

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of South Asian Ceramic Tiles Private Limited

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the financial statements of South Asian Ceramic Tiles Private Limited ("the Company"), which comprise the Balance Sheet as on 31st March 2025, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, of the Profit and the cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

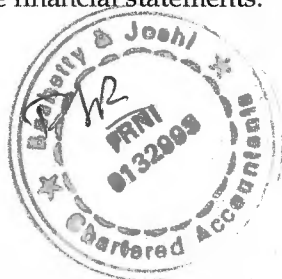
The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act. 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 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.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financials 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 it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 managements use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty 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 auditors report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

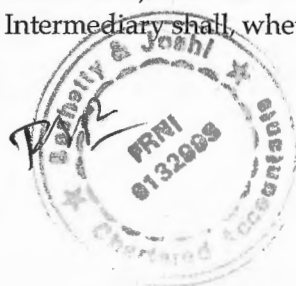


## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. 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.
- iii. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of financial statement.
- iv. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- v. Based on the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. Reporting on adequacy of Internal Financial Controls with reference to Financial Statements and the operating effectiveness of such controls under section 143(3) (i) is applicable to the Company. (Refer Annexure A)
- vii. With respect to the matter to be included in the Auditors' Report under Section 197 of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is applicable to the company as it is the subsidiary of the listed holding company. The remuneration paid by the company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of section 197 read with schedule V of the Act.
- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in



other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

iv) Based on our examination which included test checks, the company, in respect of financial year commencing on 01 April 2024, 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 operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 4.29 to the financial statements. Further, during the course of our audit we 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 company as per the statutory requirements for record retention.

e. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For Bashetty & Joshi  
Chartered Accountants  
FRN: 013299S

*TS Reddy*

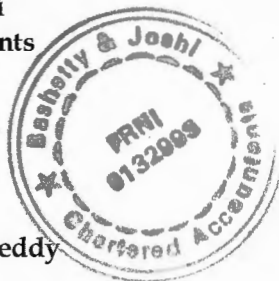
Peechari Srikanth Reddy  
Partner

Membership No: 242308

UDIN: 25242308BMJAQB4407

Place: Hyderabad

Date: 30<sup>th</sup> April 2025



## **Annexure "A" to the Independent Auditor's Report**

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

### **Report on the Internal Financial Controls Over Financial Reporting Under Clause (1) Of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of South Asian Ceramic Tiles Private Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit internal financial controls over financial reporting included obtaining an understanding of in the financial controls over financial reporting, assessing the risk that a material weakness exists, 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 risk material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls Over Financial Reporting

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

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

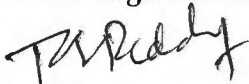
## Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered of India.

For Bashetty & Joshi

Chartered Accountants

Firm's Registration Number: 0132998



Peechari Srikanth Reddy  
Partner

Membership No: 242308

UDIN: 25242308BMJAQB4407

Place: Hyderabad

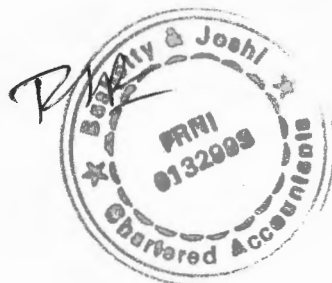
Date: 30<sup>th</sup> April 2025



## Annexure "B" to the Independent Auditor's Report

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

- i. In respect of company's Property Plant and Equipment and Intangible Assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - b. The Company has maintained proper records showing full particulars of Intangible assets.
  - c. Property, Plant and Equipment were physically verified by the management in accordance with a planned program of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
  - d. According to the information and explanations provided to us by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
  - e. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
  - f. Based on the audit procedures performed and the representation obtained from the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - a. The inventory of the company has been physically verified during the year by the management. In our opinion, the frequency is reasonable. Based on our examinations of records of inventory, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and book records were not material in relation to the operations of the Company and have been dealt with in the books of account.
  - b. According to explanations and information provided to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statement on ageing analysis of the debtors and other stipulated financial information filed by the company with such banks are in agreement with the books of accounts.
- iii. The company has not made any investments in, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.
- iv. The Company has not given any loans or has invested in or has given guarantee and security to the parties which are covered under provisions of Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.
- v. The company has not been accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, paragraph 3(v) of the order is not applicable to the company.





vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013

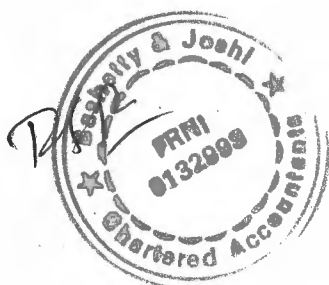
vii. In respect of statutory dues:

- a. According to the records of the company, undisputed statutory dues including Provident Fund Employees' State Insurance, Income-tax, Goods & Service Tax, and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. There are no statutory dues which are outstanding as of March 31, 2025 for a period of more than six months from the date they become payable.
- b. As at the year end, according to the records of the company and information and explanations given to us, disputed statutory dues that have not been deposited on account of appeal matters pending before the appropriate authorities are as under:

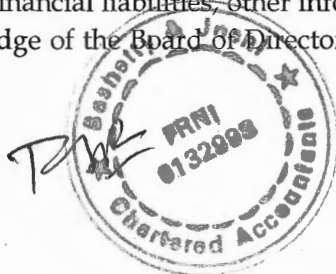
Name of Statute	Nature of dues	As at 31 <sup>st</sup> March 2025 (in lakhs)	Period to which the amount relates (FY)	Forum where Dispute is pending
The Income Tax Act, 1961	Income Tax Demand	5,840.49	2021-22	Commissioner of Income Tax (Appeals)

viii. There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

- ix. a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. Term loans were applied for the purpose for which the loans were obtained.
- d. On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. 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, associates or joint ventures.
- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.



- x. a. The company has not made any initial public offer during the year,  
b. The Company has made private placement of shares during the year as per requirements of the section 42 Companies Act, 2013. It has issued shares of face value of Rs. 10 to Kajaria Ceramic Limited, a public listed company under the regulations of SEBI Act 1992.
- xi. a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.  
b. During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
c. According to the information and explanations given to us and based on our examination of the records of the Company, whistle blower mechanism is applicable to the Company and during the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, an according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year,
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause and (c) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable standards.
- xiv. As per the provisions of Companies Act 2013, Internal audit is not applicable to the company for the financial year 2024-25.
- xv. According to the information and explanation given by the management, the company has not entered into non-cash transactions with directors or persons connected with him during the year. Accordingly, paragraph 3(xv) of the order is not applicable to the Company.
- xvi. According to the information and explanation given by the management, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based



on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty as on the date of the audit report 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.

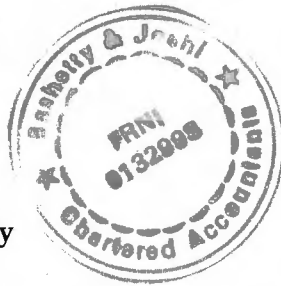
- xx. The provisions of Section 135 regarding corporate social responsibility are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the Order are not applicable.

For Bashetty & Joshi  
Chartered Accountants  
FRN: 013299S



Peechari Srikanth Reddy  
Partner

Membership No: 242308  
UDIN: 25242308BMJAQB4407  
Place: Hyderabad  
Date: 30<sup>th</sup> April 2025



South Asian Ceramic Tiles Private Limited  
 CIN: U26931TG2015PTC101548  
 Standalone Balance Sheet as at 31 March 2025  
 (All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>I Non-Current Assets</b>			
(a) Property, Plant and Equipment	4.01	6,730.43	6,388.20
(b) Other Intangible Assets	4.01	0.14	0.88
(c) Financial assets			
(i) Other Financial Assets	4.02	247.38	484.49
<b>Total Non-Current Assets</b>		<b>6,977.95</b>	<b>6,873.57</b>
<b>II Current Assets</b>			
(a) Inventories	4.03	2,155.10	1,729.42
(b) Financial Assets			
(i) Trade Receivables	4.04	858.84	1,218.11
(ii) Cash and Cash Equivalents	4.05	2.93	9.01
(iii) Other Financial Assets	4.02	183.40	173.74
(c) Other Current Assets	4.06	224.52	132.20
<b>Total Current Assets</b>		<b>3,424.79</b>	<b>3,262.48</b>
<b>Total Assets</b>		<b>10,402.74</b>	<b>10,136.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I EQUITY</b>			
(a) Equity share capital	4.07	2,100.00	2,100.00
(b) Other equity	4.08	853.28	(295.27)
<b>Total Equity</b>		<b>2,953.28</b>	<b>1,804.73</b>
<b>LIABILITIES</b>			
<b>II Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	4.09	3,347.61	4,449.06
(c) Deferred tax liabilities (net)	4.10	307.90	(80.57)
<b>Total Non-Current Liabilities</b>		<b>3,655.51</b>	<b>4,368.48</b>
<b>III Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	4.09	2,509.25	2,519.27
(ii) Trade Payables	4.11		
-Total outstanding dues of micro enterprises and small enterprises		124.79	432.65
-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,000.26	783.11
(iv) Other financial liabilities	4.12	23.77	71.03
(b) Other current liabilities	4.13	135.87	156.78
<b>Total Current Liabilities</b>		<b>3,793.95</b>	<b>3,962.84</b>
<b>Total Liabilities</b>		<b>7,449.45</b>	<b>8,331.32</b>
<b>Total Equity and Liabilities</b>		<b>10,402.74</b>	<b>10,136.05</b>

Summary of material accounting policies  
 See accompanying notes to the Standalone financial statements

1-3  
 4.01 to 4.33

As per our Report on financial statements of even date attached

for Bshetty & Joshi  
 Chartered Accountants  
 ICAI Firm Registration No. 0132099

*P. S. Reddy*  
 Peechari Srikanth Reddy  
 Partner  
 Membership No.: 242308

Place: Hyderabad  
 Date: 30-04-2025

UDIN: 25242308BMJAB4407



for and on behalf of the Board of Directors of  
 South Asian Ceramic Tiles Private Limited  
 CIN: U26931TG2015PTC101548

*P. K. Patel*  
 Paresh Kumar Patel  
 Chief Financial Officer  
 DIN: 07524658

Place: Hyderabad  
 Date: 30-04-2025

*D. Patel*  
 Deepak Patel  
 Director  
 DIN: 07499206

Place: Hyderabad  
 Date: 30-04-2025

*R. B. Reddy*

Bhoopal Reddy Pasham  
 Company Secretary  
 ACS: 61932

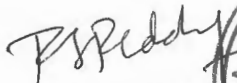
Place: Hyderabad  
 Date: 30-04-2025

**South Asian Ceramic Tiles Private Limited**  
**CIN: U26931TG2015PTC101548**  
**Standalone Statement of Profit and Loss for the year ended 31 March 2025**  
(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

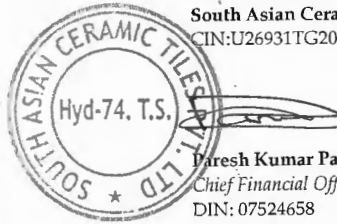
	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>I Revenue</b>			
Revenue from operations	4.14	13,509.89	13,872.12
Other Income	4.15	26.30	12.06
<b>Total Income (I)</b>		<b>13,536.19</b>	<b>13,884.18</b>
<b>II Expenses</b>			
Cost of materials consumed	4.16	4,793.59	4,472.70
Changes in stock of finished goods, work-in-progress and stock-in-trade	4.17	(520.52)	868.39
Employee benefit expense	4.18	1,037.44	842.25
Finance costs	4.19	525.90	677.05
Depreciation and amortisation expense	4.20	486.35	446.28
Other expenses	4.21	5,676.38	5,334.83
<b>Total Expenses (II)</b>		<b>11,999.15</b>	<b>12,641.50</b>
<b>III Profit/(loss) before exceptional items and tax</b>		<b>1,537.04</b>	<b>1,242.69</b>
Exceptional Items		-	-
<b>III Profit/(loss) before tax (I - II)</b>		<b>1,537.04</b>	<b>1,242.69</b>
<b>IV Tax Expense</b>			
Current tax		-	-
Deferred tax	4.22	388.47	320.79
<b>Total tax expense</b>		<b>388.47</b>	<b>320.79</b>
<b>V Profit/(loss) after tax from continuing operations</b>		<b>1,148.56</b>	<b>921.89</b>
<b>VI Profit/(loss) for the year</b>		<b>1,148.56</b>	<b>921.89</b>
<b>VIII Earnings per equity share</b>	4.23		
Basic (in INR)		5.47	4.39
Diluted (in INR)		5.47	4.39
Summary of material accounting policies	1-3		
See accompanying notes to the Standalone financial statements	4.01 to 4.33		

As per our Report on financial statements of even date attached

for **Bashetty & Joshi**  
Chartered Accountants  
ICAI Firm Registration No.: 0132998

  
**Peechari Srikanth Reddy**  
Partner  
Membership No.: 242308

Place: Hyderabad  
Date: 30-04-2025  
UDIN: 25242308BMJASH401



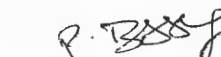
for and on behalf of the Board of Directors of  
**South Asian Ceramic Tiles Private Limited**  
CIN:U26931TG2015PTC101548

  
**Daresh Kumar Patel**  
Chief Financial Officer  
DIN: 07524658

Place: Hyderabad  
Date: 30-04-2025

  
**Deepak Patel**  
Director  
DIN: 07499206

Place: Hyderabad  
Date: 30-04-2025

  
**Bhoopal Reddy Pasham**  
Company Secretary  
ACS: 61932

Place: Hyderabad  
Date: 30-04-2025

South Asian Ceramic Tiles Private Limited  
CIN: U26931TG2015PTC101548  
Standalone Statement of Cash Flows for the year ended 31 March 2025  
(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A. Cash flows from operating activities</b>		
Profit before tax for the year	1,537.04	1,242.68
<i>Adjustments for:</i>		
Finance costs recognised in profit or loss	525.90	682.12
Investment income recognised in profit or loss	(4.23)	(5.70)
Depreciation and amortisation of non-current assets	486.35	446.26
Loss / (Gain) on sale of property, plant and equipment	13.94	-
<b>Operating profit before working capital changes</b>	<b>2,559.00</b>	<b>2,365.39</b>
<b>Movements in working capital:</b>		
Decrease / (Increase) in trade receivables	359.33	(853.00)
Decrease / (Increase) in financial and non financial assets	(9.65)	86.53
Decrease / (Increase) in Inventories	(425.69)	783.88
Decrease / (Increase) in other current assets	(92.32)	(50.66)
Increase/ (Decrease) in trade payables	(90.70)	(1,280.06)
Increase/ (Decrease) in financial liabilities	(47.26)	(13.01)
Increase/ (Decrease) in other current liabilities	(20.92)	101.07
<b>Cash generated from/ (used in) operations</b>	<b>2,231.80</b>	<b>1,140.54</b>
Income tax paid, net	-	-
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>2,231.80</b>	<b>1,140.54</b>
<b>B. Cash flows from Investing activities</b>		
Interest received on FD	4.23	5.70
Payments for property, plant and equipment	(856.36)	(484.89)
Proceeds from disposal of property, plant and equipment	14.50	-
Investment in Financial Assets	237.11	(261.21)
Proceeds from disposal of investments	-	-
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>(600.51)</b>	<b>(740.40)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of equity instruments of the Company	-	-
Payment for debt issue costs	-	-
Proceeds from borrowings	144.82	(656.40)
Repayment of borrowings	(1,256.28)	925.85
Interest paid	(525.90)	(682.12)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(1,637.37)</b>	<b>(412.68)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(6.08)</b>	<b>(12.54)</b>
Cash and cash equivalents at the beginning of the year	9.01	21.55
<b>Cash and cash equivalents at the end of the year</b>	<b>2.93</b>	<b>9.01</b>

Note:

- a) Statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7)- Statement of Cashflows  
b) Cash and cash equivalents comprise of: Cash in hand and Balance with banks in current account

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	2.93	9.01
<b>Balances per statement of cash flows</b>	<b>2.93</b>	<b>9.01</b>

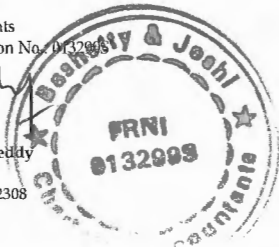
As per our Report on financial statements of even date attached

for **Bashetty & Joshi**  
Chartered Accountants  
ICAI Firm Registration No. 0132998

**Peechari Srikanth Reddy**  
Partner  
Membership No.: 242308

Place: Hyderabad  
Date: 30-04-2025

UDIN: 25242308BMJAQB4407



for and on behalf of the Board of Directors of  
**South Asian Ceramic Tiles Private Limited**  
CIN:U26931TG2015PTC101548

**Paresh Kumar Patel**  
Chief Financial Officer  
DIN: 07524658

Place: Hyderabad  
Date: 30-04-2025

**Bhoopal Reddy Pasham**  
Company Secretary  
ACS: 61932

Place: Hyderabad  
Date: 30-04-2025

**Deepak Patel**  
Director  
DIN: 07499206

Place: Hyderabad  
Date: 30-04-2025

South Asian Ceramic Tiles Private Limited

CIN: U26931TG2015PTC101548

Statement of Changes in Equity for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

(A) Equity share capital

(Amount in INR lakhs)

(1) Current reporting period

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the current year*	Balance as at March 31, 2025
2100.00	-	2100.00	.00	2100.00

(2) Previous reporting period

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the current year*	Balance as at March 31, 2024
2000.00	-	2000.00	100.00	2100.00

(B) Other Equity

(Amount in INR lakhs)

(1) Current reporting period

	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at April 01, 2024	121.35	(416.62)	(295.27)
Profit for the year	-	1,148.56	1,148.56
Other Comprehensive income/(losses)	-	-	-
Total Comprehensive Income	-	-	-
Dividend	-	-	-
Transfer to retained earnings	-	-	-
Shares issued during the year	-	-	-
<b>Balance as at March 31, 2025</b>	<b>121.35</b>	<b>731.94</b>	<b>853.29</b>

(2) Previous reporting period

	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at April 01, 2023	-	(1,338.51)	(1,338.51)
Profit for the year	-	921.89	921.89
Other Comprehensive income/(losses)	-	-	-
Total Comprehensive Income	-	-	-
Dividend	-	-	-
Transfer to retained earnings	-	-	-
Shares issued during the year	121.35	-	121.35
<b>Balance as at March 31, 2024</b>	<b>121.35</b>	<b>(416.62)</b>	<b>(295.27)</b>

Note: Remeasurement of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as a part of retained earnings with separate disclosure of such items along with the relevant amounts in the Notes or shall be shown as a separate column under Reserves and Surplus.

South Asian Ceramic Tiles Private Limited

CIN: U26931TG2015PTC101548

Notes forming part of the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

**1 Corporate Information**

South Asian Ceramic Tiles Private Limited (the company) was incorporated as private limited company under the provisions of the Companies Act 2013. It has been in order to carry out the business of manufacturing vitrified tiles. The corporate office is located at H No. 6-2-27, 27/A & 28, Unit No. 323, 3rd Floor, Down Town Mall, Lakadikapool, Hyderabad, Telangana -500004

**2 Material Accounting Policies**

**Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

**3 Summary of 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 is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(b) Foreign currencies**

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

**(c) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

**(d) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.



**South Asian Ceramic Tiles Private Limited**

**CIN: U26931TG2015PTC101548**

**Notes forming part of the financial statements for the year ended 31 March 2025**

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

**Sale of products**

The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company enters into relate to sales orders containing single performance obligations for the delivery of biotechnology products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement, but generally occurs on delivery to the customer. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

**Interest income**

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

**(e) 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 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 grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

**(f) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to 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 in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income ("OCI") or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

**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 liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit) 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 utilized, except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

**(g) Property, plant and equipment**

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property, plant and equipment as deemed cost at the date of the acquisition since there is no change in the functional currency on the date of transition to Ind AS. The Company has also determined that cost of acquisition or construction at deemed cost

Capital work in progress, Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other revenue expenses on property, plant and equipment are charged to the statement of profit and loss for the period during which such expenses are incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings & Civil	:	30 years
Plant and equipment	:	15 years
Furniture and fixtures	:	10 years
Electrical Equipments	:	10 years
Vehicles	:	8 years

**South Asian Ceramic Tiles Private Limited**

**CIN: U26931TG2015PTC101548**

**Notes forming part of the financial statements for the year ended 31 March 2025**

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

Office Equipments	:	1-5 years
Computers	:	3 years

The Company, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(h) Intangible assets**

**Computer Software**

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives of one to five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**(i) Leases**

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

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

**(j) Borrowing costs**

Borrowing costs 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 as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

**(k) Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on FIFO basis

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores, spares and packing materials are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(l) 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 cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When 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 companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

**South Asian Ceramic Tiles Private Limited**

CIN: U26931TG2015PTC101548

**Notes forming part of the financial statements for the year ended 31 March 2025**

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**(m) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

**(n) 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.

**Financial assets**

*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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9

For purposes of subsequent measurement, Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. FVTPL is a residual category for debt instruments.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - i. the Company has transferred substantially all the risks and rewards of the asset, or
  - ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. ECL impairment loss allowance (or reversal) for the period is recognized as income/ expense in the statement of profit and loss (P&L).

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The Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- ▶ All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ▶ Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

**Financial liabilities**

*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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, financial guarantee contracts and derivative financial instruments.

*Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

*Derecognition*

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 or loss.

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

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Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

**Offsetting of financial instruments**

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

**(o) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(p) Measurement of EBITDA**

The Company presents EBITDA in the statement of profit or loss, which is neither specifically required by Ind AS 1 nor defined under Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss and does not include depreciation and amortization expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA.

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4.01 Property, plant and equipment

Particulars	Freehold land	Buildings	Electrical & Office Equipments	Plant and equipment	Furnitures and fixtures	Vehicles	Computers	Software & License	Total
<b>Cost or deemed cost</b>									
Balance as at 1 April 2023	38.89	1206.86	604.95	4938.02	28.31	131.90	10.55	.80	6960.29
Additions	-	79.73	73.38	316.80	1.78	9.20	2.60	1.40	484.89
Adjustments	-	-	-	-	-	-	-	-	.00
Disposals/retirement	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>38.89</b>	<b>1286.59</b>	<b>678.33</b>	<b>5254.82</b>	<b>30.09</b>	<b>141.10</b>	<b>13.15</b>	<b>2.20</b>	<b>7445.18</b>
Additions	39.15	84.67	36.44	638.52	12.39	41.75	3.29	.15	856.36
Adjustments	-	.97	.65	-1.44	.15	.87	-1.15	-1.12	.93
Disposals/retirement	-	-	39.01	-	-	-	-	-	39.01
<b>Balance as at 31 March 2025</b>	<b>78.03</b>	<b>1370.29</b>	<b>675.10</b>	<b>5894.78</b>	<b>42.33</b>	<b>181.98</b>	<b>16.59</b>	<b>2.48</b>	<b>8263.45</b>
<b>Accumulated depreciation</b>									
Balance as at 1 April 2023	-	55.20	80.18	448.41	4.05	17.02	4.28	.69	609.82
Charge for the year	-	40.18	59.05	324.32	2.74	15.38	3.96	.63	446.28
Adjustments	-	.00	-	-	-	-	-	.00	.00
Disposals/retirement	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>95.38</b>	<b>139.23</b>	<b>772.73</b>	<b>6.79</b>	<b>32.40</b>	<b>8.24</b>	<b>1.32</b>	<b>1056.11</b>
Charge for the year	-	41.48	68.28	348.65	2.96	20.34	3.74	.90	486.35
Adjustments	-	0.38	333.20	(0.07)	(8.00)	(238.64)	12.52	(12.37)	87.02
Disposals/retirement	-	-	10.57	-	-	-	-	-	10.57
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>136.86</b>	<b>193.61</b>	<b>1121.39</b>	<b>9.83</b>	<b>55.13</b>	<b>11.86</b>	<b>2.34</b>	<b>1532.76</b>
<b>Net carrying amount</b>									
As at 31 March 2024	38.89	1191.21	539.10	4482.09	23.30	108.70	4.91	.88	6389.07
As at 31 March 2025	78.03	1233.43	481.49	4773.40	32.51	126.84	4.73	.14	6730.57

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	As at 31 March 2025	As at 31 March 2024					
<b>4.02 Other financial assets</b>							
Unsecured, considered good							
<b>Non-current</b>							
Security Deposits	206.74	192.24					
Bank deposits with more than 12 months maturity*	40.64	292.25					
	<b>247.38</b>	<b>484.49</b>					
<b>Current</b>							
Other Receivables	183.40	173.74					
	<b>183.40</b>	<b>173.74</b>					
<b>4.03 Inventories (valued at lower of cost or net realisable value)</b>							
Raw materials	386.66	530.29					
Work-in-progress	97.32	76.23					
Finished goods	1,427.43	928.00					
Fuel	27.50	36.60					
Stores	216.20	158.29					
	<b>2,155.10</b>	<b>1,729.42</b>					
<b>4.04 Trade receivables</b>							
Secured	-	-					
Unsecured, considered good							
Trade receivables - Billed	858.84	1,218.11					
Less: Allowance for doubtful trade receivables- Billed	-	-					
<b>Credit impaired</b>							
Trade receivables - Billed	-	-					
Less: Allowance for doubtful trade receivables- Billed	-	-					
Unbilled revenue	-	-					
	<b>858.84</b>	<b>1,218.11</b>					
<b>Trade Receivables Ageing Schedule :</b>							
<b>Ageing details of trade receivables outstanding as at March 31, 2025 is as follows:</b>							
Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled revenue	Less than 6 months	Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	
i) Undisputed trade receivables -considered good	-	856.68	2.17	-	-	-	858.84
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	-	<b>856.68</b>	<b>2.17</b>	-	-	-	<b>858.84</b>
<b>Ageing details of trade receivables outstanding as at March 31, 2024 is as follows:</b>							
Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled revenue	Less than 6 months	Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	
i) Undisputed trade receivables -considered good	-	1,216.49	1.62	-	-	-	1,218.11
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,216.49</b>	<b>1.62</b>	-	-	-	<b>1,218.11</b>
<b>4.05 Cash and cash equivalents</b>							
Cash in hand	0.82	5.56					
<b>Balance with banks:</b>							
- in current accounts	2.10	3.45					
	<b>2.93</b>	<b>9.01</b>					
<b>4.06 Other Current Assets</b>							
<b>Current</b>							
Advance Paid :							
(a) Capital Creditors	56.21	50.00					
(b) Other than above	9.26	21.99					
Balances with Statutory/Government Authorities	131.02	28.11					
Prepaid Expenses	28.02	32.10					
	<b>224.52</b>	<b>132.20</b>					

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	As at 31 March 2025	As at 31 March 2024
<b>4.07 Equity share capital</b>		
<b>Authorised Share Capital</b>		
Equity shares		
21,000,000 (31 March 2024: 20,000,000) equity shares of Rs. 10 each	2,100.00	2,100.00
	<u>2,100.00</u>	<u>2,100.00</u>
<b>Issued, subscribed and fully paid-up capital</b>		
Equity shares		
21,000,000 (31 March 2024: 20,000,000) equity shares of Rs. 10 each, fully paid-up	2,100.00	2,100.00
	<u>2,100.00</u>	<u>2,100.00</u>

Notes:

**A) Reconciliation of the shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
Outstanding at the beginning of the year	2,10,00,000	2100.00	2,00,00,000	2000.00
Add: Shares issued during the year	-	-	10,00,000	100.00
<b>Outstanding at the end of the year</b>	<b>2,10,00,000</b>	<b>2100.00</b>	<b>2,10,00,000</b>	<b>2100.00</b>

**B) Rights, preferences and restriction attached to the shares**

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**C) Shareholders holding more than 5% of equity shares along with the number of shares held:**

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	% holding	Number of shares	% holding	Number of shares
<b>Equity shares:</b>				
Kajaria Ceramic Limited	59.50%	1,24,95,000	59.50%	1,24,95,000
	59.50%	12,495.00	59.50%	12,495.00

**D) Shares held by holding company/promoter and subsidiary of holding company**

Name of the shareholders	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
<b>Equity shares of Rs.10 each fully paid up held by</b>				
Kajaria Ceramic Limited	1,24,95,000	1249.50	1,24,95,000	1249.50
Bindiya Deepak Patel	5,45,000	54.50	5,45,000	54.50
Nimesh Patel Bharvadia	6,30,000	63.00	6,30,000	63.00

**4.08 Other equity**

**Securities Premium**

Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with provisions of the Companies Act, 2013

**Retained earnings**

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve.

	31 March 2025	31 March 2024
<b>Securities premium</b>		
Balance at the commencement of the year	121.35	-
Add: Additions during the year	-	121.35
<b>Closing balance (A)</b>	<b>121.35</b>	<b>121.35</b>
<b>Retained earnings</b>		
Balance at the commencement of the year	(416.62)	(1,338.51)
Add: Profit/ (Loss) for the year	1,148.56	921.89
Less: Adjustment on account of Ind AS transition	-	-
<b>Closing balance (B)</b>	<b>731.93</b>	<b>(416.62)</b>
<b>Total closing balance (A+B)</b>	<b>853.28</b>	<b>(295.27)</b>



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	As at 31 March 2025	As at 31 March 2024
<b>4.09 Borrowings</b>		
<b>Non-current</b>		
<b>Secured</b>		
Term loans - from Banks *	2,753.47	3,514.60
Less: Current Maturities of Long-Term Borrowings	(891.87)	(566.00)
	<b>1,861.61</b>	<b>2,948.60</b>
<b>Secured Car Loan</b>		
Less: Current maturities of long-term loans	-	27.95
	-	(17.63)
	-	<b>10.32</b>
<b>Unsecured</b>		
Loans From Related Parties**	1,486.00	1,490.13
<b>Total Non-Current Borrowings</b>	<b>3,347.61</b>	<b>4,449.06</b>
<b>Current</b>		
<b>Secured</b>		
Working capital facility from banks***	1,617.39	1,935.64
Current maturities of long-term loans	891.87	566.00
<b>Secured Car Loan</b>		
Current maturities of long-term loans	-	17.63
<b>Total Current Borrowings</b>	<b>2,509.25</b>	<b>2,519.27</b>

Lender Name	Loan No.	Date of Commencement	Total Installments (Months)	Amount Sanctioned (Rs.in lakhs)	Interest (%)	Outstanding Balance	Date of Completion
ICICI Term Loan	603090026129	28-02-2023	36	638.60	8.50	443.47	21-04-2027
ICICI Term Loan	603090026128	28-02-2023	62	3372.83	8.50	2310.00	31-03-2028

\* The above loans have been utilised as per the purpose for these loans were sanctioned. These term loan from bank is secured by charge on immovable property. The Company has not defaulted in repayment of interest during the current financial year. Further, there have 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.  
 \*\* Out of the above outstanding loans, ₹8,90,00,000 is from the holding company Kajaria Ceramic Limited at 8% per annum rate of interest and the balance loan amount is taken from related parties  
 \*\*\* Current Borrowings represent Working Capital Facilities from Banks and are secured by charge on inventories. The interest rate on working capital limit is 8.75%

#### 4.10 Non-current tax assets

The major components of deferred tax liabilities/ assets arising on account of timing differences are as follows:

<b>Deferred Tax assets</b>		
Unabsorbed losses	-	-
Unabsorbed depreciation	-	-
Others	307.90	80.57
<b>Total Deferred tax assets</b>	<b>307.90</b>	<b>80.57</b>
<b>Net deferred tax Asset/(liability) (A)</b>	<b>307.90</b>	<b>80.57</b>
<b>Unutilised tax credits (MAT credit entitlement)</b>	<b>-</b>	<b>-</b>
	<b>307.90</b>	<b>80.57</b>

#### 4.11 Trade payables

Total outstanding dues of micro and small enterprises	124.79	432.65
Total outstanding dues of creditors other than micro and small enterprises	1,000.26	783.11
	<b>1,125.06</b>	<b>1,215.76</b>

Trade payables ageing schedule :

Ageing details of trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payments				Total
			Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	
i) MSME	-	-	124.79	-	-	-	124.79
ii) Others	-	-	1,000.26	-	-	-	1,000.26
iii) Disputed Dues - MSME	-	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>As at 31 March 2025</b>	<b>-</b>	<b>-</b>	<b>1,125.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,125.06</b>

Ageing details of trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payments				Total
			Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	
i) MSME	-	-	432.65	-	-	-	432.65
ii) Others	-	-	783.11	-	-	-	783.11
iii) Disputed Dues - MSME	-	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>1,215.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,215.76</b>

#### 4.12 Other financial liabilities

Salaries and Wages Payable	2.53	57.45
Int. rest accrued but not due on borrowings	13.73	10.77
Security deposit	7.50	-
Other Payables	-	2.80
<b>Total other financial liabilities</b>	<b>23.77</b>	<b>71.03</b>

#### 4.13 Other liabilities

<b>Current</b>		
Balance payable to Statutory Authorities	135.80	156.73
Advances from Customers	0.06	0.06
<b>Total other liabilities</b>	<b>135.87</b>	<b>156.78</b>

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(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>4.14 Revenue from operations</b>		
Revenue from Sale of Products		
Tiles	13,509.89	13,872.12
<b>Total</b>	<b>13,509.89</b>	<b>13,872.12</b>
<b>4.15 Other Income</b>		
Interest income on fixed deposits	4.23	5.70
Rental income on Investment Properties	0.60	0.60
Other non-operating income	21.47	5.77
<b>Total</b>	<b>26.30</b>	<b>12.06</b>
<b>4.16 Cost of materials consumed</b>		
<b>Raw materials consumed:</b>		
Raw materials at the beginning of the year	530.29	640.67
Add : Purchases	4,649.96	4,362.32
Less : Raw materials at the end of the year	(386.66)	(530.29)
	<b>4,793.59</b>	<b>4,472.70</b>
<b>Cost of Material Consumed (Material Wise)</b>		
Body Material	2,445.55	2,235.02
Glaze Material	1,731.40	1,640.63
Packing Material	616.64	597.05
	<b>4,793.59</b>	<b>4,472.70</b>
<b>4.17 Changes in stock of finished goods, work-in-progress and stock-in-trade</b>		
<b>Opening Balance</b>		
Finished goods	928.00	1,691.71
Work-in-progress	76.23	180.90
<b>Total Opening Balance (A)</b>	<b>1,004.23</b>	<b>1,872.62</b>
<b>Closing Balance</b>		
Finished goods	1,427.43	928.00
Work-in-progress	97.32	76.23
<b>Total Closing Balance (B)</b>	<b>1,524.75</b>	<b>1,004.23</b>
<b>Total (A) - (B)</b>	<b>(520.52)</b>	<b>868.39</b>
<b>4.18 Employee benefit expense</b>		
Salaries, wages and bonus	1,012.21	834.42
Staff welfare expenses	25.24	7.83
<b>Total</b>	<b>1,037.44</b>	<b>842.25</b>

**4.19 Finance costs**

Interest expense on borrowings	527.75	677.05
Gain/Loss On Foreign Exchange	(1.85)	-
<b>Total</b>	<b>525.90</b>	<b>677.05</b>

**4.20 Depreciation and amortisation expense**

Depreciation on property, plant and equipment	486.35	446.28
<b>Total</b>	<b>486.35</b>	<b>446.28</b>

**4.21 Other expenses**

Power and Fuel	4,718.94	4,632.91
Stores and Spares Consumed	244.53	106.01
Polishing Charges	339.03	390.44
Repairs & Maintenance	100.72	45.00
Equipment Hiring charges	41.40	24.62
Rent	5.17	4.92
Rates and Taxes	19.21	4.62
Travelling & Conveyance	69.88	24.99
Packing Freight & Forwarding Expenses	1.58	1.29
Insurance Charges	13.93	19.38
Professional & Consultancy Charges	62.41	14.64
Audit fees	3.35	2.96
Printing and Stationary	2.63	3.58
Office & Administrative Expenses	14.77	26.26
Security Charges	14.90	15.91
Loss on sale of fixed assets	13.94	-
Bank Charges	3.10	5.07
Miscellaneous Expenses	6.89	12.24
<b>Total</b>	<b>5,676.38</b>	<b>5,334.83</b>

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**4.22 Tax Expense**

The major component of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

**(a) Amounts recognised in the statement of profit and loss:**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax	388.47	320.79
<b>Tax expense recognised in the statement of profit or loss</b>	<b>388.47</b>	<b>320.79</b>

**4.23 Earnings per share**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Profit/(Loss) for the period attributable to the equity shareholders (A)</b>	<b>1,148.56</b>	<b>921.89</b>
<b>Number of equity shares</b>		
Number of shares at the beginning of the period	2,10,00,000	2,10,00,000
Add: Equity shares issued during the period	-	-
<b>Total number of equity shares at the end of the period</b>	<b>2,10,00,000</b>	<b>2,10,00,000</b>
Weighted average number of equity shares outstanding- Basic (B)	2,10,00,000	2,10,00,000
Weighted average number of equity shares outstanding- Diluted (C)	2,10,00,000	2,10,00,000
Nominal value of equity shares (in INR)	10	10
<b>Earnings per share</b>		
Earnings per share - Basic (A)/(B) (in INR)	5.47	4.39
Earnings per share - Diluted (A)/(C) (in INR)	5.47	4.39

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(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

#### 4.24 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

Capital includes equity attributable to the equity holders of the Parent. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

(Amount in Lakhs)		
Particulars	31-03-2025	31st March, 2024
Borrowings	3,347.61	4,449.06
Current maturities of Long term borrowings	891.87	.566.00
Less: Cash and cash equivalents	2.93	.009.01
<b>Net debt</b>	<b>4,236.55</b>	<b>0.05</b>
Equity	2,100.00	2,100.00
Other Equity	853.28	.437.16
<b>Total Capital</b>	<b>2,953.28</b>	<b>882.84</b>
<b>Gearing ratio (%)</b>	<b>143.45%</b>	<b>197.31%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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Notes forming part of the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

#### 4.25 Financial risk management objectives and policies

##### Financial Risk Management Framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

##### A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivable and from its financing activities, including deposits with banks and financial institutions)

Credit risk from investments with banks and other financial institutions is managed by the treasury function in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/ or other criteria and are only made within approved limits. The management continually re-assesses the company's policy and updates as required. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through counterparty failure. None of the financial instruments of the Company result in material concentration of credit risk.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the balance sheet date.

##### Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as follows:

(Amount in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	206.74	192.24
Margin money deposits with banks	-	-
Trade receivables	856.84	1,218.11
Cash and cash equivalents	0.82	5.56
Other bank balances	2.10	3.45
Other financial assets	224.04	465.99

##### 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 concentration of bad debt risk.

##### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the authorised person. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

##### B. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

##### Year ended 31st March, 2025

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Borrowings	-	222.97	668.90	4,964.99	-	5,856.86
Trade and other payables	-	1,125.06	-	-	-	1,125.06
Other financial liabilities	-	23.77	-	-	-	23.77

#### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

#### Collateral

Nil

#### C. Market Risk

Market risk is the risk that the fair value or 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, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits etc.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March, 2023.

The analyses 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.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022 including the effect of hedge accounting

#### 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 long-term and short-term borrowings. The impact on the entity due to any interest rate fluctuation is given below:

Particulars	Increase/decrease in basis points	Effect on profit before tax (in Lakhs)
31-Mar-25		
INR	+50	-21.91
INR	-50	21.91

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currency.

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(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

#### **4.26 Employee Benefits**

##### Defined Contribution Plan

As specified in the act, the company does not have employees more than twenty. Hence, contribution to provident fund is not applicable to the company

##### Defined Benefit Plan

Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of Rs.20 Lakhs at the time of separation from the company.

However, the provisions of Gratuity act is not applicable to the company as the number of employees is less than ten as specified in the act.



4.27 Analytical Ratios

Ratio	Numerator	Denominator	Unit of Measurement	Current Period	Previous Period	% Variance	Reasons for variance*
Current Ratio	Current assets	Current liabilities	In times	0.90	0.82	10%	
Debt-Equity Ratio	Current borrowings + Non current borrowings	Total Shareholders fund	In times	1.98	3.86	-49%	Variance is primarily due to increase in profit and decrease in borrowings
Return on Equity Ratio	Net profits after taxes	Average shareholders fund	In %	48.28%	68.59%	-30%	Variance is primarily due to increase in profit & increase in shareholder funds
Inventory Turnover Ratio	Net sales	Average inventory	In times	6.97	6.54	6%	
Trade receivables Turnover Ratio	Net sales	Average accounts receivable	In times	13.03	17.54	-26%	Variance is primarily due to increase in repayment of Trade Receivables
Trade payables Turnover Ratio	Purchases	Average accounts payable	In times	3.97	2.35	69%	Variance is primarily due to increase in repayment of Trade Payables
Net Profit Ratio	Net profits after taxes	Net sales	In %	8.49%	6.64%	28%	Variance is primarily due to increase in profit in current year
Return on Capital Employed	Earning before interest and taxes	Total Shareholders fund - intangible assets - intangible assets under development + non current borrowing + current borrowings + deferred tax liabilities	In %	22.62%	21.94%	3%	

\* Reason for variance is given for the ratios having % change more than 25%

4.28 Commitments and Contingencies

The company have the following commitments and contingencies as on 31st March 2025

A. Contingent Liabilities

Particulars	Interest Component (in Lakhs)	Total Potential Exposure (in Lakhs)
Disputed income tax demand – AY 2022-23	676.34	5,840.49

The Company has the following contingent liabilities as at 31-03-2025. During the previous year, The Company has received a demand from income tax authorities relating to FY 2021-22 responding certain disallowances in the income tax return of that year. The company has filed an appeal and is pending hearing, the outcome of which is currently uncertain. These are not recognized in the financial statements, as the possibility of outflow of resources is considered not probable at this stage.

B. Commitments

Particulars	March 31, 2025	March 31, 2024
Bank Guarantees	3,82,99,800	Nil

4.29 The Ministry of Corporate Affairs (MCA) has prescribed a new 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 accounts, shall only use 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 new requirement is applicable with effect from the financial year beginning on 1 April 2023.

The Company uses SAP S/4 HANA as the primary accounting software. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software SAP S/4 HANA used for maintenance of all the accounting records by the Company. However, the audit trail (edit log) at the application level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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(All amounts are in Indian Rupees in lakhs except for share data or otherwise stated)

4.30 Additional information to the financial statements

1. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such

Particulars	As at	
	March 31, 2025	March 31, 2024
(i) Amount remaining unpaid to supplier at the end of the year	124.79	432.65

4.31 Key Managerial Persons (KMP)

Name	Relation	Remarks
Paresh Kumar Patel	CFO & Director	
Nimesh Bhanvadia Patel	Managing Director	
Deepak Patel	Director	
Arun Kumar Bagla	Director	
Alok Kumar	Director	
Ramanand Pareek	Director	
Pasham Bhoopal Reddy	Company Secretary	
Srinivas Raju Eपुरi	Independent Directors	Addition on 18-04-2024
Devendra Kumar	Independent Directors	Addition on 18-04-2024

4.32 Related party disclosures

Names of the related parties and nature of relationships

Name of the party	Relation	Transaction	Amount
Kajaria Ceramic Limited	Holding Company	Sales	13374.90
Kajaria Ceramic Limited	Holding Company	Receivables	880.34
Kajaria Ceramic Limited	Holding Company	Borrowings	890.00
Kajaria Ceramic Limited	Holding Company	Interest Expense (Gross)	71.30
Bhupen Patel	Director Relative	Borrowings	22.23
Bindya Patel	Director Relative	Borrowings	55.37
Dharmistaben Vishalbhaji Adroja	Director Relative	Borrowings	5.10
Dolley Patel	Director Relative	Borrowings	9.70
Deepak Patel	Director	Borrowings	85.54
Harjeevanbhai Karshanbhai Patel	Director Relative	Borrowings	9.00
Kiran Kumar Patel	Director Relative	Borrowings	33.74
Kruti Patel	Director Relative	Borrowings	33.13
Nimesh Patel	Managing Director	Borrowings	223.38
Nishantbhai Thakarshibhai	Director Relative	Borrowings	5.50
Paresh Patel	CFO & Director	Borrowings	51.41
Vaishaliben Paragbhai Adroja	Director Relative	Borrowings	3.10
Vasanti Ben Patel	Director Relative	Borrowings	51.30
Aghara Suresh Patel	Director Relative	Borrowings	7.50
Kiran Kumar Patel (South Asian Ceramics)	Director Relative	Sales	7.64
Deepak Patel	Director	Remuneration	30.00
Paresh Patel	CFO & Director	Remuneration	30.00
Nimesh Patel	Managing Director	Remuneration	15.00
Amit Rameshbhai Patel	Director Relative	Remuneration	15.00
			15910.19

4.33 Previous Year Figures have been regrouped/rearranged wherever considered necessary.

for Bashetty & Joshi  
Firm Registration No.: 0132995  
Chartered Accountants

*P. S. Reddy*  
Peechari Srikanth Reddy  
Partner  
Membership No.: 242308

Place: Hyderabad  
Date: 30-04-2025

UDIN: 25242308BMJAAR4409



for and on behalf of the Board of Directors of  
South Asian Ceramic Tiles Private Limited  
CIN: U26931TG2015PTC101548

*Paresh Kumar Patel*  
Paresh Kumar Patel  
Chief Financial Officer  
DIN: 07524658

Place: Hyderabad  
Date: 30-04-2025

*Deepak Patel*  
Deepak Patel  
Director  
DIN: 07499206

Place: Hyderabad  
Date: 30-04-2025



*P. Bhoopal Reddy*  
Bhoopal Reddy Pasham  
Company Secretary  
ACS: 61932

Place: Hyderabad  
Date: 30-04-2025