding Company has paid interim dividend of ₹ 8/- per equity share (31 March 2025: ₹ 5/- per equity share) thereby making the total dividend of ₹ 14/- per equity share (31 March 2025: ₹ 9/- per equity share).

Further, during the year, the final dividend for ₹ 4/- per equity share (31 March 2025: ₹ 6/- per equity share) has been distributed to the shareholders of the Holding Company which pertains to the previous year.

D. Shares reserved for issue under options

Information relating to Kajaria Ceramics Employee Stock Option Plan, 2015, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 43.

E. Following shareholders hold equity shares more than 5% of the total equity shares of the Holding Company*:

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held having face value of ₹ 1 each	% of holding in class	Number of shares held having face value of ₹ 1 each	% of holding in class
VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	8.12%	1,29,33,973	8.12%
CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.24%
RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	16.24%	2,58,67,947	16.24%
SBI Mutual Fund (holding through various schemes)	1,16,34,777	7.30%	58,02,703	3.64%
Kotak Mahindra Mutual Fund (holding through various schemes)	48,82,845	3.07%	93,43,185	5.87%

*As per the records of the Holding Company, including its register of members

F. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and brought back during the last 5 years for each class of shares

The Holding company has alloted equity shares aggregating 3,15,090 shares (31 March 2025 : 3,21,990) of ₹ 1 each on exercise of option granted under the employee stock option plan wherein part consideration was received in form of employee service during the period of five years immediately preceding the reporting date.

Nil equity shares (31 March 2025: Nil) bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013 (refer note 64).

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for the year ended 31 March 2026
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The Holding Company has issued Nil equity shares (31 March 2025 : Nil) as fully paid up bonus shares for which entire consideration not received in cash.

G. Details of shares held by promotors:

S. NO.	Promotor Name	As at 31 March 2026				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
4	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)	4,50,000	-	4,50,000	0.28%	-
5	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
6	Mr. Chetan Kajaria	13,39,880	1,00,000	14,39,880	0.90%	7.46%
7	Mr. Rishi Kajaria	18,05,716	1,80,000	19,85,716	1.25%	9.97%
8	Mrs. Versha Devi Kajaria	17,77,014	50,000	18,27,014	1.15%	2.81%
9	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
10	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
11	Mr. Kartik Kajaria	4,50,000		4,50,000	0.28%	-
12	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
13	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
14	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
15	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
16	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

S. NO.	Promotor Name	As at 31 March 2025				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
1	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	1,29,33,973	-	1,29,33,973	8.12%	-
2	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-
3	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	2,58,67,947	-	2,58,67,947	16.24%	-

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S. NO.	Promotor Name	As at 31 March 2025				
		No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% Changes during the year
4	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)	-	4,50,000	4,50,000	0.28%	100.00%
5	Mr. Ashok Kajaria	10,47,004	-	10,47,004	0.66%	-
6	Mr. Chetan Kajaria	13,39,880	-	13,39,880	0.84%	-
7	Mr. Rishi Kajaria	18,05,716	-	18,05,716	1.13%	-
8	Mrs. Versha Devi Kajaria	17,77,014	-	17,77,014	1.12%	-
9	Mrs. Rasika Kajaria	5,70,000	-	5,70,000	0.36%	-
10	Mrs. Shikha Kajaria	6,00,000	-	6,00,000	0.38%	-
11	Mr. Kartik Kajaria	4,50,000		4,50,000	0.28%	-
12	Mr. Raghav Kajaria	4,50,000	(4,50,000)	-	0.00%	-100.00%
13	Mr. Vedant Kajaria	4,50,000	-	4,50,000	0.28%	-
14	Mr. Parth Kajaria	4,50,000	-	4,50,000	0.28%	-
15	A.K. Kajaria (HUF)	19,67,750	-	19,67,750	1.24%	-
16	Chetan Kajaria (HUF)	42,000	-	42,000	0.03%	-
17	Rishi Kajaria (HUF)	6,000	-	6,000	0.00%	-

18 Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
a) General reserves		
Balance at the beginning of the year	**320.38**	**320.38**
Add: Adjustment on account of vested employee stock options lapsed during the year	2.20	-
Balance at the end of the year	**322.58**	**320.38**
b) Securities premium		
Balance at the beginning of the year	**184.56**	**182.62**
Share issued during the year (refer note 17)	-	1.37
Transferred to security premium from stock options outstanding account on issue of shares	-	0.57
Balance at the end of the year	**184.56**	**184.56**
c) Capital redemption reserve		
Balance at the beginning/end of the year	**5.00**	**5.00**
d) Share options outstanding account		
Balance at the beginning of the year	**21.02**	**15.49**
Employee stock option scheme	15.94	6.10
Transferred to General Reserve on account of vested employee stock options lapsed	(2.20)	-

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Particulars	As at 31 March 2026	As at 31 March 2025
Transferred to security premium on issue of shares	-	(0.57)
Balance at the end of the year	**34.76**	**21.02**
e) Capital reserve		
Balance at the beginning/end of the year	**21.45**	**21.45**
f) Retained earnings		
Balance at the beginning of the year	**2,176.01**	**2,055.75**
Profit for the year	485.41	294.35
Items of OCI for the year, net of tax	11.34	1.10
Dividend distributed (including interim dividend)	(191.13)	(175.19)
Transactions with holders of NCI	1.47	-
Balance at the end of the year	**2,483.10**	**2,176.01**
g) Other comprehensive income		
Foreign currency translation reserve		
Balance at the beginning of the year	**(0.01)**	**(0.09)**
Movement during the year	(1.79)	0.08
Balance at the end of the year	**(1.80)**	**(0.01)**
Equity attributable to the owners of the Group	**3,049.65**	**2,728.41**

Nature and purpose of reserves

a) General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

b) Securities premium

This reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

c) Capital redemption reserve

This reserve was created on redemption of preference shares in the financial year 2001-02. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

d) Share options outstanding account

The reserve is used to recognise the grant date fair value of the options issued to employees under Kajaria Ceramics Employee Stock Option Plan, 2015.

e) Capital reserve

The reserve was created on Scheme of Arrangement (the Scheme) between the Holding Company and erstwhile Kajaria Securities Private Limited ('KSPL').

Further, it includes difference arising on changes in the Group's ownership interest in subsidiary that do not result in a loss of control. The amount represents the difference between the adjustment to non-controlling interests and the consideration received in respect of the transaction.

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for the year ended 31 March 2026

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f) Retained earnings

Created from profit/loss of the Group, as adjusted from distributions to owners in the form of dividend and transfer to other reserve.

g) Foreign currency translation reserves

Foreign currency translation reserves represents difference arisen on translation of wholly owned subsidiary in to reporting currency.

19 Borrowings

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Term loan - Secured				
(i) From banks	63.85	84.83	-	-
Less: current maturities of non-current borrowings	(22.30)	(20.98)	22.30	20.98
(ii) Deferred payment liabilities Interest free loan from Financial Institution (Sales tax deferment scheme - State of Uttar Pradesh)	-	0.88	-	-
Less: current maturities of non-current borrowings	-	(0.88)	-	0.88
Term loan - Unsecured				
From others	7.59	7.53	-	-
Working capital facility				
Secured				
From banks	-	-	58.88	82.70
Total	**49.14**	**71.38**	**81.18**	**104.56**

Terms of borrowings

Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2026	As at 31 March 2025			
Term loan - from banks (secured)	45.23	57.29	Rate of interest is 8.79% (Previous year 8.79%)	Term loan is secured against exclusive charge on immovable and movable assets and current assets of Kerovit Global Private Limited, both present and future. Above loan is further secured by Corporate guarantee by the Holding Company.	The loan is repayable in 20 equal quarterly instalments starting after moratorium of 12 months from the date of first drawdown.

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Type of loan	Loan outstanding As at 31 March 2026	Loan outstanding As at 31 March 2025	Rate of interest	Security guarantee	Repayment terms
Term loan - from banks (secured)	18.62	27.54	Rate of interest is variable and linked to MCLR. rate of interest is 8.50% (Previous year 8.75%)	Secured against first charge on immovable and movable assets (present and future) of South Asian Ceramic Tiles Private Limited. Hyderabad, Telangana. Above loan is further secured by Corporate guarantee by the Holding Company.	Repayable in 36 and 62 monthly instalments commencing from Feb 23.
Deferred payment liabilities Interest free loan from Financial Institution	-	0.88	Nil (Previous year Nil)	Secured against first charge on factory land and building of the Holding Company at Sikandrabad, Uttar Pradesh.	Repayable in one instalment after 7 years from date of disbursement.
Loan from others - Unsecured	7.59	7.53	8% per annum (Previous year 8%)	Not applicable	Payable after 31 March 2027
Working capital facility (secured)	15.36	30.03	Rate of interest is variable and linked to MCLR. Interest rate is 8.25% (Previous year 8.25%)	Secured by first charge on current assets (both present and future) of Kajaria Vitrified Private Limited (at its factories at Morbi, Gujarat). In addition to this collateral security is provided in the form of a personal guarantee from Mr. Jaydipbhai Jivrajbhai Patel.	On demand
Buyer's credit (secured)	14.15	17.19	Rate of interest is variable and linked to MCLR. Interest rate is 8.23% (Previous year 8.43%)	Secured by first charge on inventories and book debts and second charge on immovable and movable assets of Kajaria Infinity Private Limited (at its factories at Morbi, Gujarat). Above loan is further secured by Corporate guarantee by the Holding Company.	On demand
Working capital facility (secured)	5.80	9.54	Rate of interest is variable and linked to LIBOR plus spread.	Secured against hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book debts of Kajaria Bathware Private Limited, both present and future. Above loan is further secured by Corporate guarantee by the Holding Company.	Upto 154 days

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Type of loan	Loan outstanding		Rate of interest	Security guarantee	Repayment terms
	As at 31 March 2026	As at 31 March 2025			
Working capital facility (secured)	-	2.07	Rate of interest is 7.5% to 8.5% per annum (Previous year 8.25% to 9.30%)	Secured by first charge on inventories and book debts and second charge on immovable and movable assets of the Holding Company (at its factories at Sikandrabad, Uttar Pradesh and Gailpur, Rajasthan).	On demand
Working capital facility (secured)	-	4.83	Nil. (Previous year: rate of interest is variable and linked to MCLR. Interest rate is 8.65%	Secured against first charge on Inventories and Book debts of Kajaria Bathware Private Limited, both present & future. Above loan is further secured by guarantee of Holding Company.	On demand
Working capital facility (secured)	2.36	2.87	Rate of interest is variable and linked to MCLR. Interest rate is 7.43% (Previous year 8.65%)	Secured against first charge on Inventories and book debts of Kajaria Sanitaryware Private Limited, both present & future. Above loan is further secured by personal guarantee of one of director of Kajaria Vitrified Private Limited and corporate guarantee by the Holding Company.	On demand
Working capital facility (secured)	5.05	-	Rate of interest is variable and linked to MCLR. Interest rate is 8.79%	Secured against first charge on Inventories and book debts of Kerovit Global Private Limited, both present & future. Above loan is further secured by corporate guarantee by the Holding Company.	On demand
Working capital facility (secured)	16.16	16.17	Rate of interest is variable and linked to MCLR. Interest rate is 8.5% (Previous year 8.75%)	Secured by first charge on inventories of South Asian Ceramic Tiles Private Limited. Above loan is further secured by Corporate guarantee by the Holding Company.	On demand

The above loans have been utilised as per the purpose for these loans were sanctioned.

The property on which mortgaged or any charged created has been duly registered with Registrar of companies.

The Group has not defaulted in repayment of interest during the current financial year. Further, there has been no default in repayment of loan and no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Notes to the Consolidated Financial Statements

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20 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Lease liabilities (refer note 39)	72.20	72.87	26.07	25.05
Total	**72.20**	**72.87**	**26.07**	**25.05**

21 Provisions

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits obligation (refer note 38)				
Gratuity	7.86	5.04	6.32	7.68
Compensated absences	0.10	-	22.39	22.17
Warranty expenses provision	-	-	0.55	-
Total	**7.96**	**5.04**	**29.26**	**29.85**

22 Deferred tax assets/liabilities (net)

	Particulars	As at 31 March 2026	As at 31 March 2025
(a)	Deferred tax liability on:		
	Difference between book balance and tax balance of property, plant and equipment and intangible assets	117.67	118.66
		117.67	**118.66**
(b)	Deferred tax asset on:		
	Provision for employee benefit obligations	8.02	8.57
	Others (including MAT input credit)	9.96	21.74
		17.98	**30.31**
		99.69	**88.35**
	Amount recognised in the consolidated balance sheet to the extent not netted off*:		
	Deferred tax assets (net)	**1.77**	**0.78**
	Deferred tax liabilities (net)	**101.46**	**89.13**

* The Group does not have legal enforceable right to offset the recognised deferred tax asset of one entity with the deferred tax liability of another entity within the Group.

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Movements in deferred tax liabilities and deferred tax assets:

Particulars	Property, plant and equipment	Compensated absences	Others	Total
As at 1 April 2024	116.36	(11.33)	(24.90)	80.13
Charged/(credited) to the statement of profit or loss	2.30	2.76	3.16	8.22
As at 31 March 2025	**118.66**	**(8.57)**	**(21.74)**	**88.35**
Charged/(credited) to the statement of profit or loss	(0.99)	0.55	11.78	11.34
As at 31 March 2026	**117.67**	**(8.02)**	**(9.96)**	**99.69**

23 Other liabilities

Particulars	Non Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Advance received from customers	-	-	34.00	26.90
Statutory dues payable	-	-	52.02	54.07
Deferred government grant	1.01	-	0.12	0.05
Total	**1.01**	**-**	**86.14**	**81.02**

24 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 42)	81.00	96.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises	238.51	241.66
Total	**319.51**	**338.08**

Note : The carrying values of trade payables are considered to be a reasonable approximation of fair value.

Particulars	As at 31 March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed dues of micro enterprises and small enterprises	81.00	-	-	-	**81.00**
- Undisputed dues of creditors other than micro enterprises and small enterprises	237.57	0.75	0.10	0.09	**238.51**
- Disputed Dues - micro enterprises and small enterprises	-	-	-	-	**-**
- Disputed Dues - other than micro enterprises and small enterprises	-	-	-	-	**-**
	318.57	**0.75**	**0.10**	**0.09**	**319.51**

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Particulars	As at 31 March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed dues of micro enterprises and small enterprises	96.42	-	-	-	**96.42**
- Undisputed dues of creditors other than micro enterprises and small enterprises	241.46	0.06	0.13	0.01	**241.66**
- Disputed Dues - micro enterprises and small enterprises	-	-	-	-	**-**
- Disputed Dues - other than micro enterprises and small enterprises	-	-	-	-	**-**
	337.88	**0.06**	**0.13**	**0.01**	**338.08**

Note: There are no unbilled dues.

25 Other current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Interest accrued but not due on borrowings	0.05	0.12
Unclaimed dividends*	2.79	2.61
Interest bearing deposits from customers	25.50	28.51
Security deposits others	16.21	30.54
Employee payable	59.99	62.44
Liabilities towards unspent corporate social responsibility	-	0.55
Creditors for capital goods	1.57	2.96
Others	0.33	0.26
Total	**106.44**	**127.99**

* Not due for deposit to Investors Education and Protection Fund.

26 Current tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax liabilities (net of advance tax and TDS)	18.36	1.14
Total	**18.36**	**1.14**

27 Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products		
Tiles	4,274.56	4,165.20
Others	550.07	463.06
	4,824.63	4,628.26
Other operating revenues		
Sale of scrap	5.73	6.81
Total	**4,830.36**	**4,635.07**

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Disclosure pursuant to Ind AS-115 'Revenue from contracts with customers', are as follows:

(a) Disaggregation of revenue:

Revenue arises mainly from the sale of manufactured and traded goods. The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Particulars	Year ended 31 March 2026			
	Revenue from sale of tiles	Revenue from sale of other	Other operating revenue	Total
Revenue by geography				
Domestic	4,248.77	546.82	5.73	4,801.32
Export	25.79	3.25	-	29.04
Total	**4,274.56**	**550.07**	**5.73**	**4,830.36**
Revenue by time				
Revenue recognized at point in time				4,830.36
Revenue recognized over time				-
Total				**4,830.36**

Particulars	Year ended 31 March 2025			
	Revenue from sale of tiles	Revenue from sale of other	Other operating revenue	Total
Revenue by geography				
Domestic	4,114.41	462.19	6.81	4,583.41
Export	50.79	0.87	-	51.66
Total	**4,165.20**	**463.06**	**6.81**	**4,635.07**
Revenue by time				
Revenue recognized at point in time				4,635.07
Revenue recognized over time				-
Total				**4,635.07**

Sale of products are net of discounts amounting to ₹ 193.84 crores (31 March 2025 : ₹ 207.43 crores).

(b) Liabilities related to contracts with customers are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Contract liabilities related to sale of goods		
Advance from customers	34.00	26.90
Trade receivables*	**628.47**	**570.18**

*Net of allowances for expected Credit loss (refer note 13)

(c) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Notes to the Consolidated Financial Statements

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Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 45 days from the completion of performance obligation.

There is no significant financing component in any transaction with the customers.

(d) Significant changes in the contract assets and liabilities:

The movement in contract liabilities (advance from customers) during the year.

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers		
Opening balance	**26.90**	**28.82**
Revenue recognised during the year	(26.90)	(28.82)
Addition during the year (net)	34.00	26.90
Closing balance	**34.00**	**26.90**

(e) Reconciliation of revenue from sale of products with the contracted price

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price	5,018.47	4,835.69
Less: Incentive and discount	193.84	207.43
Sale of products	**4,824.63**	**4,628.26**

28 Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income measured at amortised cost on:		
Fixed deposits with bank	44.94	37.80
Other financial assets carried at amortised cost	0.64	0.64
Net gain on foreign currency transactions and translation	2.41	1.08
Gain on disposal of property, plant and equipment (net)	0.05	-
Other non-operating income	4.82	3.22
Total	**52.86**	**42.74**

29 Cost of materials consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Body material	561.63	592.35
Glaze, frits and chemicals	285.71	302.57
Packing material	144.92	172.96
Total	**992.26**	**1,067.88**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

30 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance		
Finished goods	426.16	332.09
Stock-in-trade	35.23	42.52
Work-in-progress	35.57	26.07
Total	**496.96**	**400.68**
Stock produced at during trial run	(0.30)	7.11
Closing balance		
Finished goods	326.99	426.16
Stock-in-trade	46.85	35.23
Work-in-progress	50.77	35.57
Total	**424.61**	**496.96**
Less: Adjustment on account of discontinued operations (refer note 60)	(1.88)	(3.79)
Total	**70.17**	**(92.96)**

31 Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	483.70	529.62
Contribution to provident fund and other funds (refer note 38)	20.04	20.35
Share based payments to employees	15.94	6.10
Staff welfare expenses	10.18	10.05
Total	**529.86**	**566.12**

32 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expenses	14.90	12.54
Interest on lease liabilities	6.71	5.33
Other borrowing costs	1.02	2.16
Total	**22.63**	**20.03**

33 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment (refer note 4)	141.79	141.07
Amortisation of intangible assets (refer note 6)	0.35	0.39
Depreciation on right to use assets (refer note 39)	27.23	23.94
Total	**169.37**	**165.40**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

34 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	141.56	150.28
Power and fuel	888.51	912.38
Repairs and maintenance		
- Building	6.70	7.79
- Plant and equipment	32.37	31.63
- Others	4.41	6.83
Rent (refer note 39)	7.02	5.96
Rates and taxes	2.51	2.88
Traveling and conveyance	42.21	67.57
Insurance charges	5.07	5.67
Legal and professional charges	12.57	8.00
Packing, freight and forwarding expenses	61.91	62.32
Advertisement, publicity and sales promotion	91.18	122.68
Sales commission	13.10	15.01
Loss on disposal of property, plant and equipment	3.59	9.23
Bad debts written off	-	0.65
Provision for expected credit loss	8.62	22.67
Corporate social responsibility expenditure	9.97	10.08
Research and development expenses (refer note 49)	2.03	5.60
Net loss on foreign currency transactions and translation	0.33	-
Miscellaneous expenses	34.40	30.01
Total	**1,368.06**	**1,477.24**

35 Income-tax expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Income-tax expense debited/(credited) to statement of profit and loss		
Current tax		
Current tax on profits for the year	183.84	127.96
Adjustment of tax relating to earlier periods	1.48	(0.15)
Current tax expense on profits for the year	**185.32**	**127.81**
Deferred tax		
Deferred tax charge/(credit) for the year	7.46	8.14
	7.46	**8.14**
Total tax expense	**192.78**	**135.95**

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for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Particulars		Year ended 31 March 2026	Year ended 31 March 2025
(b)	**Income-tax expense debited/(credited) to other comprehensive income**		
	Tax charge for the year	3.89	0.29
		3.89	**0.29**
(c)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**		
	Profit before tax from continuing operations	682.84	484.26
	Tax at the Indian tax rate of 25.168%	171.86	121.88
	Adjustments in respect of current income-tax of previous years	1.48	(0.15)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Expenses not allowed as deduction	10.17	3.93
	Subsidiary company not recognised as deferred tax asset	9.27	10.29
	Income-tax expense	**192.78**	**135.95**

36 Earnings per share

Earnings per share	Year ended 31 March 2026	Year ended 31 March 2025
Profit attributable to equity holders of the Holding company for basic earnings (₹ in crores) for the year		
i) From Continuing operations	488.47	342.64
ii) From Discontinued operations	(3.06)	(48.29)
iii) From Continued and discontinued operations	485.41	294.35
Weighted average number of equity shares in calculating basic earnings per share (Nos.)	15,92,72,290	15,92,64,471
Weighted average number of equity shares in calculating diluted earnings per share (refer note below) (Nos.)	15,94,45,336	15,93,37,845
Earnings per share		
i) For continuing operations		
a) Basic (₹)	30.67	21.51
b) Diluted (₹)	30.63	21.50
ii) For Discontinued operations		
a) Basic (₹)	(0.19)	(3.03)
b) Diluted (₹)	(0.19)	(3.03)
iii) For Continued and discontinued operations		
a) Basic (₹)	30.48	18.48
b) Diluted (₹)	30.44	18.47

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for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Note: Weighted average number of equity shares used as denominator -

Particulars	No. of shares	
	As at 31 March 2026	As at 31 March 2025
Weighted average number of equity shares used as denominator in calculating basic earnings per shares	15,92,72,290	15,92,64,471
Adjustments for calculation of diluted earnings per share:		
- Outstanding employee stock options	1,73,046	73,374
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	**15,94,45,336**	**15,93,37,845**

37 Related party disclosures in accordance with Ind AS 24 - Related party disclosures

I List of related parties as per Ind AS 24

(a) Key management personnel (KMP):

	Name of the KMP	Designation
1	Mr. Ashok Kajaria#	Chairman
2	Mr. Chetan Kajaria#	Vice Chairman
3	Mr. Rishi Kajaria#	Managing Director
4	Mr. Dev Datt Rishi	Non Executive Director
5	Mr. Sudhir Bhargava	Independent Director
6	Dr. Lalit Kumar Panwar	Independent Director
7	Mr. Rajender Mohan Malla*	Independent Director
8	Mrs. Ambika Sharma	Independent Director (w.e.f. 30 March 2025)
9	Mr. Hitesh Sohanlal Jain	Independent Director (w.e.f. 19 December 2025)
10	Mr. Pradeep Udhas	Independent Director (w.e.f. 19 December 2025)
11	Mr. Sanjeev Agarwal#	Chief Financial Officer
12	^Mr. Vinit Kumar#	General Counsel and Company Secretary
13	^^Mr. Ram Chandra Rawat#	COO (A&T) and Company Secretary

Key Management Personnel (KMP) as defined under Section 2(51) of the Companies Act, 2013

*Ceased to be director w.e.f. closing hours of 22 September 2025

^KMP w.e.f. 1 April 2026

^^Ceased to be KMP w.e.f. closing hours of 31 March 2026

Notes to the Consolidated Financial Statements

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(Amount in ₹ crores, unless otherwise stated)

(b) Enterprises controlled by Key Management Personnel or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise:-

	Name of the Entity
1	Dua Engineering Works Private Limited
2	Malti Devi Kajaria Foundation
3	Kajaria Ceramics Employees Gratuity Trust
4	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)
5	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)
6	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)
7	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)
8	A.K. Kajaria (HUF)
9	Chetan Kajaria (HUF)
10	Rishi Kajaria (HUF)
11	RC Rawat (HUF)

(c) Relatives of key management personnel

	Name of close members
1	Mrs. Versha Devi Kajaria
2	Mrs. Rasika Kajaria
3	Mrs. Shikha Kajaria
4	Mr. Kartik Kajaria
5	Mr. Raghav Kajaria
6	Mr. Vedant Kajaria
7	Mr. Parth Kajaria

(d) Joint venture

1	Kajaria RMF Trading LLC	50% Joint venture of Kajaria International DMCC
2	Kajaria UKP Limited*	50% Joint venture of Kajaria International DMCC
3	Kajaria Ramesh Tiles Limited	50% Joint venture of Kajaria Ceramics Limited

*currently under liquidation

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

II Details of transaction with Key Managerial Personnel (KMP) and related to KMP are as follows:

(a) Details relating to remuneration to KMP:

S No.	Name of KMP	Year ended 31 March 2026		Year ended 31 March 2025	
		Short-term employee benefits	Sitting fees	Short-term employee benefits	Sitting fees
	KMP of holding company:				
1	Mr. Ashok Kajaria*	-	-	5.67	-
2	Mr. Chetan Kajaria*	-	-	5.74	-
3	Mr. Rishi Kajaria*	-	-	5.80	-
4	Mr. Dev Datt Rishi	-	0.05	-	0.04
5	Mrs. Sushmita Singha#	-	-	-	0.06
6	Mr. Sudhir Bhargava	-	0.10	-	0.09
7	Dr. Lalit Kumar Panwar	-	0.08	-	0.08
8	Mr. Rajender Mohan Malla##	-	0.04	-	0.07
9	Mrs. Ambika Sharma###	-	0.06	-	-
10	Mr. Hitesh Sohanlal Jain$	-	0.01	-	-
11	Mr. Pradeep Udhas$$	-	0.01	-	-
12	Mr. Sanjeev Agarwal*	2.39	-	2.24	-
13	^Mr. Ram Chandra Rawat*	2.34	-	2.28	-

*Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Group as a whole.

#Ceased to be director w.e.f. closing hours of 29 March 2025

##Ceased to be director w.e.f. closing hours of 22 September 2025

###Director w.e.f. 30 March 2025

$Director w.e.f. 19 December 2025

$$Director w.e.f. 19 December 2025

^Ceased to be KMP w.e.f. closing hours of 31 March 2026

(b) Dividend paid

		Year ended 31 March 2026	Year ended 31 March 2025
Key management personnel and relatives of KMP			
1	Mr. Ashok Kajaria	1.26	1.15
2	Mr. Chetan Kajaria	1.73	1.47
3	Mr. Rishi Kajaria	2.29	1.99
4	Mrs. Versha Devi Kajaria	2.13	1.95
5	Mrs. Rasika Kajaria	0.68	0.63
6	Mrs. Shikha Kajaria	0.72	0.66
7	Mr. Kartik Kajaria	0.54	0.50
8	Mr. Vedant Kajaria	0.54	0.50
9	Mr. Parth Kajaria	0.54	0.50

Notes to the Consolidated Financial Statements

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(Amount in ₹ crores, unless otherwise stated)

(c) Remuneration paid to relative of KMP during the year

	Year ended 31 March 2026	Year ended 31 March 2025
Mr. Kartik Kajaria*	0.60	0.60

* Does not include employee benefits in relation to gratuity and compensated absence, as such provisions are for the Company as a whole.

(d) Sale of vehicles to KMP and relatives of KMP

		Year ended 31 March 2026	Year ended 31 March 2025
1	Mr. Ashok Kajaria	-	0.18
2	Mr. Chetan Kajaria	-	4.54
3	Mr. Rishi Kajaria	-	2.83
4	Mrs. Versha Devi Kajaria	-	0.05

(e) Purchase of shares from KMP and relatives of KMP

		Year ended 31 March 2026	Year ended 31 March 2025
1	Mr. Chetan Kajaria		
	Purchase of Nil (31 March 2025:5,000) equity shares of ₹ 10 each of Kajaria Adhesive Private Limited	-	0.01
2	Mr. Kartik Kajaria		
	Purchase of 2,500 (31 March 2025:2,500) equity shares of ₹ 10 each of Kajaria Adhesive Private Limited (# rounded off to nil, ₹ 25000 (2500 equity shares of ₹ 10 each of Kajaria Adhesive Private Limited))	#	#

Details of transactions with enterprises over which KMP or their relatives are able to exercise significant influence:

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(f)	**Sale of goods**		
	Kajaria Ramesh Tiles Limited	0.58	-
	Kajaria RMF Trading LLC	4.31	3.64
	Kajaria UKP Limited	-	8.23
(g)	**Rent paid**		
	Dua Engineering Works Private Limited	1.71	1.71
(h)	**Donation paid**		
	Malti Devi Kajaria Foundation	0.75	0.65
(i)	**Reimbursement of expenses**		
	Kajaria RMF Trading LLC	0.61	0.52
(j)	**Guarantees/ Standby Letter of Credit given during the year**		
	Kajaria Ramesh Tiles Limited	42.18	20.00
(k)	**Interest Income**		
	Kajaria RMF Trading LLC	-	0.21
	Kajaria UKP Limited	-	0.90

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(l)	**Investment**		
	Investments in equity instruments		
	Kajaria Ramesh Tiles Limited	8.24	10.93
(m)	**Loan given to**		
	Kajaria Ceramics Employee Gratuity Trust	6.80	4.22
	Kajaria RMF Trading LLC	0.51	1.21
	Kajaria UKP Limited	0.31	14.45
(n)	**Loans repaid by**		
	Kajaria Ceramics Employee Gratuity Trust	6.91	3.78
(o)	**Dividend paid**		
	VK Trustees Private Limited (in its capacity as sole trustee of Versha Kajaria Family Private Trust)	15.52	14.23
	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	31.04	28.45
	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust)	31.04	28.45
	Chetan Kajaria and Rasika Kajaria (in their capacity as joint trustees of Raghav Kajaria Family Private Trust)	0.54	0.50
	A.K. Kajaria (HUF)	2.36	2.16
	Chetan Kajaria (HUF)	0.05	0.05
	Rishi Kajaria (HUF)	0.01	0.01
	RC Rawat (HUF)#	-	-

Rounded off to nil

All the related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

	Particulars	As at 31 March 2026	As at 31 March 2025
	Outstanding balances as at year end:		
(p)	**Investments in equity instruments**		
	Kajaria Ramesh Tiles Limited	35.37	26.11
	Kajaria RMF Trading LLC	1.16	1.16
	Kajaria UKP Limited	1.60	1.60
	Less: Adjustments for share in loss of Joint Ventures	(2.76)	(2.76)
		35.37	**26.11**
(q)	**Loan given**		
	Kajaria Ceramics Employee Gratuity Trust	0.90	1.01
	Kajaria RMF Trading LLC	3.82	3.03
	Kajaria UKP Limited	19.88	17.90
	Less: allowance for expected credit loss	(22.24)	(17.90)
		2.36	**4.04**

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	Particulars	As at 31 March 2026	As at 31 March 2025
(r)	**Security deposit**		
	Dua Engineering Works Private Limited	**0.60**	**0.60**
(s)	**Receivable**		
	Kajaria Ramesh Tiles Limited	0.15	-
	Kajaria RMF Trading LLC	3.28	2.88
	Kajaria UKP Limited	8.79	9.06
	Less: allowance for expected credit loss	(8.79)	(5.00)
		3.43	**6.94**
(t)	**Interest receivable**		
	Kajaria RMF Trading LLC	**0.01**	**0.13**
(u)	**Guarantees/Standby Letter of Credit given outstanding at year end**		
	Kajaria Ramesh Tiles Limited	**130.31**	**88.13**

Note:

Outstanding balances at the year-end are unsecured and settlement occurs in cash.

38 Employee benefit

The Group has following post-employment benefit plans:

A) Defined contribution plan

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. The Group has no obligation, other than the contribution payable to the provident fund.

The Group's contribution to the provident fund is ₹ 14.07 crores (31 March 2025: ₹ 14.80 crores).

B) Defined benefit plans - Gratuity

The Group has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The Group makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz, the Code on Wages, 2019; Industrial Relations Code, 2020; the Code on Social Security, 2020; and the occupational Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the 'New Labout Codes'). These codes have been made effective from 21 November 2025. The Government is in the process of notifying related rules to the New Labour Codes and impact of these will be evaluated and accounted for in accordance with the applicable accounting standards in the period in which they are notified.

In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Group has estimated the financial implications thereof and made additional provision of ₹ 19.43 crores towards gratuity and compensated leave liability disclosed under exceptional items in the consolidated financial statements for the year ended 31 March 2026. The Group continues to monitor and assess the impact of further government clarifications, state specific rules and will provide appropriate updates based on such development as and when necessary.

Notes to the Consolidated Financial Statements

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The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Defined benefit obligation at the beginning of the year	72.28	66.86
Current service cost	7.45	6.09
Interest cost	5.13	4.68
Past service cost	13.95	-
Benefits paid	(7.33)	(4.04)
Actuarial loss/(gain) on obligations	(11.89)	(1.31)
Defined benefit obligation at the end of the year	**79.59**	**72.28**

Changes in the fair value of plan assets are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Fair value of plan assets at the beginning of the year	59.56	54.39
Contribution during the year	5.00	5.00
Benefits paid	(6.91)	(3.77)
Expected interest income on plan assets	4.25	3.81
Actuarial gain/(loss) on plan asset	3.51	0.13
Fair value of plan assets at the end of the year	**65.41**	**59.56**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	As at 31 March 2026	As at 31 March 2025
Fair value of plan assets	65.41	59.56
Defined benefit obligation	79.59	72.28
Net (liability) recognised in the Consolidated Balance Sheet (refer note 21)	**(14.18)**	**(12.72)**
Current	6.32	7.68
Non current	7.86	5.04

Amount recognised in Consolidated Statement of Profit and Loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	7.45	6.09
Interest expense	5.13	4.68
Past service cost	13.95	-
Expected return on plan asset	(4.25)	(3.81)
Amount recognised in Consolidated Statement of Profit and Loss:	**22.28**	**6.96**

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Breakup of actuarial gain/(loss)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial gain/(loss) arising on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	8.42	(0.75)
Actuarial gain/(loss) arising from experience adjustments	3.47	2.06
Actuarial gain/(loss) arising on plan assets	3.51	0.13
Amount of gain/(loss) recognised in other comprehensive income	**15.40**	**1.44**

The major categories of plan assets are as follows:

Gratuity

Particulars	As at 31 March 2026	As at 31 March 2025
Investment details	**Funded**	**Funded**
Investment with gratuity funds	100%	100%

Note : - Gratuity is funded only for the Holding Company

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	6.75% - 7.25%	6.80% - 7.25%
Expected rate of return on Plan assets	7.14%	6.80%
Future salary increases	5.00% to 8.60%	5.00% to 8.60%
Attrition Rate :		
18-30 years	15.00%	2.00%
30-44 years	15.00%	2.00%
44-58 years	15.00%	2.00%
Retirement age	58 years	58 years
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Note:

a.) The discount rate is based upon the market yield available on government bonds at the accounting date relevant to currency of benefits payments for a term that matches the liability.

b.) The estimates for future salary increase rate taxes amount of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

c.) The group provides for gratuity for employees in India as per the Payment of Gratuity Act,1972.

Notes to the Consolidated Financial Statements

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Experience adjustment:

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation	79.59	72.28	66.86	59.45	53.17
Experience gain/(loss) on liability	3.47	2.06	0.43	(0.05)	(0.48)

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 and 31 March 2025 is as shown below:

Gratuity plan	Sensitivity level		Impact on Defined benefit obligation	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Assumptions				
Discount rate	+1%	+1%	(3.48)	(5.96)
	-1%	-1%	3.86	6.91
Future salary increases	+1%	+1%	3.77	6.37
	-1%	-1%	(3.47)	(22.56)
Withdrawal rate	+1%	+1%	(0.20)	(0.11)
	-1%	-1%	0.22	0.09

Note:

1. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

2. Sensitivities due to mortality are insignificant and hence ignored.

3. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Effect of plan on Company's future cash flows

(a) Funding arrangements and funding Policy

The Holding Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) Maturity Profile of Defined Benefit Obligation :

Particulars	As at 31 March 2026	As at 31 March 2025
Within the next 12 months (next annual reporting period)	16.97	8.77
Between 2 and 5 years	25.21	18.34
Beyond 5 years	38.23	44.53
Total expected payments	**80.41**	**71.64**

(i) Expected contribution for next year is ₹ 7.13 crores (31 March 2025 : ₹ 5.41 crores)

(ii) The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (31 March 2025: 11 years).

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(Amount in ₹ crores, unless otherwise stated)

(c) Other long-term employee benefits - Compensated absences (unfunded)

Particulars	As at 31 March 2026	As at 31 March 2025
Amounts recognised in the consolidated balance sheet		
Current	22.39	22.17
Non current	0.10	-

39 Leases

a) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use assets	No. of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	55	1 to 10 years	2.57 years to 5.5 years
	(31 March 2025: 65)	(31 March 2025 : 1 to 10 years)	(31 March 2025 : 2.57 years to 5.5 years)

There are no leases entered by the Group which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

b) Amounts recognised in consolidated balance sheet and consolidated statement of profit and loss :

Particulars	Category of right-of-use assets		
	Land	Buildings	Total
Balance as at 1 April 2024	**4.89**	**65.51**	**70.40**
Add: Additions	-	55.61	55.61
Less: Deletions	-	(1.31)	(1.31)
Less: Depreciation charged on the right-of-use assets (refer note 33)	(0.06)	(23.88)	(23.94)
Balance as at 31 March 2025	**4.83**	**95.93**	**100.76**
Add: Additions	-	49.61	49.61
Less: Deletions	-	(16.17)	(16.17)
Less: Depreciation charged on the right-of-use assets (refer note 33)	(0.06)	(27.17)	(27.23)
Balance as at 31 March 2026	**4.77**	**102.20**	**106.97**

c) Lease payments not recognised as lease liabilities:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Expenses relating to short term leases (included in other expenses)	7.02	5.96
Total	**7.02**	**5.96**

d) The total cash outflow for leases (principal and interest) for the year ended 31 March 2026 ₹ 38.37 crores (31 March 2025 : ₹ 30.26 crores)

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for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

e) Interest on lease liabilities

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	6.71	5.33
Total	**6.71**	**5.33**

f) Future minimum lease payments as on 31 March 2026 and 31 March 2025 are as follows:

Minimum lease payments due	As at 31 March 2026		
	Lease payments	Finance charges	Net present values
Within 1 year	32.46	6.39	26.07
1 - 2 years	29.54	4.52	25.02
2 - 3 years	26.05	2.82	23.23
More than 3 years	26.77	2.82	23.95
Total	**114.82**	**16.55**	**98.27**

Minimum lease payments due	As at 31 March 2025		
	Lease payments	Finance charges	Net present values
Within 1 year	31.24	6.19	25.05
1 - 2 years	28.15	4.43	23.72
2 - 3 years	24.50	2.80	21.70
More than 3 years	29.38	1.93	27.45
Total	**113.27**	**15.35**	**97.92**

40 Commitments, contingencies and litigations

Particulars		As at 31 March 2026	As at 31 March 2025
(a)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	27.53	15.71
(b)	**Contingent liabilities**		
	Standby Letter of Credit in respect of loan taken by Joint Venture	130.31	88.13
	Claims against the Group not acknowledged as debt		
	- In respect of income tax, goods and service tax, value added tax, service tax and excise duty demands pending before various authorities and in dispute	7.20	28.76
	- In respect of consumer cases	3.92	3.74

The Group is contesting the above demands and the management, including its solicitor, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the consolidated financial statements for the tax demand raised.

The Group has certain litigations involving customers and vendors and based on legal advice of in-house legal team, the management believes that no material liability will devolve on the Group in respect of these litigations.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

41 Segment reporting

Basis of segment reporting

The Group has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes:

Reportable segment	Operations
Tiles	Manufacturing and trading of ceramic and vitrified wall and floor tiles
Others including bathware, sanitaryware, and adhesive products	Manufacturing of sanitaryware and faucet and adhesive

Inter-segment transactions are recorded on arm's length basis i.e. at prices charged by respective segments to external parties. All inter-segment transactions are further eliminated in consolidated financial statements.

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker. The measurement principles of segments are consistent with those used in material accounting policies.

Additionally,several minor operating segments are combined below under other segments. The main source of revenue for this segment is majorly from sale of Bathware, Sanitaryware and adhesive products.

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consist of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and unallocated liabilities respectively.

Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Tiles	Others	Total	Tiles	Others	Total
A. Segment revenue	**4,280.29**	**550.07**	**4,830.36**	**4,172.01**	**463.06**	**4,635.07**
B. Segment Cost of Material Consumed	**871.70**	**120.56**	**992.26**	**972.10**	**95.78**	**1,067.88**
C. Segment results	**651.18**	**44.43**	**695.61**	**447.97**	**12.81**	**460.78**
D. Reconciliation of segment result with profit after tax						
Segment results	651.18	44.43	695.61	447.97	12.81	460.78
Add/(Less):						
Other income			52.86			42.74
Finance costs		-	(22.63)			(20.03)
Share of profit/(loss) from joint ventures			1.02			0.77
Exceptional items			(44.02)			-
Income taxes		-	(192.78)			(135.95)
Net Profit after tax from continuing operations			**490.06**			**348.31**
Net Profit after tax from discontinuing operations			(3.06)			(48.29)
Net Profit after tax for the year			**487.00**			**300.02**
E. Other information						
Segment assets	2,758.07	465.62	3,223.69	2,735.33	393.56	3,128.89
Un-allocable assets			805.52			627.31
Total assets			**4,029.21**			**3,756.20**
Segment liabilities	537.07	107.43	644.50	576.29	100.68	676.97
Un-allocable liabilities			254.23			269.14
Total liabilities			**898.73**			**946.11**

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The Group's non-current assets (other than financial instruments, investments accounted for using the equity method and deferred tax assets) are located within the country. Further, there is no single major customer contributing to 10% or more of the Group's revenue.

42 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars		As at 31 March 2026	As at 31 March 2025
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
	Principal amount due to micro and small enterprises	80.97	96.42
	Interest due on above	0.03	-
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

43 Share based payments

a) During the year ended 31 March 2022, the Board of Directors and the shareholders of the Holding Company has approved to issue additional stock options to the eligible employees of the Holding Company and its Subsidiaries under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Holding Company and its subsidiaries to purchase shares in the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 980
Grant date	02 March 2022
Vesting conditions	70,520 options 24 months after the grant date ('First vesting')
	141,040 options 36 months after the grant date ('Second vesting')
	211,560 options 48 months after the grant date ('Third vesting')
	282,080 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	705,200
Method of settlement	Equity

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(Amount in ₹ crores, unless otherwise stated)

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 980 per option which is 9.36 % below the stock price i.e. ₹ 1,081.25 per share on the date of grant, i.e. 02 March 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2024	6,43,800	980.00
Forfeited during the year	(49,580)	980.00
Exercised during the year	(11,880)	980.00
At 31 March 2025	**5,82,340**	980.00
Exercisable as at 31 March 2025	**5,82,340**	980.00
Weighted average remaining contractual life (in years)	**4.92**	
At 1 April 2025	5,82,340	980.00
Forfeited during the year	(1,57,940)	980.00
At 31 March 2026	**4,24,400**	980.00
Exercisable as at 31 March 2026	**4,24,400**	980.00
Weighted average remaining contractual life (in years)	**3.92**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**02 March 2022**	**02 March 2022**	**02 March 2022**	**02 March 2022**
Vesting date	**02 March 2024**	**02 March 2025**	**02 March 2026**	**02 March 2027**
Expiry date	**02 March 2030**	**02 March 2030**	**02 March 2030**	**02 March 2030**
Fair value of option at grant date	404.29	429.57	444.28	460.59
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.68%	0.68%	0.68%	0.68%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

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b) During the year ended 31 March 2023, the Board of Directors and the shareholders of the Holding Company has approved to issue additional stock options to the eligible employees of the Holding Company and its Subsidiaries under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Holding Company and its subsidiaries to purchase shares in the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 980
Grant date	19 April 2022
Vesting conditions	13,240 options 24 months after the grant date ('First vesting')
	26,480 options 36 months after the grant date ('Second vesting')
	39,720 options 48 months after the grant date ('Third vesting')
	52,960 options 60 months after the grant date ('Fourth vesting')
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	132,400
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 980 per option which is 5.05 % below the stock price i.e. ₹ 1,032.10 per share on the date of grant, i.e. 19 April 2022.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2024	1,07,300	980.00
Forfeited during the year	(6,110)	980.00
Exercised during the year	(2,110)	980.00
At 31 March 2025	**99,080**	980.00
Exercisable as at 31 March 2025	**99,080**	980.00
Weighted average remaining contractual life (in years)	**5.05**	
At 1 April 2025	99,080	980.00
Forfeited during the year	(24,980)	980.00
At 31 March 2026	**74,100**	980.00
Exercisable as at 31 March 2026	**74,100**	980.00
Weighted average remaining contractual life (in years)	**4.05**	

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The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**19 April 2022**	**19 April 2022**	**19 April 2022**	**19 April 2022**
Vesting date	**19 April 2024**	**19 April 2025**	**19 April 2026**	**19 April 2027**
Expiry date	**19 April 2030**	**19 April 2030**	**19 April 2030**	**19 April 2030**
Fair value of option at grant date	409.13	433.45	447.54	462.58
Exercise price	980.00	980.00	980.00	980.00
Expected volatility of returns	32.66%	33.28%	32.49%	32.11%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	0.92%	0.92%	0.92%	0.92%
Risk free interest rate	6.12%	6.26%	6.39%	6.50%

c) During the year ended 31 March 2026, the Board of Directors and the shareholders of the Holding Company has approved to issue additional stock options to the eligible employees of the Holding Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Holding Company to purchase shares in the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement is given below:

Particulars	**Kajaria Ceramics Employee Stock Option Plan 2015**
Exercise Price	₹ 800
Grant date	30 May 2025
Vesting conditions	Nil options shall vest in 1st year of grant;
	2,00,000 options shall vest at the end of period 1 (one) year from date of grant; (First vesting)
	2,00,000 options shall vest at the end of period 2 (two) years from date of grant; (Second vesting)
	1,00,000 options shall vest at the end of period 3 (three) years from date of grant; (Third vesting)
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	5,00,000
Method of settlement	Equity

Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 800 per option which is 31.23% below the stock price i.e. ₹ 1,049.85 per share on the date of grant, i.e. 30 May 2025.

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The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2025	-	-
Granted during the year	5,00,000	800.00
At 31 March 2026	**5,00,000**	800.00
Excercisable as at 31 March 2026	**5,00,000**	800.00
Weighted average remaining contractual life (in years)	**7.17**	-

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**30 May 2025**	**30 May 2025**	**30 May 2025**
Vesting date	**30 May 2026**	**30 May 2027**	**29 May 2028**
Expiry date	**30 May 2033**	**30 May 2033**	**30 May 2033**
Fair value of option at grant date	387.40	387.40	387.40
Exercise price	800.00	800.00	800.00
Expected volatility of returns	28.61%	28.61%	28.61%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	1.06%	1.06%	1.06%
Risk free interest rate	5.61%	5.61%	5.61%

d) During the year ended 31 March 2026, the Board of Directors and the shareholders of the Holding Company has approved to issue additional stock options to the eligible employees of the Holding Company under Kajaria Ceramics Employee Stock Option Plan, 2015 ('ESOP 2015' or the 'Plan'). The eligible employees of the Holding Company to purchase shares in the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. A description of the share based payment arrangement is given below:

Particulars	Kajaria Ceramics Employee Stock Option Plan 2015
Exercise Price	₹ 800
Grant date	22 July 2025
Vesting conditions	Nil options shall vest in 1st year of grant;
	54,000 options shall vest at the end of period 1 (one) year from date of grant; (First vesting)
	54,000 options shall vest at the end of period 2 (two) years from date of grant; (Second vesting)
	27,000 options shall vest at the end of period 3 (three) years from date of grant; (Third vesting)
Exercise period	Stock options can be exercised within a period of 8 years from grant date.
Number of share options granted	1,35,000
Method of settlement	Equity

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Stock options will be settled by issue of equity shares. As per the Plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 800 per option which is 56.64% below the stock price i.e. ₹ 1,253.10 per share on the date of grant, i.e. 22 July 2025.

The number and weighted average exercise price of share options are as follows:

	Number of options	Weighted average exercise price per option
At 1 April 2025	-	-
Granted during the year	1,35,000	800.00
At 31 March 2026	**1,35,000**	800.00
Excercisable as at 31 March 2026	**1,35,000**	800.00
Weighted average remaining contractual life (in years)	**7.31**	

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. The fair values of options granted were determined using Black-Scholes option pricing model that takes into account factors specific to the share incentive plans along with other external inputs. Expected volatility has been determined by reference to the average volatility for comparable companies for corresponding option term. The following principal assumptions were used in the valuation:

Grant date	**22 July 2025**	**22 July 2025**	**22 July 2025**
Vesting date	**22 July 2026**	**22 July 2027**	**21 July 2028**
Expiry date	**22 July 2033**	**22 July 2033**	**22 July 2033**
Fair value of option at grant date	562.42	562.42	562.42
Exercise price	800.00	800.00	800.00
Expected volatility of returns	28.32%	28.32%	28.32%
Weighted average contractual life (in years)	2.5-5.5 years	2.5-5.5 years	2.5-5.5 years
Expected dividend yield	1.06%	1.06%	1.06%
Risk free interest rate	5.60%	5.60%	5.60%

44 (A) Category wise classification of financial instruments

	As at 31 March 2026			As at 31 March 2025		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Financial assets						
Non-current						
Investments	-	3.67		-	3.67	-
Loans	-	-	5.77	-	-	10.78
Other financial assets	-	-	197.36	-	-	50.24

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	As at 31 March 2026			As at 31 March 2025		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Current						
Trade receivables	-	-	628.47	-	-	570.18
Cash and cash equivalents	-	-	55.94	-	-	18.87
Other bank balances	-	-	699.18	-	-	563.99
Loans	-	-	5.77	-	-	6.90
Other financial assets	-	-	3.46	-	-	4.28
Total financial assets	**-**	**3.67**	**1,595.95**	**-**	**3.67**	**1,225.24**
Excludes non-current investment measured at costs ₹ 35.37 crores (previous year ₹ 30.19 crores)						
Financial liabilities						
Non-current						
(i) Borrowings	-	-	49.14	-	-	71.38
(ii) Lease liabilities	-	-	72.20	-	-	72.87
Current						
(i) Borrowings	-	-	81.18	-	-	104.56
(ii) Lease liabilities	-	-	26.07	-	-	25.05
(iii) Trade payables	-	-	319.51	-	-	338.08
(iv) Other financial liabilities	-	-	106.44	-	-	127.99
Total financial liabilities	**-**	**-**	**654.54**	**-**	**-**	**739.93**

The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. Further, the subsequent measurements of all assets and liabilities (other then investments in mutual funds) is at amortised cost, using effective interest rate method.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the Company's interest bearings borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.

- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

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(B) Fair value measurements

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out below:-

Particulars	As at 31 March 2026		As at 31 March 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Trade receivables	628.47	628.47	570.18	570.18
Cash and cash equivalents	55.94	55.94	18.87	18.87
Bank balances other than above	699.18	699.18	563.99	563.99
Loans	11.54	11.54	17.68	17.68
Other financial assets	200.82	200.82	54.52	54.52
Total financial assets	**1,595.95**	**1,595.95**	**1,225.24**	**1,225.24**
Financial liabilities				
Borrowings	130.32	130.32	175.94	175.94
Lease liabilities	98.27	98.27	97.92	97.92
Trade payables	319.51	319.51	338.08	338.08
Other financial liabilities	106.44	106.44	127.99	127.99
Total financial liabilities	**654.54**	**654.54**	**739.93**	**739.93**

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be same as their fair values, due to short term in nature. The carrying value of the amortised financial assets and liabilities are approximate to the fair values on the respective reporting dates.

45 Fair value hierarchy

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2026 and 31 March 2025.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2026 and 31 March 2025 as follows:

As at 31 March 2026	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67
Total	**-**	**-**	**3.67**	**3.67**

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(Amount in ₹ crores, unless otherwise stated)

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Non current investments	-	-	3.67	3.67
Total	**-**	**-**	**3.67**	**3.67**

Valuation technique used to determine fair value:

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair value, due to their short term nature.

46 Financial risk management objectives and policies

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, interest bearing deposits, loans and derivative financial instruments.

The sensitivity analyses of the above mentioned risk in the following sections exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in note 40.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is based on the currently observable market environment.

At the reporting date, the interest rate profile of the entity's interest bearing financial instrument is as its fair value:

Particulars	As at 31 March 2026	As at 31 March 2025
Fixed rate borrowings	71.44	93.24
Variable rate borrowings	58.88	82.70
Total borrowings	**130.32**	**175.94**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

	Year ended 31 March 2026			Year ended 31 March 2025		
	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity (net of tax)	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity (net of tax)
INR	+50	(0.29)	(0.22)	+50	(0.41)	(0.31)
INR	-50	0.29	0.22	-50	0.41	0.31

B. Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and AUD exchange rates, with all other variables held constant. Also refer note 47 for details of foreign currency exposure.

	% change in rate	Year ended 31 March 2026		Year ended 31 March 2025	
		Effect on profit before tax	Effect on Equity (net of tax)	Effect on profit before tax	Effect on Equity (net of tax)
USD	+5%	(0.28)	(0.27)	(0.21)	(0.20)
	-5%	0.28	0.27	0.21	0.20
Euro	+5%	(0.02)	(0.01)	(0.01)	(0.00)
	-5%	0.02	0.01	0.01	0.00
GBP	+5%	0.41	0.42	0.31	0.31
	-5%	(0.41)	(0.42)	(0.31)	(0.31)
AUD	+5%	0.01	0.02	0.01	0.01
	-5%	(0.01)	(0.02)	(0.01)	(0.01)

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables. The Group has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The Group provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population. For such financial assets, the Group's policy is to provides for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

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A. Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Group does not have any significant concentrations of bad debt risk other than that disclosed in note 13.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 44. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Movement in allowance for expected credit losses on trade receivables

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance as at the beginning of the year	**20.00**	**5.66**
Add: Charge during the year	4.64	14.34
Balance as at the end of the year	**24.64**	**20.00**

B. Financial instruments and cash deposits

The management considers the credit quality of current accounts and deposits with banks to be good and reviews the banking relationships on an on–going basis.

The Group does not require any security in respect of the above financial assets. There are no impairment provisions as at each statement of financial position date against these financial assets, except as disclosed in respect of trade receivables above. The management considers that all the above financial assets that are not impaired or past due for each of the statement of financial position dates under review are of good credit quality.

III. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Upto 1 year	1 to 5 years	> 5 years	Total
As at 31 March 2026				
Borrowings*	65.02	65.30	-	130.32
Lease liabilities	32.46	82.36	-	114.82
Trade payables	318.57	0.94	-	319.51
Other financial liabilities	106.44	-	-	106.44
	522.49	**148.60**	**-**	**671.09**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

	Upto 1 year	1 to 5 years	> 5 years	Total
As at 31 March 2025				
Borrowings*	88.39	87.55	-	175.94
Lease liabilities	31.25	82.03	-	113.28
Trade payables	338.08	-	-	338.08
Other financial liabilities	127.99	-	-	127.99
	585.71	**169.58**	**-**	**755.29**

* In absolute terms i.e. discounted and including current maturity portion.

47 Foreign currency exposure

The Group has no outstanding derivative instrument at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under:

	Year ended 31 March 2026		Year ended 31 March 2025	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Foreign trade payables/other payable*				
USD in crores	0.06	5.45	0.04	3.85
EURO in crores	#	0.34	#	0.11
(# rounded off to zero)				
Foreign trade receivables				
USD in crores	0.06	5.71	0.09	7.91
GBP in crores	0.08	8.23	0.08	8.32
AUD in crores	#	0.14	0.01	0.34
(# rounded off to zero)				
Short term borrowings				
USD in crores	0.06	5.80	0.11	9.54

* also refer note 46B for sensitivity

48 Capital management

The Group's capital management objectives are:

a) to ensure the Group's ability to continue as going concern; and

b) to provide an adequate return to stakeholders

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Holding company. The Group manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total equity attributable to the shareholders of the Holding Company. The Group includes within net debt, interest bearing borrowings and lease liabilities less cash and cash equivalents.

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	As at 31 March 2026	As at 31 March 2025
Total borrowings	130.32	175.94
Lease liabilities	98.27	97.92
Less: Cash and cash equivalents	(55.94)	(18.87)
Net debts	**172.65**	**254.99**
Capital employed	3,065.58	2,744.34
Total capital employed	**3,065.58**	**2,744.34**
Gearing ratio (%)	**5.63%**	**9.29%**

49 Research and development expenditure

Research and development expenditure incurred during the year ended 31 March 2026 and 31 March 2025 is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Capital expenditure	0.01	0.20
Revenue expenditure	2.03	5.60
Total	**2.04**	**5.80**

50 i) The Group has entered into international transactions with its associated enterprises. As per transfer pricing legislation under section 92 - 92F of the Income -tax Act, 1961, the Group is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporanious in nature, the Group has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these consolidated financial statements.

ii) As at 31 March 2026, the Holding Company has foreign currency receivables amounting to ₹ 8.79 crores (31 March 2025: ₹ 9.19 crores) outstanding for a period exceeding 15 months. As per Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 read with notification number FEMA 23(R)/2015-RB dated 12 January 2016 receipts of export of goods should be realized within a period of 15 months from the date of export. These balances are under settlement with AD bank under the regulations of Reserve Bank of India.

51 Reconciliation of liabilities arising from financing activities pursuant to Ind AS - 7 Cash flows

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at 31 March 2026	As at 31 March 2025
Current borrowings (including current maturities)	81.18	104.56
Lease Liabilities (including current portion)	98.27	97.92
Non-current borrowings	49.14	71.38
Net debt	**228.59**	**273.86**

The changes of the Group's liabilities arising from financing activities can be classified as follows:

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Particulars	Current borrowings (including current maturities)	Lease Liabilities	Non-current borrowings
Net debt as at 1 April 2024	**107.14**	**68.35**	**63.45**
Add : Lease liabilities on leased entered during the year	-	54.50	-
Interest on lease liabilities	-	5.33	-
Cash flows (net)	2.31	(30.26)	7.67
Non-cash adjustments - Fair value adjustments	(4.89)	-	0.26
Net debt as at 31 March 2025	**104.56**	**97.92**	**71.38**
Add : Lease liabilities on leases entered during the year	-	33.44	-
Interest on lease liabilities	-	6.71	-
Cash flows (net)	(22.50)	(38.37)	(22.24)
Transfer of current maturities from non-current borrowings to current borrowings	(0.88)	-	-
Non-cash adjustments*	-	(1.43)	-
Net debt as at 31 March 2026	**81.18**	**98.27**	**49.14**

* pertains to unwinding of interest cost on non-current borrowings/gain on lease modification in current year.

52 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Holding Company and its subsidiaries have used accounting software for maintaining their books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31 March 2026, the Holding Company and its subsidiaries, has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consume storage space on the disk and can impact database performance significantly. Further, the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention.

Notes to the Consolidated Financial Statements

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53 Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013

	Net assets as at 31 March 2026		Share in profit or loss for the year 31 March 2026		Share in other comprehensive income (OCI) for the year 31 March 2026		Share in total comprehensive income for the year 31 March 2026	
	As % of consolidated net assets	Net assets (Total assets minus total liabilities)	As % of consolidated profit or loss	Profit/ (Loss)	As % of consolidated OCI	OCI	As % of consolidated total comprehensive income	Total comprehensive income
A. Holding company								
Kajaria Ceramics Limited	92.62%	2,899.30	93.79%	456.77	104.12%	10.12	93.99%	466.89
B. Subsidiaries								
Indian								
Kajaria Vitrified Private Limited	4.14%	129.65	7.02%	34.19	4.12%	0.40	6.96%	34.59
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	0.82%	25.79	3.12%	15.20	0.00%	-	3.06%	15.20
Kajaria Infinity Private Limited	2.61%	81.83	0.66%	3.21	3.29%	0.32	0.71%	3.53
Kajaria Bathware Private Limited	2.09%	65.58	-5.99%	(29.17)	6.89%	0.67	-5.74%	(28.50)
Kajaria Adhesive Private Limited	0.00%	(0.11)	-0.01%	(0.05)	0.00%	-	-0.01%	(0.05)
Kajaria Plywood Private Limited	-2.09%	(65.30)	-0.63%	(3.06)	0.00%	-	-0.62%	(3.06)
South Asian Ceramic Tiles Private Limited	1.10%	34.38	1.00%	4.85	0.00%	-	0.98%	4.85
Foreign								
Kajaria International DMCC	-0.79%	(24.88)	-1.06%	(5.18)	-18.42%	(1.79)	-1.40%	(6.97)
Share in profit/(loss) of joint venture	0.12%	3.70	0.21%	1.02	0.00%	-	0.21%	1.02
Non-controlling interests in all subsidiaries	2.07%	64.90	0.33%	1.59	-10.49%	(1.02)	0.11%	0.57
Elimination on account of consolidation	-2.69%	(84.36)	1.57%	7.63	10.49%	1.02	1.74%	8.65
	100.00%	**3,130.48**	**100.00%**	**487.00**	**100.00%**	**9.72**	**100.00%**	**496.72**

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53 Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013 (Contd.)

	Net assets as at 31 March 2025		Share in profit or loss for the year 31 March 2025		Share in other comprehensive income (OCI) for the year 31 March 2025		Share in total comprehensive income for the year 31 March 2025	
	As % of consolidated net assets	Net assets (Total assets minus total liabilities)	As % of consolidated profit or loss	Profit/ (Loss)	As % of consolidated OCI	OCI	As % of consolidated total comprehensive income	Total comprehensive income
A. Holding company								
Kajaria Ceramics Limited	92.79%	2,607.60	68.04%	204.13	53.66%	0.66	67.98%	204.79
B. Subsidiaries								
Indian								
Kajaria Vitrified Private Limited	3.38%	95.06	9.27%	27.82	17.89%	0.22	9.31%	28.04
Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited)	0.38%	10.59	0.36%	1.09	0.00%	-	0.36%	1.09
Kajaria Infinity Private Limited	2.79%	78.30	2.89%	8.67	23.58%	0.29	2.97%	8.96
Kajaria Bathware Private Limited	3.36%	94.32	-5.26%	(15.78)	-1.63%	(0.02)	-5.24%	(15.80)
Kajaria Adhesive Private Limited	0.00%	(0.06)	-0.02%	(0.07)	0.00%	-	-0.02%	(0.07)
Kajaria Plywood Private Limited	-2.21%	(62.24)	-16.10%	(48.29)	0.00%	-	-16.03%	(48.29)
South Asian Ceramic Tiles Private Limited	1.05%	29.53	3.83%	11.48	0.00%	-	3.81%	11.48
Foreign								
Kajaria International DMCC	-0.64%	(17.91)	-6.33%	(19.00)	6.50%	0.08	-6.28%	(18.92)
Share in profit/(loss) of joint venture	0.10%	2.68	1.10%	3.29	0.00%	-	1.09%	3.29
Non-controlling interests in all subsidiaries	2.34%	65.75	1.89%	5.67	-62.60%	(0.77)	1.63%	4.90
Elimination on account of consolidation	-3.33%	(93.53)	40.33%	121.01	62.60%	0.77	40.42%	121.78
	100.00%	**2,810.09**	**100.00%**	**300.02**	**100.00%**	**1.23**	**100.00%**	**301.25**

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54 Asset pledged as security (refer note 19)

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Inventories	551.46	616.25
Trade receivables	627.84	564.02
Total current assets pledged as security	**1,179.30**	**1,180.27**
Non-current		
Property, plant and equipment (including CWIP)	1,159.88	1,220.07
Total non-current assets pledged as security	**1,159.88**	**1,220.07**

55 Reporting to banks

The Group has been sanctioned a working capital limit in excess of ₹5 crores by banks based on the security of current assets. Further, all the quarterly statements of current assets filed by the Group with banks are in agreement with books of accounts for the respective periods, which were not subject to review/audit.

56 There are no loans which have been given to promoters, directors and KMP's.

57 Struck off Companies:

Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at March 31, 2026 (Nos).	Balance outstanding as at March 31, 2025 (Nos).	Relation with struck off Company
Trivia Infotech Private Limited (CIN: U74990MH2010PTC198657)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder
Crystal Infowave Solutions Private Limited (CIN: U74900MH2009PTC198049)	Shares held by struck off company	2 equity shares of face value ₹ 1/- each	2 equity shares of face value ₹ 1/- each	Shareholder

The Group has no transaction other than payment of declared dividend with struck off Company.

58 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami property:

No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) Utilisation of borrowed funds and share premium:

(A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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a) 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

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) 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

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(iii) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) Details of crypto currency or virtual currency:

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vi) Valuation of Property, plants and equipments and intangible asset:

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(viii) The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

59 Business Combinations

Disclosure in accordance with Ind AS 103

(a)	The name and a description of the acquiree:	Kajaria Surfaces Private Limited (formerly known as Keronite Tiles Private Limited) a company incorporated under the Companies Act, 2013 ['KTPL']. KTPL is into manufacturing of Tiles.
(b)	The acquisition date:	20 May 2024
(c)	The percentage of voting equity interests acquired:	90% in paid up capital
(d)	The primary reasons for the business combination and a description of how the Company obtained control of the acquiree:	Objective of acquisition is to manufacture tiles. Company didn't have any operations on the date of acquisition. The Company acquired the control by purchase of 90% equity shares from non controlling interest.

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(e)	a qualitative description of the factors that make up the goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition or other factors.	No goodwill was recognised, since there was no fair value difference.
(f)	the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:	
	(i) cash;	₹ 0.01 crores

(g) the amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed.

Particulars	Year ended 31 March 2025
Assets	
Property plant and equipment	4.80
Capital Work-in-Progress	56.20
Other financial assets - non current	2.88
Cash and Cash equivalent	0.16
Inventories	6.03
Other current assets	1.55
Total Assets acquired (A)	**71.62**
Liabilities	
Borrowings	61.59
Trade and other payable	9.36
Other financial liabilities	0.66
Total Liabilities (B)	**71.61**
Non controlling interest (NCI) (C)	0.00
Total Liabilities including NCI [D=(B+C)]	**71.61**
Consideration paid (E)	0.01
Goodwill recognised [F=(D+E-A)]	**0.00**

(h)	The total amount of goodwill that is expected to be deductible for tax purposes.	NA
(i)	for each business combination in which the acquirer holds less than 100 per cent of the equity interests in the acquiree at the acquisition date:	
	(i) the amount of the non-controlling interest in the acquiree recognised at the acquisition date and the measurement basis for that amount; and	₹ 0.001 crores
	(ii) for each non-controlling interest in an acquiree measured at fair value, the valuation technique(s) and significant inputs used to measure that value.	₹ 0.001 crores
(j)	the amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit and loss for the reporting period; and	Revenue : ₹ 109.97 crores Profit/(Loss) : ₹ 1.09 crores

Notes to the Consolidated Financial Statements

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60 Discontinued operations

The Company decided to discontinue the operations of Kajaria Plywood Private Limited (KPPL), a wholly owned subsidiary of the Company due to lack of strategic fit and continued losses. The related incomes and expenses have been disclosed under discontinued operations.

The related financial performance and statement of cash flows is presented as below:

(A) Financial performance:

Particulars	Kajaria Plywood Private Limited	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Income		
Revenue from operations	2.14	48.17
Other income	3.97	0.60
Total income	**6.11**	**48.77**
Expenses		
Purchase of stock-in-trade	-	40.18
Change in inventories of stock-in-trade	1.88	3.79
Employee benefit expenses	2.21	14.20
Finance costs	-	4.91
Depreciation and amortisation expenses	0.04	0.79
Other expenses	5.04	18.69
Total expenses	**9.17**	**82.56**
Loss before exceptional items and tax from discontinued operations	**(3.06)**	**(33.79)**
Exceptional items	-	14.50
Loss from discontinued operations before tax expenses	**(3.06)**	**(48.29)**
Tax expenses of discontinued operations	-	-
Loss after tax from discontinued operations	**(3.06)**	**(48.29)**

(B) Statement of cash flows

	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax from discontinued operations	**(3.06)**	**(48.29)**
Adjusted for :		
Depreciation and amortisation expenses	0.04	0.79
Loss on sale of tangible assets	0.09	0.23
Loss on impairment of assets	-	0.61
Gain on termination of lease liability (net)	-	(0.28)
Interest expense	-	4.91
Exceptional items	(3.96)	14.50
Operating loss before working capital changes	**(6.89)**	**(27.53)**
Working capital adjustments:		

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

	Year ended 31 March 2026	Year ended 31 March 2025
Movement in trade and other receivables	11.63	52.15
Movement in trade payables	(12.94)	(4.28)
Movement in other financial liabilities	1.77	(23.66)
Movement in other current liabilities	(0.43)	(0.27)
Movement in provisions	(0.20)	(0.09)
Cash flow used in operations	**(7.06)**	**(3.68)**
Less: Direct taxes paid(net)	-	-
Net cash used in operations (A)	**(7.06)**	**(3.68)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	0.69	0.47
Net cash generated from investing activities (B)	**0.69**	**0.47**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital including securities premium	-	5.00
Proceeds from borrowings (net)	-	6.70
Repayment of lease liabilities	-	(0.70)
Net cash generated from financing activities (C)	**-**	**11.00**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(6.37)**	**7.79**
Cash and cash equivalents at the beginning of the year	**8.21**	**0.42**
Cash and cash equivalents at the end of the year	**1.85**	**8.21**

61 Summarised financial information of joint venture that is material to the Group:

Name of Entity	Principal Activity	Principal Place of business	As at 31 March 2026	As at 31 March 2025
Kajaria Ramesh Tiles Limited	Manufacturing of Tiles	Nepal	50%	50%

The above joint venture is accounted for using equity method in the consolidated financial statements. There is no quoted market price for Kajaria Ramesh Tiles Limited.

(i) Summarised balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
Non current assets	197.58	174.11
Current assets	117.93	78.72
Total assets	**315.51**	**252.83**
Non current liabilities	157.14	105.62
Current liabilities	87.67	86.30
Total liabilities	**244.81**	**191.92**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

(ii) Summarised statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue	137.71	59.68
Net Profit	2.03	6.58
Other Comprehensive income	-	-
Total Comprehensive income	**2.03**	**6.58**

(iii) Reconciliation of summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

Particulars	As at 31 March 2026	As at 31 March 2025
Opening net assets	52.22	23.78
Add: shares issued during the year	16.50	21.86
Total net assets available to equity holders	**68.72**	**45.64**
Add: Profit during the year	2.03	6.58
Closing net assets available to equity holders	**70.75**	**52.22**
Group's share in %	50%	50%
Group's share in ₹	**35.37**	**26.11**
Carrying value of investment accounted for using equity method	**35.37**	**26.11**

The Group has no capital commitments relating to interest in Kajaria Ramesh Tiles Limited as at 31 March 2026. The joint venture has no obligations or capital commitments as at 31 March 2026.

62 Interest in material partly-owned subsidiaries

Financial information of subsidiary that have material non-controlling interests is provided below :

(i) Details of material partly-owned subsidiaries :

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)		Proportion of equity interest held by non-controlling interests (Direct)	
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
South Asian Ceramic Tiles Private Limited ('SACTPL')	India	40.50%	40.50%	40.50%	40.50%
Kajaria Bathware Private Limited ('KBPL')	India	15.00%	15.00%	15.00%	15.00%
Kajaria Infinity Private Limited ('KIPL')	India	15.41%	15.41%	15.41%	15.41%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

(ii) Accumulated balances of non-controlling interest :

Particulars	As at 31 March 2026	As at 31 March 2025
South Asian Ceramic Tiles Private Limited ('SACTPL')	29.48	27.52
Kajaria Bathware Private Limited ('KBPL')	9.83	14.15
Kajaria Infinity Private Limited ('KIPL')	12.62	12.07
Aggregate amount of individually immaterial non-controlling interest	12.97	12.01
Total	**64.90**	**65.75**

(iii) Profit allocated to non-controlling interest :

Particulars	As at 31 March 2026	As at 31 March 2025
South Asian Ceramic Tiles Private Limited ('SACTPL')	1.96	4.65
Kajaria Bathware Private Limited ('KBPL')	(4.31)	(2.47)
Kajaria Infinity Private Limited ('KIPL')	0.55	1.38
Aggregate amount of individually immaterial non-controlling interest	3.55	2.16
Total	**1.76**	**5.72**

(iv) Summarised financial position :

The summarised financial position of below mentioned subsidiary is provided below. This information is based on amounts before inter-company eliminations:

Particulars	South Asian Ceramic Tiles Private Limited ('SACTPL')		Kajaria Bathware Private Limited ('KBPL')		Kajaria Infinity Private Limited ('KIPL')	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Non-current assets						
Property, plant and equipment	62.98	67.30	189.53	192.99	61.76	70.28
Right of use assets	-	-	8.83	4.06	-	-
Capital work in progress	0.10	-	2.55	8.72	-	-
Goodwill	-	-	0.94	0.94	-	-
Intangible assets	-	-	0.33	0.20	0.06	0.10
Other financial assets	2.24	2.48	2.37	2.15	0.01	0.01
Other non-current assets	-	-	0.21	1.02	-	5.46
Non current tax assets (net)	-	-	4.10	2.02	-	-
Deffered tax assets (net)	-	-	1.77	2.11	-	-
Total	**65.32**	**69.78**	**210.63**	**214.21**	**61.83**	**75.85**
Current assets						
Inventories	21.68	21.55	111.99	88.01	31.00	71.80
Trade receivables	9.23	8.59	79.45	55.92	19.18	22.75
Cash and cash equivalents	0.01	0.03	5.40	4.33	0.01	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

Particulars	South Asian Ceramic Tiles Private Limited ('SACTPL')		Kajaria Bathware Private Limited ('KBPL')		Kajaria Infinity Private Limited ('KIPL')	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Loan	-	-	0.52	1.25	-	-
Other financial assets	1.85	1.83	0.16	0.71	-	-
Other current assets	2.79	2.25	10.16	12.55	0.59	0.57
Total	**35.56**	**34.25**	**207.68**	**162.77**	**50.78**	**95.12**
Non-current liabilities						
Financial liabilities						
Borrowings	23.30	33.48	219.42	163.23	8.57	36.57
Lease liabilities	-	-	8.36	3.06	-	-
Provisions	0.10	-	5.27	3.19	0.73	0.71
Deferred tax liabilities	4.02	3.08	4.46	4.54	3.89	3.28
Total	**27.42**	**36.56**	**237.51**	**174.02**	**13.19**	**40.56**
Current liabilities						
Financial liabilities						
Borrowings	26.40	25.09	25.27	29.30	14.15	17.19
Lease liabilities	-	-	1.08	1.49	-	-
Trade payables	9.50	11.25	41.89	39.15	1.19	32.40
Other financial liabilities	0.28	0.24	25.66	21.74	0.80	1.53
Other current liabilities	2.13	1.36	11.00	8.75	1.43	0.98
Provisions	0.01	-	3.79	1.84	0.01	0.01
Current tax liabilities	0.75	-	0.06	0.16	-	-
Total	**39.07**	**37.94**	**108.75**	**102.43**	**17.58**	**52.11**
Total equity (A)	**34.39**	**29.53**	**72.05**	**100.53**	**81.84**	**78.30**
Equity share capital attributable to non-controlling shareholders (B)	8.51	8.51	3.75	3.75	1.40	1.40
Equity share capital attributable to equity holders of Holding Company (C)	12.50	12.50	21.25	21.25	7.70	7.70
Net other equity for distrbution (D=A-B-C)	**13.39**	**8.52**	**47.05**	**75.53**	**72.74**	**69.20**
Other equity attributable to:						
Equity holders of Holding Company	(7.59)	(10.50)	40.97	65.13	61.52	58.53
Non-controlling interests	20.98	19.02	6.08	10.40	11.22	10.67

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Non controlling interests reconciliation

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Opening NCI	**27.52**	**22.87**	**14.15**	**16.62**	**12.07**	**10.69**
Add: share of profit/(loss) after date of acquisition	1.96	4.65	(4.31)	(2.47)	0.55	1.38
Closing NCI	**29.48**	**27.52**	**9.84**	**14.15**	**12.62**	**12.07**

(v) Summarised statement of profit and loss:

The summarised financial statement of profit and loss of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Particulars	South Asian Ceramic Tiles Private Limited ('SACTPL')		Kajaria Bathware Private Limited ('KBPL')		Kajaria Infinity Private Limited ('KIPL')	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Revenue from operations	122.76	135.10	413.64	386.20	166.49	240.73
Other income	0.24	0.26	0.71	0.84	0.01	0.24
Total Income	**123.00**	**135.36**	**414.35**	**387.04**	**166.50**	**240.97**
Cost of material consumed	40.20	47.94	97.26	95.78	58.54	148.57
Purchase of stock in trade	-	-	100.21	98.43	0.29	0.02
Changes of inventories	1.95	(5.21)	(22.18)	(23.08)	39.91	(34.35)
Employee benefits expense	10.45	10.37	95.56	91.32	11.44	18.43
Finance cost	4.27	5.26	18.84	12.44	3.33	3.34
Depreciation and amortisation	5.09	4.86	18.38	15.98	9.13	9.90
Other expenses	54.50	56.76	111.49	109.68	39.33	82.85
Total Expense	**116.46**	**119.98**	**419.56**	**400.55**	**161.97**	**228.76**
Profit/(loss) before tax	**6.54**	**15.38**	**(5.21)**	**(13.51)**	**4.53**	**12.21**
Exceptional items	-	-	23.31	-	-	-
Tax expenses	1.69	3.89	0.64	2.26	1.32	3.54
Profit/(loss) for the year	**4.85**	**11.49**	**(29.16)**	**(15.77)**	**3.21**	**8.67**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(Amount in ₹ crores, unless otherwise stated)

Particulars	South Asian Ceramic Tiles Private Limited ('SACTPL')		Kajaria Bathware Private Limited ('KBPL')		Kajaria Infinity Private Limited ('KIPL')	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Other comprehensive income/ (loss)	-	-	0.67	(0.02)	0.32	0.29
Share of loss transferred to NCI of Step down subsidiary	-	-	(0.24)	(0.67)	-	-
Total comprehensive income /(loss)	**4.85**	**11.49**	**(28.73)**	**(16.46)**	**3.53**	**8.96**
% of NCI	40.50%	40.50%	15.00%	15.00%	15.41%	15.41%
Attributable to the non-controlling interests	**1.96**	**4.65**	**(4.31)**	**(2.47)**	**0.55**	**1.38**

(vi) Summarised cash flow information :

The summarised cash flow information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Particulars	South Asian Ceramic Tiles Private Limited ('SACTPL')		Kajaria Bathware Private Limited ('KBPL')		Kajaria Infinity Private Limited ('KIPL')	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Cash generated from/ (used in) in operating activities	15.16	22.32	(23.19)	(8.07)	30.35	(14.37)
Cash generated from/ (used in) investing activities	(2.05)	(6.01)	(7.16)	(61.88)	4.87	4.99
Cash generated from/ (used in) financing activities	(13.14)	(16.37)	31.42	63.38	(34.38)	9.37
Net (decrease)/ increase in cash & cash equivalents	**(0.02)**	**(0.06)**	**(1.07)**	**(6.58)**	**0.84**	**(0.01)**

63 Exceptional items:

Particulars	As at 31 March 2026	As at 31 March 2025
Past Service Cost ^		
Gratuity	13.95	-
Compensated absences	5.48	-
Provision for Impairments :^^		
Impairment of loan	4.78	-
Embezzlement and siphoning of funds	19.81	-
	44.02	**-**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(Amount in ₹ crores, unless otherwise stated)

^The Group has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The Group makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes, viz, the Code on Wages, 2019; Industrial Relations Code, 2020; the Code on Social Security, 2020; and the occupational Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the 'New Labout Codes'). These codes have been made effective from 21 November 2025. The Government is in the process of notifying related rules to the New Labour Codes and impact of these will be evaluated and accounted for in accordance with the applicable accounting standards in the period in which they are notified.

In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Group has estimated the financial implications thereof and made additional provision of ₹13.95 crores and ₹5.48 crores towards gratuity and compensated leave liability respectively, disclosed under exceptional items in the consolidated financial statements for the year ended 31 March 2026. The Group continues to monitor and assess the impact of further government clarifications, state specific rules and will provide appropriate updates based on such development as and when necessary."

^^On 18 December 2025, an incident of fraud has come to the notice of management of Kerovit Global Private Limited, a wholly owned subsidiary (WOS) of Kajaria Bathware Private Limited, which is WOS of the Holding Company wherein, Mr. Dilip Kumar Maliwal, ex- Chief Financial Officer of Kajaria Bathware Private Limited found to have committed a fraud approximate of ₹ 20.20 crores over a period of last two years by way of embezzlement and siphoning of funds of the Kerovit Global Private Limited. In this regard a complaint has been filed with the Deputy Commissioner of Police, Economic Offence wing, Delhi Police, New Delhi and a Station House Officer, Police Station, Badarpur, New Delhi which is under investigation.

The management has recorded net loss of ₹ 19.81 crore (net of recovery) related to such fraud.

^^During the year, Kajaria International DMCC, wholly owned subsidiary has recorded impairment loss of ₹ 4.78 crore in respect of the loan given to its joint venture, Kajaria RMF Trading LLC and Kajaria UKP Limited.

64 The Board of Directors approved (subject to approval of shareholders) the Buyback of fully paid up equity shares having face value of ₹ 1 each of the Holding Company not exceeding 21,50,000 equity shares, representing 1.35 % of the total number of equity shares in the total paid-up equity capital of the Holding Company as of March 31, 2026, at a price of ₹ 1,380 per equity share of the Holding Company for an aggregate amount not exceeding ₹ 296.70 crores.

65 The Holding Company holds an investment in Kajaria UKP Limited, a joint venture, through its wholly owned subsidiary. Kajaria UKP limited is under liquidation, and the Company is no longer exercise joint control over the entity. Accordingly, the Holding Company has not consolidated the financial statements of Kajaria UKP limited in the consolidated financial statements for the current year.

66 Board of Directors have approved to make investment upto ₹ 45 crores by way of subscribing 4.5 crore, 0.25% non-convertible Preference Shares of ₹ 10 each of Kerovit Global Private Limited ('KGPL'), a step down subsidiary, to be redeemable in ten years.

67 The Board has approved expansion of the Srikalhasti (Andhra Pradesh) facility at an approximate investment of ₹ 210 crores.

68 The figures of the previous year have been re-classified according to current year classification wherever required. The impact of the same is not material to the users of the consolidated financial statements.

69 The consolidated financial statements are approved for issue by the Board of Directors at its meeting conducted on 30 April 2026.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's registration no. 001076N/N500013

Manish Agrawal
Partner
Membership no. : 507000

Place: New Delhi
Date: 30 April 2026

For and on behalf of the Board of Directors of
Kajaria Ceramics Limited

Ashok Kajaria
Chairman
(DIN: 00273877)

Chetan Kajaria
Vice Chairman
(DIN: 00273928)

Rishi Kajaria
Managing Director
(DIN: 00228455)

Sanjeev Agarwal
Chief Financial Officer

Vinit Kumar
General Counsel and Company Secretary
(FCS No. 6789)

Place: New Delhi
Date: 30 April 2026

Corporate Information

BOARD OF DIRECTORS

Mr. Ashok Kajaria	*Chairman*
Mr. Chetan Kajaria	*Vice Chairman*
Mr. Rishi Kajaria	*Managing Director*
Mr. Dev Datt Rishi	*Non-Executive Director*
Dr. Lalit Kumar Panwar	*Independent Director*
Mr. Sudhir Bhargava	*Independent Director*
Mrs. Ambika Sharma	*Independent Director*
Mr. Hitesh Sohanlal Jain	*Independent Director*
Mr. Pradeep Udhas	*Independent Director*

KEY MANAGERIAL PERSONNEL

Mr. Sanjeev Agarwal	*Chief Financial Officer*
Mr. Vinit Kumar	*General Counsel & Company Secretary*

COMMITTEE OF THE BOARD

AUDIT COMMITTEE

Mr. Sudhir Bhargava	*Chairman*
Mr. Ashok Kajaria	*Member*
Dr. Lalit Kumar Panwar	*Member*
Mr. Pradeep Udhas	*Member*

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Sudhir Bhargava	*Chairman*
Mr. Ashok Kajaria	*Member*
Mr. Chetan Kajaria	*Member*

NOMINATION AND REMUNERATION COMMITTEE

Dr. Lalit Kumar Panwar	*Chairman*
Mr. Ashok Kajaria	*Member*
Mr. Sudhir Bhargava	*Member*
Mrs. Ambika Sharma	*Member*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sudhir Bhargava	*Chairman*
Mr. Chetan Kajaria	*Member*
Mr. Rishi Kajaria	*Member*

RISK MANAGEMENT COMMITTEE

Mr. Ashok Kajaria	*Chairman*
Mr. Chetan Kajaria	*Member*
Mr. Rishi Kajaria	*Member*
Mr. Dev Datt Rishi	*Member*
Mrs. Ambika Sharma	*Member*
Mr. Sanjeev Agarwal	*Member*

BUSINESS RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

Mr. Ashok Kajaria	*Chairman*
Mr. Chetan Kajaria	*Member*
Mr. Rishi Kajaria	*Member*
Mr. Praveen Prakash	*Member*

REGISTERED OFFICE

SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road,
Village Sikanderpur Ghosi, Gurugram -122001, Haryana
Telephone: +91-124-4081281
CIN: L26924HR1985PLC056150

CORPORATE OFFICE

J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate,
Mathura Road, New Delhi - 110044
Telephone: +91-11-26946409

WORKS

- A-27 to 30, Industrial Area, Sikandrabad,
  Distt.: Bulandshahr (U.P.) - 203205
- 19 KM Stone, Bhiwadi – Alwar Road, Village: Gailpur,
  Distt.: Tijara (Rajasthan) – 301707 (Tiles and Adhesives plants)
- Alwar Shahpura Road, Village & Post: Malootana, Tehsil: Thanagazi,
  Distt.: Alwar (Rajasthan) - 301022
- Survey No. 129, Industrial Park, Opp. Bhavanisankarapuram,
  Thatiparthi (V), Thottambedu (M), Near Srikalahasti,
  Distt.: Chittoor (A.P.) - 517 642

SUBSIDIARIES

Kajaria Bathware Private Limited
Kajaria Sanitaryware Private Limited (Step-down subsidiary)
Kerovit Global Private Limited (Step-down subsidiary)
Kajaria Surfaces Private Limited
Kajaria International FZCO
Kajaria Adhesive Private Limited
Kajaria Plywood Private Limited
Kajaria Vitrified Private Limited
Kajaria Infinity Private Limited
South Asian Ceramic Tiles Private Limited

JOINT VENTURE

Kajaria Ramesh Tiles Limited

AUDITORS

STATUTORY AUDITORS

Walker Chandiok & Co LLP

INTERNAL AUDITORS

Ernst & Young LLP

SECRETARIAL AUDITORS

Chandrasekaran Associates, Company Secretaries

BANKERS

State Bank of India
HDFC Bank
IDBI Bank
Canara Bank

REGISTRAR & SHARE TRANSFER AGENT

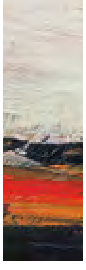
MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor,
Okhla Industrial Area, Phase-1, New Delhi-110020
Telephone: +91-11-41406149-51

SHARES LISTED AT

National Stock Exchange of India Limited
BSE Limited

Notes:

Notes:



Kajaria

J-1/B-1 (Extn), Mohan Co-operative Industrial Estate
Mathura Road, New Delhi - 110044
Phone: +91-11-26946409 Fax: +91-11-26946407
E-mail: info@kajariaceramics.com
Website: www.kajariaceramics.com

KAJARIA CERAMICS LIMITED

[CIN: L26924HR1985PLC056150]
Registered Office: SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurugram, Haryana-122001 **Phone:** +91-124-4081281
Corporate Office: J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044
Phone: +91-11-26946409
Website: www.kajariaceramics.com **E-mail:** investors@kajariaceramics.com

Dear Sir/Madam

Subject: **<u>Notice of the 40th Annual General Meeting of Kajaria Ceramics Limited and Annual Report for the Financial Year 2025-26</u>**

We are pleased to inform you that the 40th Annual General Meeting ('AGM') of Kajaria Ceramics Limited ('the Company') is scheduled to be held on **Tuesday, September 15, 2026** at **01:00 P.M. (IST)** through Video Conferencing/Other Audio Visual means, in compliance with the provisions of the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued by the Ministry of Corporate Affairs.

The Notice convening the 40th AGM and the Annual Report for the financial year 2025-26 are being dispatched through electronic mode to those Members whose e-mail address(es) are registered with the Company/Depositories.

Since your email address is not registered, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are sending this letter to inform you that the Notice of 40th AGM along with the Annual Report for the financial year 2025-26 can be accessed through the following link(s):

Notice of 40th AGM of the Company	https://www.kajariaceramics.com/storage/pdf/notice-of-agm-2025-26.pdf
Annual Report for the financial year 2025-26	https://www.kajariaceramics.com/storage/pdf/annual-report-2025-26.pdf

The aforesaid Notice and the Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited at www.evoting.nsdl.com

Key details for the 40th AGM of the Company are as under:

Record date for Final Dividend	Monday, September 21, 2026
Cut-off date for e-voting	Tuesday, September 8, 2026
E-voting start date and time	Friday, September 11, 2026 at 9:00 a.m. (IST)
E-voting end date and time	Monday, September 14, 2026 at 5:00 p.m. (IST)

For more details, please refer the Notice of 40th AGM of the Company.

We request you to kindly register your email address and if you wish to update or change your e-mail address or communication address or bank details or nomination details, please contact to your respective Depository Participant, if you hold shares in demat form or please write to the Company's RTA at the below address, if you are holding shares in physical form:

MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area,
Phase-I, New Delhi – 110020
Email:admin@mcsregistrars.com
Phone No.: +91-11-41406149-51

Thanking you,

For Kajaria Ceramics Limited

Sd/-
Vinit Kumar
General Counsel & Company Secretary