

**42nd
ANNUAL
REPORT
2024-2025**



About Murudeshwar Ceramics Limited

Murudeshwar Ceramics Limited is the pioneer in manufacturing world class Vitrified tiles and Ceramic tiles under the brand name "NAVEEN". The cornerstone of our corporate journey of Thirty years has been "In Leadership through Quality". Murudeshwar Ceramics Limited is in this position today because of our knowledge of the manufacturing standards, our experience in applying the standards to a wide variety of products in the tile industry, and our thorough understanding of specialized components of the production. The '*Naveen Diamontile*' tiles of various sizes, colors, designs are displayed in over 73 Company owned showrooms all over India. Apart from "A" Grade cities, showrooms have also been opened in "B" and "C" grade cities. In order to meet the immediate requirements, we store the products in 42 depots in different regions.

Since its inception in the year 1983, Murudeshwar Ceramics Ltd. is working in the direction to meet the quality, performance, and price expectations of its valued customers. The right mix of cutting edge technology and aesthetic designs has helped Murudeshwar ceramics in steadily becoming one of the largest manufacturers of tiles in India. Its brand name Naveen Ceramics and Naveen Diamontile have become synonymous with quality, producing the widest range of products in ceramic and vitrified tiles.

The company, through the years, has earned many distinctions, like the first to produce and export large format vitrified tiles in India, the largest manufacturer of vitrified tiles and so on. It has three large-scale, state-of-the-art manufacturing facilities (at Hubli and Sira in Karnataka & Karaikal in Pondicherry), which are in technical collaboration with the world-leaders Sacmi Imolaa & Breton, Italy. With an unfailing commitment to excellence, it utilizes the finest of raw materials and rigorously checks and controls the quality of the tiles. Over the years, the company has established a great reputation for its manufacturing capabilities, which is backed by the R&D cells attached to the manufacturing facilities.

This ensures the company stays ahead of the latest global trends by constantly developing innovations in colors, designs, textures, finishes and sizes.

FACTORY

Located in Hubli, Sira (Karnataka) and Karaikal (Pondicherry), the manufacturing facilities are equipped with state-of-the-art technology, in technical collaboration with Sacmi Imola & Breton, Italy. NAVEEN tiles conform to stringent international standards. The R&D Cells attached to both the factories work independently and constantly to develop new colours, designs, textures, finish & sizes in sync with the latest global trends. The Brand '*Naveen Diamontile*', with a complete range of products have a distinct niche in the market due to their consistent high quality. MCL has been accredited with the ISO: 9001-2000 certification from the TUVZertifizierungsgemeinschaft e.v.(Germany) in recognition of its commitment to quality.

PRODUCTION CAPACITY

Murudeshwar Ceramics Limited has three (3) state of the art production units. Naveen tiles are crafted with intense care using modern technology to ensure that we live up to the expectations of our buyers. They are located close to the major growth hubs in South India. The factories are located in Hubli, Tumkur and Karaikal. The company is equipped to manufacture Wall tiles, Floor tiles, Ceramic tiles and Parking tiles. Naveen offers tiles in 300*300, 300*450, 400*400, 300*600, 600*600, 600*1200, 800*800 and 800*1200 The total production capacity of the three units is 28000 square meter a day and 8.4 Million square meters a year. State of the art modern machinery is being used to manufacture world class quality tiles.

The company has 10 Presses of various sizes from Sacmi, Italy and Keda, China both world leaders in ceramic machinery. Currently 5 Kilns of various lengths from Sachi, Italy are being run.

To make sustainable tiles and be cautious towards the environment, the company set up its own Solar and Wind energy plants as well as a STP plant to conserve nature and make Green tiles.

OUR MISSION :

The cornerstone of our corporate journey of Thirty years has been "In Leadership through Quality".

VISION :

To be a leader in Tile manufacturing industry by delivering high quality Tiles with Innovative design concepts using sustainable manufacturing methods.

GOALS :

To create a large & satisfied customer base by delivering durable, defect free, environment friendly and properly designed products. To deliver excellent service at reasonable and affordable prices. To encourage our employees who are our first assets, by promoting and utilizing their best knowledge and experience.

PRODUCTS :

Naveen Ceramics have become synonymous with quality, producing the widest range of products in ceramic and vitrified tiles.

BOARD OF DIRECTORS & KMP
Shri SATISH R SHETTY

Chairman & Managing Director

Shri SUNIL R SHETTY

Non-Executive Director

Shri NAVEEN R SHETTY

Non-Executive Director

Shri KARAN S SHETTY

Whole Time Director

Shri RAVINDRA BHANDARY

Independent Director

Smt. SHAKUNTHALA SHETTY

Independent Director

Shri VISHWANATH SHETTY

Independent Director

Shri VITTAL KM SHETTY

Independent Director

Shri N M HEGDE

Vice President (Finance) & CFO

Shri ASHOK KUMAR

Company Secretary & Compliance Officer

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Profile of all the directors is available on the website of the company at www.naveentile.com

Committees of the Board of Directors

❖ **Audit Committee**

Shri. Ravindra Bhandary – Chairman
Smt. Shakunthala Shetty – Member
Shri. Naveen R Shetty – Member

❖ **Nomination & Remuneration Committee**

Shri Ravindra Bhandary – Chairman
Smt. Shakunthala Shetty – Member
Shri. Vittal KM Shetty – Member

❖ **Stakeholders Grievance Committee**

Shri. Vishwanath Shetty – Chairman
Shri. Satish R Shetty – Member
Shri. Vittal KM Shetty – Member

❖ **CSR Committee**

Shri. Satish R Shetty – Chairman
Shri. Vishwanath Shetty – Member
Shri. Naveen R Shetty – Member

❖ **Executive Committee**

Shri. Satish R Shetty
Shri. Sunil R Shetty
Shri. Naveen R Shetty
Shri. Ravindra Bhandary
Smt. Shakunthala Shetty
Shri. Karan S Shetty

OTHER DETAILS

❖ Statutory Auditors

K G RAO & Co.,
Chartered Accountants,
Add.: 15, First Floor, 3rd Cross,
Sampige Road, Malleshwaram.
Bengaluru - 560003.
Email: cakrishnaraj.in@gmail.com

❖ Internal Auditors

S. B. Shetty and Co.,
Chartered Accountants
Add.: No. 1st, 2nd Floor, Time Square,
Opp. Kadasiddheswar Arts College,
Vidyanagar, Hubballi - 580031.
Email: karthikbshetty@gmail.com

❖ Secretarial Auditors

Mr. Shivappa Athani, Company Secretary,
No. 25, 02nd Floor, 01st Cross, 02nd Main, R. R. School
Road, Doddabommasandra, Bangalore 560097, Karnataka
Email: smgandassociates2010@gmail.com

❖ Registrar and Transfer Agent

Bigshare Services Private Limited
No S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road, Andheri (East),
Mumbai – 400093
Phone: 022-62638200
Email: marketing@bigshareonline.com

❖ Bankers

Canara Bank
HDFC Bank
Punjab National Bank

❖ Registered Office

Murudeshwar Bhavan,
604/B, Gokul Road, Hubballi - 580 030
Phone: 0836-2331615-18
Fax: 0836-2330436 / 4252583
Email: mclho@naveentile.com

❖ Corporate Office

Naveen Complex, 7th Floor,
No. 14, M.G. Road,
Bengaluru - 560001.
Phone: 080 - 42897000
Email: investor@naveentile.com

❖ Plant - I:

Sy. No. 139, 141/1, Huildore Village, Bukkapatna Hobli,
Tal : Sira, Dist. Tumkur - 572 137

❖ Plant – II:

143, Ilayancudy Road, Devamapuram Village, Thirunallar
Commune, Karaikal - 609607, Puducherry (U.T.)
Phone: 04368-236899/ 236599.

❖ Listed on:

- BSE (Bombay Stock Exchange)
- NSE (National Stock Exchange)

NOTICE OF 42ND ANNUAL GENERAL MEETING

To,
The Members,

Notice is hereby given that the 42nd Annual General Meeting (AGM) of the Members of Murudeshwar Ceramics Limited will be held on **Monday, 25th day of August 2025 at 03.00 P.M. IST** at Hotel Naveen, Unkal Lake, Hubballi - Dharwad Highway, Bairidevarkoppa, Hubballi - 580025, Karnataka to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon:**

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

“RESOLVED THAT Audited (Standalone and Consolidated) Financial Statements (including the balance sheet of the Company as at March 31, 2025 and the statement of profit and loss together with the notes on accounts, schedules, statement of cash flow, etc.), in the prescribed format, annexed to and forming part of the accounts for the year ended March 31, 2025, together with the report of the directors’, auditor’s and notes, annexures, schedules etc. appended thereon as presented to the meeting, be and are hereby considered, approved and adopted”.

2. **To appoint a director in place of Shri Naveen Rama Shetty (DIN: 00058779), who retires by rotation and being eligible, offers himself for reappointment:**

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

“RESOLVED THAT pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 (“Act”), and rules made thereunder and as per provisions contained in the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded to the reappointment of Shri Naveen Rama Shetty (DIN 00058779), as a director without affecting his current position, who is liable to retire by rotation.”

3. **To declare a dividend on equity shares for the financial year ended March 31, 2025:**

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

“RESOLVED THAT a dividend at the rate of Rs. 0.50 (Fifty paise only) per equity share of Rs.10/- (Rupees Ten only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2025 and the same be paid out of the profits of the Company.”

4. **To appoint CS Shivappa Athani (M. No. 67536 and COP: 25196) as the Secretarial Auditor of the Company for a period of five consecutive years from the FY 2025-26 to 2029-30.**

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

“RESOLVED THAT pursuant to the provision of Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any of the Companies Act 2013, read with regulation 24A of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and in terms of recommendation of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to appoint Mr. Shivappa Athani, a Practicing Company Secretary, with (M. No: A 67536 & COP: 25196), having office at No. 25, 02nd Floor, 01st Cross, 02nd Main, R. R. School Road, Doddabommasandra, Bangalore 560097, Karnataka as the Secretarial Auditors of the Company for a period of five consecutive years from the financial year 2025-26 to 2029-30, to cover the area as required to be audited as prescribed under the Companies Act, 2013 and rules made thereunder, under the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable laws, rules, regulations and bylaws”.

“RESOLVED FURTHER THAT Mr. Shivappa Athani - a Practicing Company Secretary, with (M. No: A-67536 & COP: 25196) be and is also appointed to undertake Annual Secretarial Compliance Audit as per regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to provide the report thereon”.

“RESOLVED FURTHER THAT Mr. Satish Rama Shetty, Chairman & Managing Director of the Company be and is hereby authorised to fix the remuneration after consultation with the Secretarial Auditors and to do all such other acts, deeds and things as may require for giving effect to this resolution”.

SPECIAL BUSINESS:

5. Re-appointment of Shri Satish Rama Shetty (DIN: 00037526) as the Chairman and Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025 to June 25, 2030.

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**.*

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of recommendation from the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and pursuant to the provisions contained in the Articles of Association of the Company, and subject to approval of the Central Government, if any required, and such other consents and permission as may be necessary, the approval of the members of the Company be and is hereby accorded to re-appoint Shri Satish Rama Shetty (DIN:00037526) as the Chairman & Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025 to June 25, 2030 on the following remuneration, terms, and conditions and who shall not be liable to be determined by retirement by rotation:

- (a) Basic Salary: Rs.10,00,000/- (Rupees Ten lakhs only) per month;
- (b) Housing: House Rent Allowance 20% of the Basic Salary;
- (c) Provident Fund: Employers contribution not exceeding 12% of the salary;
- (d) Superannuation Fund: As per Company’s rules as applicable for senior executives;
- (e) Gratuity: As applicable to senior executives of the Company;
- (f) Leave & leave encashment: As per leave rules of the Company;
- (g) Leave Travel concession: For self, wife, and dependent children as per rules applicable to senior executives of the Company;
- (h) Medical Reimbursement: Actual expenses incurred for self, wife, and dependent children;
- (i) Club Membership: Fees for membership of any clubs as may decide by the Board;
- (j) Company’s car with driver for official purposes of the Company;
- (k) Telephone: Free telephone facility at residence for official purposes of the Company.

“RESOLVED FURTHER THAT the salary and perquisites payable to Shri Satish Rama Shetty pursuant to this resolution shall be the minimum remuneration payable irrespective of whether there is adequate profit available in any year or not.”

“RESOLVED FURTHER THAT the Board of Directors (including its Nomination and Remuneration Committee thereof) be and is hereby authorised to modify the terms and conditions of appointment/ remuneration or the scale or any other perquisites payable within the limit permitted as they may deem fit and proper from time to time.”

“RESOLVED FURTHER THAT any director of the Company be and is hereby severally authorized to do all such acts, deeds and things which are necessary to carry out the aforesaid resolution and to do the necessary filings, submissions and also seek such necessary approval/ consent from the government departments/ regulatory authorities as and when may be required from time to time.”

6. Approval for overall limits under section 180 (1) of the Companies Act, 2013:

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**.*

“RESOLVED THAT pursuant to Section 180(1) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and based on the recommendation of the Audit Committee of the Company and in supersession of all the earlier resolutions, the approval of the members of the Company be and is hereby accorded for overall limits upto Rs. 500.00 Crore (Rupees Five hundred Crore Only) for the following transactions:

- (a) to sell, lease, create security over or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
- (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business; and
- (d) to remit, or give time for the repayment of, any debt due from a director.

“RESOLVED FURTHER THAT the Board of Directors which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such agreements/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in connection with all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution.”

7. Approval for overall limits under section 185 of the Companies Act, 2013.

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**.*

“RESOLVED THAT pursuant to the provisions of section 185 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014, (including any Statutory modification or re-enactment thereof, for the time being in force), subject to the approval from any statutory authority, based on the recommendation of the Audit Committee of the Company and in supersession of all the earlier resolutions, the approval of the members of the Company be and is hereby accorded for overall limits upto Rs. 500.00 Crore (Rupees Five hundred Crore Only) for making of loan(s) to, and/or giving of guarantee(s) to, and/or providing of security(ies) to, in connection with any loan taken by any person in whom any of the director of the company is interested”

“RESOLVED FURTHER THAT the Board of Directors which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution be and is hereby authorised be and is hereby authorise to finalize and negotiate the terms and conditions of the said investment, loan and guarantee and provision of security on behalf of the company as it may deem fit in the interest of the company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and such investments, loans, guarantees and provisions of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

8. Approval for overall limits to make investments, to give loans, to provide guarantees and security under section 186 of the Companies Act, 2013.

*To consider and if thought fit, to pass the following resolution as a **Special Resolution**.*

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, other applicable provisions of the Companies Act, 2013 and the rules enacted thereunder, (including any Statutory modification or re-enactment thereof, for the time being in force), subject to the approval from any statutory authority, based on the recommendation of the Audit Committee of the Company and in supersession of all the earlier resolutions, the approval of the members of the Company be and is hereby accorded for overall limits upto Rs. 500.00 Crore (Rupees Five hundred Crore Only) for (a) giving any loan to anybody corporate(s)/person(s); (b) giving any guarantee or providing security in connection with a loan to anybody corporate(s)/person(s); and (c) acquiring by way of subscription, purchase or otherwise, securities of anybody corporate from time to time in one or more tranches as the Board of Directors of the Company in their absolute discretion deem beneficial and in the interest of the Company, notwithstanding that the aggregate of such loans or guarantees or securities so far given or to be given and/or the investments so far made or to be made by the Company may collectively exceed the limits as laid down

under Section 186 of the Companies Act, 2013”.

“**RESOLVED FURTHER THAT** the Board of Directors which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution be and is hereby authorised be and is hereby authorise to finalize and negotiate the terms and conditions of the said investment, loan and guarantee and provision of security on behalf of the company as it may deem fit in the interest of the company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and such investments, loans, guarantees and provisions of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this ordinary resolution.”

9. To approve existing and new Material Related Party Transaction(s) with RNS Infrastructure Limited (RNSIL) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013:

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (‘the Act’) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and regulation 23(4) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee of the Company and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, the consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s) arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with RNS Infrastructure Limited (RNSIL) being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the financial year 2025-26 and upto the date of next Annual General Meeting to be held in the year 2026, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), not exceeding Rs. 100.00 Crores (Rupees One hundred Crore only), provided however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution.”

**By Order of the Board
For Murudeshwar Ceramics Limited**

**Sd/-
Ashok Kumar
Company Secretary
M. No. ACS 40962**

**Place: Bengaluru
Date: 29.05.2025**

NOTES:

- (1) The Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ('Act') read with Section 110 of the Act and Rule(s) 20 and 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'), each as amended, setting out the material facts relating to the aforesaid Resolutions number (4) to (9) and the reasons thereof is annexed hereto and forms an integral part of this Notice.
- (2) A member entitled to attend and vote at the annual general meeting (the "meeting") is entitled to appoint one or more proxies to attend and vote instead of himself/ herself and the proxy so appointed need not be a member of the company.
- (3) The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than 48 (forty-eight) hours before the commencement of the meeting.
- (4) A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Further a member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member or shareholder. The holder of the proxy shall provide his identity at the time of attending the Meeting. Member may please note that a proxy does not have the right to speak at the Meeting and cannot vote on poll.
- (5) Any document/ Proxy Form in connection with the Annual General Meeting of the Company signed by any person for and on behalf of any Institution, Bank, Body Corporate etc., will be valid, only if such document/proxy form is supported by a duly authenticated copy of the Resolution of the Board of Directors authorizing such person to sign such document and/or to represent such Institution, Bank, Body Corporate etc., as the case may be.
- (6) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- (7) Members/Proxies should bring the Attendance Slip duly filled in, for attending the Meeting. The Attendance slip is accompanied with this Annual Report. Members, who hold shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording Attendance at the forthcoming Annual General Meeting.
- (8) In terms of the latest MCA General Circulars no. 09/2024 dated 19.09.2024 and read with the SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03.10.2024 and pursuant to regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), notice of the AGM along with the Annual Report for the FY: 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Company's Registrar and Transfer Agent ('RTA')/Depositories. Members may note that the Notice and Annual Report for the FY: 2024-25 will also be available on the Company's website www.naveentile.com, and the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bse.com and www.nseindia.com respectively.
- (9) The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and secretarial standard on General meetings issued by the Institute of Company Secretaries of India in respect of a Person/ Director seeking appointment/ re-appointment as Directors are provided in the explanatory part to this Notice and also may be refer in the Corporate Governance part of Annual Report.
- (10) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
- (11) Documents pertaining to items referred to in the Notice are available for inspection by any member at the Registered Office of the Company on any working day from 2 p.m. to 6 p.m. upto the date of Annual General Meeting.
- (12) Register of Members/Transfer books of the Company will be closed from **Monday, August 18, 2025 to Monday, August 25, 2025** (both days inclusive) for the purpose of 42nd AGM.
- (13) Members seeking any information/ clarification concerning the Accounts for the financial year 2024-25 are requested to send their specific request addressed to the Company at its Registered Office of the Company at least seven days before the Annual General Meeting.

- (14) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act and the relevant documents will be available for inspection by the members during the AGM.
- (15) Please also refer “General Information to Shareholders” in the annexure to Corporate Governance Report forming part of this Annual Report.
- (16) In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.
- (17) In compliance with the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023; the company has already sent the final reminder along with covering letter, Form ISR-1 for updation of PAN, KYC details etc., Form ISR -2 for confirmation of signature of securities holder by the banker, Form – 3 for Declaration Form for Opting-out of Nomination by Holders of Physical Securities, Form SH – 13 Nomination form in terms section 72 of the companies Act, 2013 and rules made thereunder to all the shareholders who is holding shares in physical mode urging them to update their KYC details. The above forms are also available on the company’s website at www.naveentile.com.
- (18) Members holding shares in physical mode are:
 - to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023.
 - advised to register nomination in respect of their shareholding in the Company. Nomination Form (SH-13).
 - If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be.
 - requested to register/ update their e-mail address with the Company/ Canbank Computer Services Limited (RTA) for receiving all communications from the Company electronically.
- (19) Members holding shares in electronic mode are:
 - requested to submit their PAN and bank account details to their respective Depository Participants (“DPs”) with whom they are maintaining their Demat accounts.
 - advised to contact their respective DPs for registering nomination.
 - requested to register/ update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
- (20) Non-Resident Indian Members are requested to inform Canbank Computer Services Ltd./respective DPs, immediately of:
 - Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- (21) Registrars and Share Transfer Agents M/s. Bigshare Services Private Limited of the company has facilitated for online processing of Investor service requests and complaints for shareholders holding shares in physical mode on its website at www.bigshareonline.com available under the tab of customer services at “online Processing of Investor Services”.
- (22) In terms of the provisions of Section 152 of the Act, Shri Naveen Rama Shetty (DIN: 00058779), Director of the Company, retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend for his re-appointment.
- (23) SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the

shares held by them in physical form. Members can contact the Company or Bigshare Services Private Limited (RTA), for assistance in this regard.

(24) Please refer last page of Annual Report for AGM Location Map.

(25) Members holding shares in physical form, in identical names, in more than one folio are requested to send to the Company or Bigshare Services Private Limited (RTA), the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

(26) **Compulsory Transfer of Equity Shares to Investor Education and Protection Fund (“IEPF”) Suspense Account:**

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all Equity Shares on which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) authority after complying with the procedure laid down under the said Rules.

Sl. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Dividend Type	Proposed Month and Year of Transfer to the Fund
1	22.09.2023	2022-23	Final Dividend	October, 2030
2	21.09.2024	2023-24	Final Dividend	October, 2031

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed/ unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

Shareholders who have not encashed the dividend warrants for the previous year(s), are requested to make their claim with Bigshare Services Private Limited at # Office No S6-2, Pinnacle Business Park, 6th, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai 400093, Maharashtra India. The Company has also uploaded details of Unclaimed dividend amount(s) lying with the Company as on date of Annual General Meeting on the website of the Company i.e., www.naveentile.com.

(27) **Dividend Related Information:**

- Mandatory updation of PAN, KYC, Bank details, and Specimen of signature prior to processing the payment of Dividend:** In terms of SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024 issued to the Registrar and Transfer Agents read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, SEBI Circular No. SEBI/ HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, and other related SEBI Circulars, SEBI has mandated that, with effect from April 1, 2024, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Contact Details (Postal Address with PIN and Mobile Number), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company or its RTA. The forms for updation of PAN, KYC, Bank details and Nomination viz. Forms ISR-1, ISR-2, ISR-3 and SH-13 are available on our website at www.naveentile.com. the process to be followed for updation of bank details, if shares are held in physical mode, is given in Note No. 18 in this Notice.
- Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear in the Company’s Register of Members as on the Record Date, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
- The Company has fixed **Thursday, August 14, 2025** as the “Record Date” for the purpose of determining the Members eligible to receive dividend for the financial year 2024-25.
- Payment of dividend shall be made through electronic mode only to the Members who have updated their bank account details. Dividend warrants/ demand drafts shall not be dispatch to the registered address of the Members who have not updated their bank account details.
- Pursuant to the requirement of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by a company on or after April 1, 2020 the Company will be required to deduct “Tax deduction at source

(TDS)” at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ Bigshare Services Private Limited/ Depository Participant.

- (f) **For Resident Shareholders:** Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN/ invalid PAN/PAN not linked with Aadhaar/not registered their valid PAN details in their account or classified as specified person in the income-tax portal, TDS at the rate of 20% shall be deducted under Section 206AA of the Act.
- (g) **For Non-resident Shareholders:** As per Domestic Tax Law: Taxes are required to be withheld in accordance with the provisions of Section 195 of the Act as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

As per Double Tax Avoidance Agreement (DTAA): As per Section 90 of the Income Tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction /withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

- (h) **TDS to be deducted at higher rate:** In case of non-filers of Return of Income; TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar; who do not provide/furnish their Permanent Account Number (PAN).

(28) Voting through electronic means:





- (a) In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI Listing Obligations and Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to cast their vote electronically, through the e-voting services provided by NSDL on all resolutions set forth in this Notice, through remote e-voting to all members.
- (b) Such remote e-voting facility is in addition to voting that may take place at the meeting venue on August 25, 2025. Members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.
- (c) The Board of Directors has appointed Mr. Sunil J. Shah, Practicing Company Secretary (Membership No. ACS: 8717), (mail id: sunil_j_shah@yahoo.com) as the Scrutinizer to scrutinize the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.naveentile.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
- (d) The remote e-voting period commences on August 22, 2025 (9.00 a.m. IST) and ends on August 24, 2025 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Thursday, August 14, 2025 (Cutoff date {record date}) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- (e) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again in the AGM.
- (f) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Thursday, August 14, 2025 (Cutoff date {record date}).

INSTRUCTIONS FOR E-VOTING

A. Login method for e-Voting:

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IdeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IdeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IdeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IdeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. If you are not registered for IdeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IdeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<p>a. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>b. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>c. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. of NSDL.</p> <p>d. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” and “Forgot Password” option available on the above-mentioned website.Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on the toll free no.: 1800 1020 990 or 1800 22 44 30
Individual shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 022- 23058738 or 022-23058542-43

B. Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- Visit the e-voting website of NSDL. Open the web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile phone.
- Once the homepage of e-voting system is launched, click on the icon “Login”, available under ‘Shareholder/Member’.
- A new screen will open. You will have to enter your User ID, Password / OTP and a verification code as shown on the screen.

4. Alternatively, if you are registered for NSDL e-services i.e. IdeAS, you can log in at <https://eservices.nsdl.com/> with your existing IdeAS login. Once you log in to NSDL e-services using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically on NSDL e-voting system.
5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For members who hold shares in demat account with NSDL	8-character DP ID followed by 8-digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
For members who hold shares in demat account with CDSL	16-digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****.
For members holding shares in physical form	EVEN Number followed by Folio Number registered with the Company For example, if your Folio Number is 001*** and EVEN is 116022, then your User ID is 116022001***

C. Password details for shareholders other than individual shareholders are given below:

- 1) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
- 2) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' for the system to prompt you to change your password.
- 3) How to retrieve your 'initial password'?
If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit Client ID for your NSDL account, or the last 8 digits of your Client ID for CDSL account, or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

D. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

1. Click on "Forgot User Details / Password?" (If you hold shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
2. Physical User Reset Password? (If you hold shares in physical mode) option available on www.evoting.nsdl.com.
3. If you are still unable to get the password by the above two options, you can send a request to evoting@nsdl.co.in mentioning your demat account number / Folio Number, your PAN, your name and your registered address.
4. Members can also use the OTP (One Time Password)-based login for casting their vote on the e-voting system of NSDL.

E. After entering your password, tick on "Agree with Terms and Conditions" by selecting on the check box.

F. Now, you will have to click on the "Login" button.

G. After you click on the "Login" button, the homepage of e-voting will open.

Cast your vote electronically on NSDL e-voting system

1. After successfully logging in following Step 1, you will be able to see the EVEN of all companies in which you hold shares and whose voting cycle is in active status.
2. Select the EVEN of Murudeshwar Ceramics Limited.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting the appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on the "Submit" and "Confirm" buttons when prompted.
5. Upon confirmation, the message, "Vote cast successfully", will be displayed.

6. You can also take a printout of the votes cast by you by clicking on the “Print” option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for procuring user ID and password for e-voting for those shareholders whose email IDs are not registered with the depositories / Company

1. Shareholders may send a request to evoting@nsdl.co.in for procuring user ID and password for e-Voting;
2. In case shares are held in physical mode, please provide Folio Number, name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and Aadhaar (self-attested scanned copy of Aadhaar Card);
3. In case shares are held in demat mode, please provide DP ID and Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), name of member, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card); and
4. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained as above i.e. Login method for e-Voting and voting during the meeting for Individual shareholders holding securities in demat mode.

Other Instructions:

- (a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of URL: <https://www.evoting.nsdl.com>. And register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.
- (b) During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- (c) Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- (d) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and NSDL e-Voting manual or contact to help desk of e-Voting.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 AND PROFILE OF THE APPOINTEES:

Item No. 4: To appoint CS Shivappa Athani (M. No. 67536 and COP: 25196) as the Secretarial Auditor of the Company for a period of five consecutive years from the FY 2025-26 to 2029-30.

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Companies Act, 2013 and rules made thereunder.

The Board of Directors of the Company ('Board') has, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., and based on the recommendation of the Audit Committee, proposed the appointment of Mr. Shivappa Athani, a Practicing Company Secretary, (M. No: A67536 & COP: 25196), having office at No. 25, 02nd Floor, 01st Cross, 02nd Main, R. R. School Road, Doddabommasandra, Bangalore 560097, Karnataka as the Secretarial Auditors of the Company for a period of five consecutive years from the financial year 2025-26 to 2029-30 on a consolidated Audit fees per annum of Rs. 55,000/- Rupees Fifty Five Thousand Only.

Mr. Shivappa Athani - a Practicing Company Secretary, (M. No: A-67536 & COP: 25196) is appointed to cover the area as required to be audited as prescribed under the Companies Act, 2013 and rules made thereunder, and under the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable laws, rules, regulations and bylaws".

Mr. Shivappa Athani - a Practicing Company Secretary, (M. No: A-67536 & COP: 25196) has given their consent to his appointment as the Secretarial Auditor and has confirmed that he is a peer reviewed Company Secretary and received a valid certificate from the institute of Company Secretaries of India.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of the accompanying Notice.

Item No. 5: Re-appointment of Shri Satish Rama Shetty (DIN: 00037526) as the Chairman and Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at its meeting held on 29th May, 2025 re-appointed Shri Satish Rama Shetty (DIN: 00037526) as the Chairman and Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025 on the terms and conditions as mention in the resolution number 5 of the notice of AGM, subject to the approval of the Members of the Company.

Shri Satish Rama Shetty aged about 63 years is graduate in Mechanical Engineering from Karnataka University, Dharwad. He has been inducted as a director on the Board of Directors of Murudeshwar Ceramics Limited (MCL) in the year 1987. He was elevated to the position of Executive Director of MCL in the year 1988. He was appointed as a Managing Director in 1997. The various expansion projects of the Company since 1991 have been implemented under his technical supervision and guidance. He is not only looking after the production quality maintenance but also marketing, finance and other administration activities of the Company.

Under the able leadership of Shri Satish R Shetty, Murudeshwar Ceramics Ltd. has been awarded ISO-9001:2000 Certificate by TUV-Z Germany in recognition of its commitment to quality. In order to promote direct sales, he has already opened MCL Show Rooms in all over India under its brand name "NAVEEN" to the entire length and breadth of the country.

Under his technical supervision and control the Company has implemented several expansion and diversification projects. His dynamism could be gauged from the fact that the Company which had an initial installed capacity of 12,500 TPA has reached 36,00,000 TPA by the year 2024, product diversification into Vitrified tiles has taken the Company and its brand name "NAVEEN" to the entire length and breadth of the country, and a new plant established in Karaikal, Pondicherry and the net worth of the Company has increased from its initial Rs.650 lakhs to Rs.37,137.50 lakhs for the year 2024-25.

Apart from MCL, Shri Satish R Shetty is also instrumental in lending his support and guidance to other profitable ventures of the group which include and Hydel Power Generating Company, Hotels and hospitality, major Auto dealers, Hospitals, Educational Institutions and Construction industry. Shri Satish R Shetty is also the Chairman & Director on the Board of Directors of the RNS Group of Companies:

Information pursuant to Regulation 36(3) of the Securities Exchange Board of India (Listing Obligations and Disclosures) Regulations, 2015 and Secretarial Standard on General Meeting with regards to the Director seeking appointment/re-appointment in the forthcoming General Meeting (in pursuance of Schedule V of the Companies Act, 2013):

Name	Shri Satish Rama Shetty
DIN	00037526
Date of birth	26-03-1962
Age	63 years
Date of appointment in Board Meeting	29.05.2025
Qualification	Graduated (BE)
Expertise in specific Functional Area	Planning and management, infrastructure and, supply chain, marketing management, production quality maintenance, finance and other administration activities, leadership, material management, human resource management, contract management, power production systems.
Directorship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	1. RNS Infrastructure Limited; 2. Murudeshwar Developers Limited; 3. RNS Power Limited
Membership of Committee/ chairmanship in other Public Limited Company	Shri Satish Rama Shetty is a member in Stakeholder Grievance Committee and CSR Committee and Chairman in above 3 public companies:
No. of shares held (a) own (b) For other persons on a beneficial basis.	560903 equity shares are holding in his name and 1650000 equity shares are holding jointly with brothers Shri Sunil Rama Shetty and Shri Naveen Rama Shetty.
Terms and condition of appointment	Appointed as the Chairman & Managing Director, not liable to retire by rotation at remuneration and other terms as mentioned in the resolution to the notice.
Remuneration to be paid	As per the resolution at item no. 5 of the notice.
Recognition or awards	Under his leadership the Company has been awarded ISO-9001:2000 Certificate by TUV-Z Germany in recognition of its commitment to quality.
Job Profile and his suitability	Shri Satish Rama Shetty is responsible for the entire finance function and function of establishing management relationship with the stakeholders of the Company which is of paramount importance and helps the company to grow faster.
Comparative remuneration profile with respect to industry, size of the Company.	Remuneration being paid is at par with similar industry level and size of the company.
Information in terms of BSE & NSE Circular for debarred from holding the office of director by virtue of any order by the SEBI	Shri Satish Rama Shetty has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

All the material documents referred to in the Notice and Explanatory Statement such as the appointment letter, statutory forms etc. are available for inspection without any fee by the members at the Company's registered office during normal business hours on working days from the date of dispatch of the notice up to the last date of voting.

Based on the above information and explanation, the Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members for re-appointment of Shri Satish Rama Shetty (DIN: 00037526) as the Chairman and Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025 to June 25, 2030.

None of the Directors, Key Managerial Personnel or any relative of any of the Directors or Key Managerial Personnel of the Company is in anyway, concerned or interested in the above said resolutions for appointment of Chairman & Managing Directors of the Company except Shri Sunil Rama Shetty, Shri Naveen Rama Shetty and Shri Karan Satish Shetty.

Item No. 6: Approval for overall limits under section 180 (1) of the Companies Act, 2013:

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and in terms of section 180(1) of the Companies Act, 2013 the Board of Directors of a

Company shall exercise the following powers only with the consent of the company by a special resolution, namely:

- (a) to sell, lease, create security over or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
- (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business; and
- (d) to remit, or give time for the repayment of, any debt due from a director.

Further, in terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the Company by passing a Special Resolution.

Shareholders may kindly note that there is no change proposed in the Borrowing limits and the current proposal as mentioned in the resolution at item number 6 is only to comply with the requirement of passing of Special Resolution under Section 180 of the Companies Act, 2013.

The relevant resolutions proposed for the Member's approval are specified at item No.6. The Board of Directors recommend the Special Resolution as set out in item No. 6 of the Notice for the approval of the Shareholders at the 42nd AGM.

None of the Directors, Key Managerial Personnel or any relative of any of the Directors or Key Managerial Personnel of the Company is in anyway, concerned or interested in the above said resolutions.

Item No. 7: Approval for overall limits under section 185 of the Companies Act, 2013.

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested', after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested, from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits of as mentioned in the resolution at Item no.7 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

The above proposal is in the interest of the Company and the Board of Directors recommend the resolution set forth in Item no. 7 of the notice for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel or any relative of any of the Directors or Key Managerial Personnel of the Company is in anyway, concerned or interested in the above said resolutions.

Item No. 8: Approval for overall limits to make investments, to give loans, to provide guarantees and security under section 186 of the Companies Act, 2013.

The Board of Directors of the Company proposes to achieve long term strategic and business objectives, by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other

body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit as mentioned in resolution at item number 8 as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 8 for approval by the members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel or any relative of any of the Directors or Key Managerial Personnel of the Company is in anyway, concerned or interested in the above said resolutions.

Item No. 9: To approve existing and new Material Related Party Transaction(s) with RNS Infrastructure Limited (RNSIL) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013:

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party (ies).

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. A transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 ('SEBI Circular'). The Standards inter alia requires listed entity to provide minimum information, in specified format, relating to the proposed RPTs, to the Audit Committee and to the shareholders, while seeking approval.

It is in the above context that, Resolution No. 9 is placed for the approval of the Members of the Company along with necessary details on the proposed RPTs provided in this Statement.

The Management of the Company has provided the Audit Committee with the relevant details (as required under the Standards) about the proposed RPTs including rationale, material terms, justification as to why the proposed RPT(s) are in the interest of the Company and the basis of pricing. The Audit Committee has reviewed and taken note of the certificate placed before it by the Executive Director and Chief Financial Officer of Murudeshwar Ceramics Limited (the Company/ MCL), confirming that the proposed RPT(s) are not prejudicial to the interest of public shareholders of the Company and nor are the terms and conditions of the proposed RPT(s) unfavorable to Company, compared to terms and conditions, with an unrelated party.

The Audit Committee of the Company has approved the said related party transactions at its meeting held on May 29, 2025 and has noted that although the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into at an arm's length basis, they may, in aggregate, cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company.

Your Board of Directors considered the same and recommends for passing the resolution contained in Item No. 9 of the accompanying Notice.

Details of the proposed transactions with RNS Infrastructure Limited (RNSIL) being a related party of the Company, including the information pursuant to Clause 4 of the Standards read with SEBI Circular and applicable provisions of the Companies Act, 2013, if any, and as placed before the Audit Committee for consideration while seeking prior approval of the proposed RPT(s), are provided below:

S. No.	Particulars of the information	Information provided by the management			Comments of the Audit Committee
A. Details of the related party and transactions with the related party					
A (1). Basic details of the related party:					
1	Name of the related party	RNS Infrastructure Limited (RNSIL)			
2	Country of incorporation of the related party	India			
3	Nature of business of the related party	Construction of dam, canals, roads, housing & commercial buildings, Highways, under pass, subway etc. and Electric Power Generation.			
A (2). Relationship and ownership of the related party:					
4	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party.	RNSIL is part of Promoter Group of Murudeshwar Ceramics Limited (MCL) and MCL is an Associate Company of RNSIL in terms of section 2(6) of the Companies Act, 2013.			
5	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	MCL does not have any shareholding or contribution % or profit & loss sharing % whether direct or indirect, in the related party.			
6	Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	RNSIL is part of the Promoter Group of MCL. RNSIL holds 1,28,52,966 equity Shares (21.23%) of MCL.			
A (3). Financial performance of the related party:					
	Particulars	Amount in Lakhs FY 2024-25	Amount in Lakhs FY 2023-2024	Amount in Lakhs FY 2022-2023	
7	Standalone turnover of the related party for each of the last three financial years:	80,251.36	94,000.08	103,069.03	
8	Standalone net worth of the related party for each of the last three financial years:	40,077.88	37,594.57	34,466.00	
9	Standalone net profits of the related party for each of the last three financial years:	2,483.32	3,286.58	3,784.00	
A (4). Details of previous transactions with the related party:					
10	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three financial years.	Amount in Lakhs FY 2024-25	Amount in Lakhs FY 2023-2024	Amount in Lakhs FY 2022-2023	
	Rendering Services	7459.62	7435.57	6449.96	
	Sale & purchase of goods	450.76	315.54	255.15	
	Commission on Corp. Guarantee	481.16	395.00	-	
11	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee/ shareholders).	Rs. 9.59 Lakhs (During the FY 2025-26)			
12	Whether prior approval of Audit Committee has been taken for the above-mentioned transactions?	Yes			

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
13	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years.	No	
A (5). Amount of the proposed transactions (All types of transactions taken together)			
14	Total amount of all the proposed transactions being placed for approval in the current meeting.	Rs.100.00 Crore	
15	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes	
16	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	41.15%	
17	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	Not applicable	
18	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year.	41.15%	
B. Details for specific transactions			
B (1). Basic details of the proposed transaction:			
1	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)	Sale & Purchase of Goods, Receiving & Rendering of Services, Giving Guarantee and Other Transactions.	
2	Details of the proposed transaction	Rs.100.00 Crore	
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year	
4	Indicative date/ timeline for undertaking the transaction	FY2025-26	
5	Whether omnibus approval is being sought?	Yes	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
6	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.	Aggregate value of transactions for FY 2025-26 is Rs. 100.00 crore. The details of the transactions are provided above in the table.	
7	Whether the RPTs proposed to be entered into are: i. not prejudicial to the interest of public shareholders, and ii. going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party	Yes	<i>Certificate from the CEO or CFO or any other KMP of the listed entity and also from promoter directors of the listed entity (as referred in Para 3(2)(b) of these Standards.</i>
8	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.	The Proposed related party transaction (RPT) is conducted at arms-length, offering fair market terms, and is beneficial for the overall financial performance and growth of the company. RPT is expected to improve revenue, reduce costs, increase efficiency, and enhance profitability.	
9	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.	MCL is an Associate Company of RNSIL and RNSIL is the Promoter Group Shareholder of MCL. Promoters of both MCL and RNSIL are common. Shri Satish R Shetty, Shri Sunil R Shetty and Shri Naveen R Shetty are common directors and promoters in the both RNSIL & MCL.	
	a. Name of the director/ KMP	b. % Shareholding	
	Shri Satish R Shetty	10.00	
	Shri Sunil R Shetty	10.00	
	Shri Naveen R Shetty	10.00	
10	Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity. <i>Explanation:</i> Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.	None are holding more than 2%	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	a. Name of the director / KMP/ partner		
	b. Shareholding of the director / KMP/ partner, whether direct or indirect, in the listed entity		
11	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable	<i>If any such report has been considered, it shall also be stated whether the Audit Committee has reviewed the basis for valuation contained in the report and found it to be satisfactory based on their independent evaluation.</i>
12	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013.	

B (2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction

13	Number of bidders/ suppliers / vendors/ traders/distributors / service providers from whom bids/ quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	RNSIL is engaged in the business of construction of Irrigation canals, Roads, Highways, Architects, Contractors, Builders, Developers, Designers, Consultants, Supervisors, in all fields, branches and disciplines of Engineering and Technology, including but not limited to Civil, Structural, Electrical, Power, Water works, Foundries, Dams, Reservoirs, Irrigation projects, and all other branches of Engineering. RNSIL and MCL have an agreement to provide quarry and earth work service. The Management is of the view that inviting of competitive bids is not required because transaction is being held with at arm's length basis and in ordinary course of business.	The Audit Committee agreed with the rationale provided by the Management for not inviting competitive bids for the said transaction(s) and after reviewing the Committee approved the transaction(s).
14	Best bid/ quotation received. If comparable bids are available, disclose the price and terms offered.		
15	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.		
16	Where bids were not invited, the fact shall be disclosed along with the justification for the same.		
17	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.		

Point no. B(3) to B(8) of table forming part of Clause 4 of the Standards is not applicable.

The RPTs will be entered based on the market price of the relevant material and service not exceeding an aggregate of Rs.100.00 crore. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost-plus mark-up as applicable at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under Item No. 9.

None of the Directors and/ or Key Managerial Personnel(s) of the Company and/or their respective relatives are concerned or interested either directly or indirectly, financially or otherwise, in the Resolution mentioned at Item No. 9 of the Notice except Shri Satish R Shetty – The Chairman & Managing Director, Shri Sunil R Shetty - Director, Shri Naveen R Shetty - Director, Shri Karan S Shetty – Whole Time Director.

In pursuance to Schedule V, Part II, Section II Part (B), proviso (iv), a Statement containing following information is reproduced, General Information:

- (1) **Nature of the Industry:** Murudeshwar Ceramics Limited (MCL) is engaged in the business of manufacture and sale of a wide range of Ceramic and Vitrified tiles and having its outlet in various states in India and also Exporting to foreign Countries.
- (2) **Incorporation Details:** The Company was incorporated on June 29, 1983 (bearing Registration No.: 5401 and CIN: L26914KA1983PLC005401 issued by Registrar of Companies, Karnataka, as a Public Limited Company under the provisions of the Companies Act, 1956, as amended under the name Murudeshwar Ceramics Limited. The Company commenced its business pursuant to a Certificate of the Commencement of Business dated July 19, 1983 issued by the Registrar of Companies, Karnataka. The name of the Company was changed to Murudeshwar Ceramics Limited pursuant to a Fresh Certificate of Incorporation Consequent to Change of Name dated December 2, 1987.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus: Not Applicable
- (4) **Financial Performance:** The financial performance (standalone) of the company for the past 3 years is given below:

(Rs. in lakhs)

Particulars	2024-25	2023-24	2022-23
Turnover	20,286.37	18,630.82	17,240.68
Profit/(Loss) Before Tax	1,194.95	1,148.90	737.07
Profit/(Loss) After Tax	968.73	486.07	617.76
Dividend (%)	5.00	5.00	5.00

- (5) **Foreign Investment or collaborations, if any:** Not Applicable.

**By Order of the Board
For Murudeshwar Ceramics Limited**

Sd/-
Ashok Kumar
Company Secretary
M. No. ACS 40962

Place: Bengaluru
Date: 29.05.2025

Registered Office:

Murudeshwar Ceramics Limited
CIN: L26914KA1983PLC005401
Naveen Complex, 7th Floor, No. 14, M. G. Road,
Bengaluru – 560 001, Karnataka.
PH.: 080 – 42897000,
E-Mail: cosec@naveentile.com

Corporate Office:

Murudeshwar Ceramics Limited
CIN: L26914KA1983PLC005401
Naveen Complex, 7th Floor, No. 14, M. G. Road,
Bengaluru – 560 001, Karnataka.
PH.: 080 – 42897000,
E-Mail: cosec@naveentile.com

BOARD'S REPORT

Dear Members,

The Board of Directors of your company have pleasure in presenting 42nd (Forty Second) Annual Report on the business and operations of your Company along with the audited standalone and consolidated financial statements for the financial year ended March 31, 2025.

Financial highlight/ results of the Company:

The financial highlight/ results on standalone and consolidated financial statements of the company during the year under review as under:

(Rs. in Lakhs)

Particulars	Financial year 2024-25		Financial year 2023-24	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	20286.37	20286.37	18630.82	18630.82
Other Income	490.53	490.53	444.39	444.39
Total Income	20776.90	20776.90	19075.21	19075.21
Operational Expenditure	16926.46	16926.46	16528.85	16528.85
Increase/(Decrease) in stock (WIP)	(100.04)	(100.04)	(906.38)	(906.38)
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	3950.48	3950.48	3452.74	3452.74
Less: Depreciation/ Amortisation/ Impairment	1449.59	1449.59	1200.02	1200.02
Profit /loss before Finance Costs, Exceptional items and Tax Expense	2500.89	2500.89	2252.72	2252.72
Less: Finance Costs	1305.94	1305.94	1103.82	1103.82
Profit/loss before Exceptional items and Tax Expense	1194.95	1194.95	1148.90	1148.90
Add/(less): Exceptional items	-	-	-	-
Profit /loss before Tax Expense	1194.95	1194.95	1148.90	1148.90
Tax Expense-	202.50	202.50	636.14	636.14
Profit /loss for the year (1)	992.45	992.45	512.76	512.76
Total Comprehensive Income/loss (2)	(23.72)	(23.72)	(26.68)	(26.68)
Total (1+2)	968.73	968.73	486.08	486.08
Profit/ loss of associate	-	(8.49)	-	11.01
Total Comprehensive Income/loss	968.73	960.24	486.07	497.09
Earning per equity Share : Basic	1.60	1.59	0.84	0.86
: Diluted	1.60	1.59	0.80	0.82

Financial highlights and State of Affairs of the Company:

The Company's performance during the year ended March 31, 2025 in comparison with the year ended March 31, 2024 is summarized as follows:

Consolidated:

- Total income was Rs. 20776.90 lakhs in financial year 2024-25 as compared to Rs. 19075.22 in financial year 2023-24.
- Profit before exceptional items and tax was Rs. 1194.95 lakhs in financial year 2024-25 as compared to Rs. 1148.90 in financial year 2023-24.
- Profit for the year attributable to shareholders of the Company was Rs. 960.24 lakhs in financial year 2024-25 as compared to Rs. 497.06 lakhs in financial year 2023-24.

Standalone:

- Total income was Rs. 20776.90 lakhs in financial year 2024-25 as compared to Rs. 19075.22 in financial year 2023-24.
- Profit before exceptional items and tax was Rs. 1194.95 lakhs in financial year 2024-25 as compared to Rs. 1148.90 in financial year 2023-24.
- Profit for the year attributable to shareholders of the Company was Rs. 968.73 lakhs in financial year 2024-25 as compared to Rs. 486.07 lakhs in financial year 2023-24.

The Company has complied with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 in preparation of financial statements. The audited consolidated Balance Sheet as at 31st March, 2025, consolidated statement of Profit and Loss for the year ended as on that date together with the Notes and Reports of Auditors, Cash flow Statements, Management Discussion and Analysis Report forms part of the Annual Report. The financial figures have been regrouped, wherever required, if any, in line with disclosure requirements under Schedule III of the Act.

Capital expenditure:

During the year under review your company has incurred a capital expenditure of Rs. 225.03 lakhs which comprises of Rs. 75.13 lakhs in in Plant and Machinery, Rs. 8.48 lakhs in Computers, Rs. 25.25 lakhs in Office Equipment, Rs. 9.75 lakhs in Furniture & Fixtures, Rs. 0.00 lakhs in vehicles, Rs. 10.68 Leasehold improvements and Rs. 95.73 lakhs in Right to use.

Liquidity:

The principal sources of liquidity of the Company consist of cash and cash equivalents and the cash flow that we generate from our business operations. For the financial year ended March 31, 2025 your company has Rs.67.87 lakhs in account of cash and cash equivalents.

Basic EPS:

The Basic Earnings per Share has increased from 0.84 of previous year to 1.60 on Standalone basis and from 0.86 of previous year to 1.59 on Consolidated basis for the financial year 2024-25.

Dividend:

Based on the Company's performance, the Board of Directors of your Company recommends a final dividend of Rs.0.50 per equity share (5%) of Rs.10 each, subject to the approval of the Members in ensuing AGM for the financial year 2024-25. In terms of Ind AS 10, events after the reporting period as notified by the Ministry of Corporate Affairs, the proposed dividend is not recognised as liability as on March 31, 2025.

In terms of the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961. For more details, please refer to note 27 in the notice portion.

Unclaimed or unpaid dividends as of March 2025:

Details of outstanding and unclaimed dividends previously declared and paid by the Company are given as under:

Financial Year	No. of shareholder	Amount of unpaid dividend
2022-23	1962	2,85,359.50
2023-24	2651	4,39,398.00

The details of the above are provided on the website of the Company at www.naveentile.com.

Transfer to Investor Education and Protection Fund:

As per the applicable provisions of the Companies Act 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years and the shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years\ or more shall also be transferred to the Demat account created by IEPF Authority. However, during the financial year 2024-25 under review no amount of unpaid or unclaimed dividend is pending for seven consecutive years or more.

Brief description of the company's working during the year/ the state of company's affair prospects/ material changes and commitments affecting financial position between the end of the financial year and date of the report:

There have been no other material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

Marketing strategy:

The Company's market strategies are based on the sentiment of its customers. Promoting tiles effectively requires a mix of traditional and modern marketing strategies to reach both professional buyers (like architects and contractors) and end consumers. Here are some sales promotional activities the Company has taken up like Trade Shows and Exhibition, Product Samples and Mock-ups, Discounts and Offers, Partnerships and Collaborations, Advertising, Educational Workshops and Webinars, Educational Workshops and Webinars, Customer Testimonials and Case Studies, and Point-of-Sale Promotions.

Research and development (R & D):

The Company has dedicated Research & Development (R & D) wing which harness the powers of cutting-edge technology to deliver something that enhances its customers' comfort life. R & D wing of the Company ensure that what you get is fit for today and ready for tomorrow. Every new product developed here is stringently checked for its quality, right from the raw material stage itself to meet international standards and certification requirements.

Disclosures relating to Holding, Subsidiaries, Associates and Joint Ventures:

Your Company does not have any holding, Subsidiary and Joint Venture with other Company. RNS Power Limited is an Associate company of your company in terms of section 2(6) of the companies Act, 2013. A statement containing the salient features of the financial statements of the Company's Associates is annexed in the prescribed format of Form AOC-1 in Annexure - 1.

Transfer to reserves:

The Board of Directors of your company has decided not to transfer any amount to the reserves out of the amount available for appropriation.

Change in the nature of business if any:

There is no change in the nature of the business of the Company during the year under review.

Risk management:

The Risk Management Policy encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, operational, and legal and compliance risks to achieving our key business objectives. The Company has written Risk Management Policy in terms of the provisions of Section 134(3) (n) of the Companies Act, 2013, and the policy has been placed on the Company's website at www.naveentile.com also. The Audit Committee of the company has an additional oversight in the area of financial risks and controls.

Board diversity:

During the year under review, your company have an appropriate mix of executive, non-executive, women and independent directors to maintain the independence of the Board and separate its functions of governance and management. The Board had eight members, two of whom are executive directors, two of whom are non-executive and non-independent directors and four are independent directors. One of the independent directors of the Board is a woman as of March 31, 2025.

Appointment or reappointment of directors and key managerial personnel:

Shri Naveen Rama Shetty (00058779), Director of the Company, who is liable to retire by rotation based on his appointment terms, offered himself for re-appointment at the ensuing Annual General Meeting ('AGM'). The Board recommends for his re-appointments in the ensuing Annual General Meeting.

Shri Vishwanath Shetty (10694435): The Board of Directors at its meeting held on 01.08.2024 has appointed Shri Vishwanath Shetty as an additional Director in the capacity of Independent Director and thereafter, the Company has obtained members' approval at 41st AGM held on 21st September, 2024 for his appointment as an Independent Director.

Shri Vittal Kadekar Menaka Shetty (DIN: 10695560): The Board of Directors at its meeting held on 01.08.2024 has appointed Shri Vittal Kadekar Menaka Shetty as an additional Director in the capacity of Independent Director and thereafter, the Company has obtained members' approval at 41st AGM held on 21st September, 2024 for his appointment as an Independent Director.

Smt. Shakunthala Shetty (DIN: 10704086): The Board of Directors at its meeting held on 01.08.2024 has appointed Smt. Shakunthala Shetty as an additional Director in the capacity of Independent Director and thereafter, the Company has obtained members' approval at 41st AGM held on 21st September, 2024 for her appointment as an Independent Director.

Shri Annappayya (DIN: 03558522) w.e.f. 30.09.2024, Shri Sankappa K Shetty (DIN: 00894366) w.e.f. 30.09.2024, Dr. S. S. Hiremath (DIN: 02272897) w.e.f. 30.09.2024 and Smt. Sarvani Alva (DIN: 06896403) w.e.f. 19.08.2024 have completed their tenure of 10 years (5+5) being as an Independent Director on the Board of the Company.

In terms of Section 203 of the said Act, the Key Managerial Personnel of your Company are Shri Satish Rama Shetty – Chairman & Managing Director; Shri Karan Satish Shetty - Whole Time Director; Shri Narayan Manjunath Hegde - Chief Financial Officer; and Shri Ashok Kumar - Company Secretary

Declaration by Independent Directors:

The Company has received Disclosure of Interest in form MBP-1 as per section 184 of the act and intimation by all the Directors for qualification to continue their directorship in form DIR-8 Pursuant to Section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Further, all the Independent Directors has submitted their confirmation confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Regulations 25 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.

Evaluation of the Board's performance:

The Board of directors has carried out an annual performance evaluation of its own performance, Board's Committees and the individual directors including the Chairman which include criteria for performance evaluation of the non-executive directors and executive director in terms of the Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013 and rules made thereunder.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

Further, in a separate meeting of independent Directors, performance of non-independent directors and the Board as a whole was evaluated. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

Human Resources Development:

The focus of human resources development at your company is to ensure that we enable each and every employee to navigate the next, not just for clients, but also for themselves. The Company is providing appropriate training and guidance to its employees from time to time for sharpen their reskill and making them more valuable for the Company.

Particulars of Employees and Remuneration:

The total numbers of employees during the year under review were 309. The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended hereto and forms part of this Report as Annexure-2. Further, the information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of this Report.

Number of meetings of the Board of Directors:

During the year under review, five Board Meetings were held. For further details, please refer to Report on Corporate Governance.

Committees of the Board:

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance section.

The following Committees constituted by the Board and function according to their respective roles and defined scopes:

➤ **Audit Committee;**

- **Nomination and Remuneration Committee;**
- **Stakeholders Grievance Committee;**
- **CSR Committee;**
- **Executive Committee;**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo:

The Company is committed towards conservation of energy and climate action which is reaffirmed in its Environmental Sustainability policy. The information required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013, is appended hereto and forms part of this Report as **Annexure-3**.

Remuneration policy for the directors, key managerial personnel and other employees:

In terms of the provisions of Section 178(3) of the Companies Act, 2013 and the applicable regulations of the SEBI (LODR) Regulations 2015, the Board has adopted the Policy on Board Diversity and Remuneration Policy for Directors, Key Managerial Personnel, and other employees of the Company.

The Nomination and Remuneration Committee (NRC) is responsible for formulating the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees and the criteria for determining qualification, positive attributes, recommendation for appointment of KMPs and Directors to the Board and also independence of a directors. The policy is available on the company's website at www.naveentile.com.

Particulars of contracts or arrangements with related parties referred to section 188 of the Companies Act, 2013 (the Act):

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the resolution for seeking approval of the Shareholders on material related party transactions is being placed at the 42nd AGM.

All Related Party Transactions were approved by the Audit Committee and all related party transactions, that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is given in **Annexure-4**.

Corporate Social Responsibility (CSR):

In terms of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has duly constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors and also has formulated a CSR Policy, indicating the activities to be undertaken by the Company.

The constitution of CSR Committee is disclosed in Corporate Governance Report. The CSR policy may be accessed on the Company's website at www.naveentile.com. The Statement of CSR for the financial year 2024-25 has been appended hereto and forms part of this Report as **Annexure-5**.

Deposits:

In terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 the Company has not accepted any deposits for the financial year ended March 31, 2025.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review no orders were passed by any Courts or Tribunals impacting the going concern status and company's operations in future.

The detail of application made/ proceeding pending under the Insolvency and Bankruptcy Code, 2016.

The Company has not filed any application during the year under review and no proceeding is pending under the Insolvency & Bankruptcy Code, 2016 (IBC) as at March 31, 2025.

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

During the financial year ended March 31, 2025 under review no such events occurred.

Loans, securities or investments:

In terms of the Section 186 of the Companies Act, 2013 the Company, during the year under review, has provided an additional Guarantee of Rs.100.00 Crore to the lenders on behalf RNS Infrastructure Limited jointly with other guarantors to the extent aggregating to Rs. 450.00 Crores and the details of investments, securities and loans if any, are provided in the schedules to the financial statements.

Credit Ratings:

During the year under review, ratings on the Bank facilities including Long Term and Short-Term Loans of your Company by CRISIL is as under:

Total Bank Loan Facilities Rated	Rs. 117.85 Crore
Long Term Rating	Crisil BB/ Stable (Upgraded from “Crisil BB - / Stable”)
Short Term Rating	Crisil A4+ (Reaffirmed)

Annual Return and the web address:

In terms of Section 92(3) and section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2025 is available on the Company’s website on <https://www.naveentile.com/investor-relation>.

Statutory Auditors:

M/s. K.G. Rao & Co, (Firm Registration No. 010463S), having office at No. #15, First Floor, 3rd Cross, Sampige Road, Malleshwaram, Bangalore - 560003 has been appointed as the Statutory Auditors of the Company for the further period of five consecutive years from the financial year 2024-25, who holds the office till the conclusion of the 46th Annual General Meeting to be held in the year 2029 in terms of the section 139(1) of the Companies Act, 2013.

Auditor’s Report:

The Statutory Auditors of the Company has not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. No qualification, adverse remarks or disclaimer have been made by the Statutory Auditors with regard to the financial statements for the financial year 2024-25.

Indian Accounting Standards:

The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has prepared its financial statements in accordance with Indian Accounting Standards (Ind AS), as per the provisions of the Companies Act, 2013 and guidelines issued by SEBI.

Secretarial Auditor and report:

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Shivappa Athani (M. No. 67536 and COP: 25196), Practicing Company Secretary to undertake the secretarial audit of the Company for the financial year 2024-25. The Secretarial Audit Report is appended hereto and forms part of this Report as **Annexure-6**.

Secretarial Standards:

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

Cost records and cost audit:

The maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company for the year ended March 31, 2025.

Internal Auditors:

In terms of the provisions of Section 138 of the Companies, 2013 and rules made thereunder the Company has appointed M/s. S B Shetty & Co., (Firm Registration No. 003824S), as the Internal Auditor of your company for the year ended March 31, 2025.

Political Contribution:

In terms of Section 182 of the Companies Act, 2013, the Company has not made any political contribution to any political parties during the financial year 2024-25.

Certificate pursuant to clause 10 of schedule v of SEBI (LODR), Reg, 2015:

The Company has obtained a certificate from Practicing Company Secretary in terms of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure/ declaration/ representation received from the directors and taken on record by the Board of Directors, as on March 31, 2025. The above said Certificate is appended hereto and forms part of this report as **Annexure-7**.

None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such other statutory authority.

Management Discussion and Analysis Report:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, the Management Discussion and Analysis Report pertaining to industry structure and developments, opportunities and threats, segment-wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance for the financial year 2024-25 forming part of this report, has been given under separate section in this Annual Report.

Corporate Governance:

The Corporate Governance Report has been included in the Annual Report in terms of Regulation 27 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and the relevant provisions of the Companies Act, 2013.

The Compliance Certificate from the auditors regarding compliance of conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year ended March 31, 2025 is annexed with this report.

Policies:

The Company has written policies as applicable under the Companies Act, 2013 and rules made thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. All the Policies are available on the website of the Company at www.naveentile.com.

Vigil Mechanism/ Whistle Blower Policy:

The Company has a Whistle Blower Policy with the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. This Policy is available on the Company's website at www.naveentile.com.

Prevention of Sexual Harassment of Women at Workplace Policy:

The Company has zero tolerance policy for sexual harassment at workplace. In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder the Company has complied with provisions relating to the constitution of Internal Complaints Committee and has taken appropriate action for the safeguard of its employees.

Details of Adequacy of Internal Financial Control:

In terms of Sec.134 (5)(c) of the Companies Act, 2013 the Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error-reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Familiarisation Program:

The Company has conducted a Familiarisation program with a view to familiarize the Independent Directors with the nature of the industry in which the Company operates, business model of the Company and roles, rights, responsibilities of independent directors in terms of regulations 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all new independent directors inducted into the Board has attended the program.

Share Capital:

During the year under review the company has not issued any shares and Authorised Share Capital and Paid-up Capital of the Company are remain the same of Rs. 7162.00 Lakhs and the Paid-up Equity Share Capital of Rs. 6054.53 respectively.

Utilisation of Funds raised through Preferential allotment:

The Company has not raised any fund through Preferential allotment and thus Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable for the year ended March 31, 2025.

Prevention of Insider Trading:

In terms of Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as the Board has laid down Internal Code of Conduct for Prevention of Insider Trading in dealing with Securities of the Company and to regulate, monitor and report of trading by its designated persons and immediate relatives of designated persons. All Directors and the designated employees have confirmed compliance with the Code.

Further, in terms of regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 a Software has been installed to strengthen the internal controls for monitoring & enforcing compliance with the Insider Trading Code.

Cyber Security:

Your Company is committed to maintaining a robust cybersecurity program that protects information assets, including those of our customers, partners, and employees from phishing attacks. Your Company recognize that cybersecurity is a shared responsibility, and encourage all stakeholders to actively participate in upholding our security standards. During the year under review there is no such incident happen for breach of data.

Directors' Responsibility Statement:

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by SEBI to the extent as they are applicable on the Company.

Further, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2024-25 based on its framework on internal financial controls and compliance systems established and maintained thereof, report by the internal, statutory, secretarial auditors and external consultants.

Further, in terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures there from;
- b. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Appreciation and acknowledgement:

The Board places on record its thanks to its customers, vendors, investors, bankers, financial institution, employees, and all other Stakeholders for their continued support during the year. The Board places on record an appreciation of the contribution made by the employees at all levels as the Company consistent growth was made possible only by their hard work, solidarity, cooperation, and support.

Further, the Board take this opportunity to extend their deep sense of gratitude to the Central and State Governments and their departments and the Local Authorities for their continued support, we are deeply grateful for the confidence and faith that you have always reposed in us.

**By order of the Board
For Murudeshwar Ceramics Limited**

**By order of the Board
For Murudeshwar Ceramics Limited**

**Sd/-
Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526**

**Sd/-
Naveen Rama Shetty
Director
DIN: 00058779**

Place: Bengaluru

Date: 29.05.2025

ANNEXURE –1: Disclosures Relating to Subsidiaries, Associates and Joint Ventures as on 31.03.2025:
Form: AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures.

Part A: Subsidiaries: (Information in respect of each subsidiary to be presented with amounts)
(Rs.in lakhs)

Sl. No.	Particulars	1
1	Name of Subsidiaries	Nil
2	Reporting period	
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	-
4	Share Capital	
5	Reserve & Surplus	
6	Total Assets	
7	Total Liabilities	
8	Investments	
9	Turnover	
10	Profit before tax	
11	Provision for taxation	
12	Profit after tax	
13	Other Comprehensive Income before tax	
14	Tax on other Comprehensive income	
15	Proposed Dividend	-
16	% of Holding	
Name of Subsidiaries/ Joint venture which have been liquidated or sold during the year		Nil

Part B: Associates Company: Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies:
(Rs.in lakhs)

Sl. No.	Name of Associate Company	RNS Power Limited
1	Latest audited Balance Sheet Date	31.03.2025
2	Shares of Associate or Joint Ventures held by the company on the year end	
	(i) No. of equity shares	310142
	(ii) Amount of Investment in Associates	610.15
	(iii) Extent of Holding (in percentage)	26.10%
3	Description of how there is significant influence	Voting Power
4	Reason why the associate/joint venture is not consolidated	N.A.
5	Net worth attributable to shareholding as per latest audited Balance Sheet (2775.00*26.10%)	724.27
6	Profit or Loss for the year	(32.53)
	(i) Considered in Consolidation	(8.49)
	(ii) Not Considered in consolidation	N. A

By order of the Board
For Murudeshwar Ceramics Limited

Sd/-

Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526

By order of the Board
For Murudeshwar Ceramics Limited

Sd/-

Naveen Rama Shetty
Director
DIN: 00058779

Place: Bengaluru
Date: 29.05.2025

ANNEXURE – 2 (a) : Particulars of employees and remuneration:

Information as per Section 134 and Section 197 read with Rule, 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Board's Report for the year ended 31st March, 2025 in respect of employees of the Company is as follows:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of the Director	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year was 48.67 for all directors
Shri Satish Rama Shetty	35.67
Shri Karan Satish Shetty	13.00

The median remuneration of employees of the Company during the financial year 2024-25 was Rs. 3.00 lakhs and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

Note: All other Non-Executive Directors are not drawing any remuneration from the Company except sitting fees.

b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of KMP	Percentage increase in remuneration in the financial year
Shri Satish Rama Shetty	102.78%
Shri Karan Satish Shetty	04.00%
Shri N.M. Hegde	11.95%
Shri Ashok Kumar	19.20%

c) The percentage increase in the median remuneration of employees in the financial year: 7.20%

d) The number of permanent employees on the rolls of the company: 309 employees

e) The explanation on the relationship between average increase in remuneration and company performance

Sl. No.	Particulars	Explanation
1.	7.20% increase in median remuneration of employees	Increase in median remuneration of employees is due to increase in remuneration of KMP in compare to the previous year. The remuneration was paid to employees on par with other similar industry.
2.	Company performance of PAT is Rs. 497.06 lakhs (2023-24) to Rs. 960.24 (2024-25) on consolidated basis	

f) Comparison of the remuneration of the Key Managerial Personnel against the Performance of the Company:

Sl. No.	Particulars of remuneration for Key Managerial Personnel	Percentage of Standalone Operating Profit
1.	Shri Satish Rama Shetty	8.95%
2.	Shri Karan Satish Shetty	2.26%
3.	Shri N.M. Hegde	2.27%
4.	Shri Ashok Kumar	1.94%

g) Market and financial performance related information:

Particulars	March 31, 2025	March 31, 2024	% Change
Market Capitalization (Rs. lakhs)	18405.76	28099.06	-34.50
P/E Ratio (calculated on consolidated basis EPS 1.60 price 30.40) = 30.40/1.60	19.00	53.96	-64.79

(Note: As on 31-03-2025 at (BSE Rs.30.47 and NSE Rs. 30.32), average price is Rs.30.40 & No. of shares 60545260).

- h) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentage increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **Not applicable.**
- i) **The key parameters for any variable component of remuneration availed by the directors:** No such variable component is paid.
- j) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:** There is no employee who received remuneration in excess of highest paid Director.
- k) **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

ANNEXURE – 2 (b) The name of Top Ten Employees in terms of remuneration drawn pursuant to clause 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(Rs.in Lakhs)

Sl. No.	Name of Employee	Designation	Gross Salary
1	Satish R Shetty	Chairman & Managing Director	107.00
2	Karan S Shetty	Whole Time Director	39.00
3	Narayan M Hegde	V.P. (Finance) and Chief Financial Officer	27.14
5	Ashok Kumar	Company Secretary	23.24
4	Nagaraj Shetty	General Manager (Production)	22.36
6	Y Vikram Hegde	Vice President (Production)	19.14
7	Mahantesh A Mukare	General Manager	18.86
8	Santosh Kumar Shetty	General Manager	16.16
9	Sarangam Balasubrahmanyam	General Manager	16.04
10	Prashant Shetty	General Manager	15.85

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-
Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-
Naveen Rama Shetty
Director
DIN: 00058779

Place: Bengaluru
Date: 29.05.2025

ANNEXURE – 3: CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY

The Company focus on energy saving, through energy conservation program including Lighting, Energy efficiency methods, Analytics to monitor and reduce energy consumption, etc. At regular intervals Plant conducts a program to encourage ideas on energy conservation from its employees. The ideas generated for energy conservation are being implemented to reduce the energy consumption at our factories.

- (a) Repairs and maintenance of machineries at all the factories which not only reduce the fuel cost of the end product considerably but also conserve the power.
- (b) Successfully implemented use of alternate product like Cashew Nut Shell, Tamarind Husk in replacement to Coal for generation of heat in the spray drier which reduced the cost of fuel in powder preparation and end product.
- (c) Energy efficient LED lighting has been used in the factory and Proposal to test and purchase Variable frequency drive and panel for all our Ball Mills, to reduce peak voltage consumption.
- (d) Installed timers in motors which reduce the rotation of installed for underground tanks.
- (e) Installed inverters in the motors which reduce the power consumption in ball mills.
- (f) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Reduction in power and fuel cost for better sales realization.
- (g) Total energy consumption and energy consumption per unit of production: Not applicable.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company continues its efforts on various Research & Development (R&D) activities using technology as available in market is being absorbed and adapted to the demands of the local market. Efforts made in technology absorption as under:

- (a) Adapted technology for products using both local and/or imported raw materials.
- (b) Finalized product formulations, process and product quality specifications.
- (c) Identified alternate local raw material and vendors.
- (d) Optimized manufacturing processes like spray drying, drying, and firing to minimize energy waste.
- (e) Reduction in wastage, reduction in cost of production and better sales realization on the finished product
- (f) Larger number of Sku's to offer clients.
- (g) Larger size tiles to be manufactured at Sira Plant with the additional equipment.
- (h) Produce Ceramic Floor tiles along with Wall tiles for full utilization of capacity at Karaikal plant, increase the productivity and reduce the overhead cost.
- (i) Successful production of PGVT & GVT series in various new designs using new digital printing technology.
- (j) Successful adaption of Ball clay processing plant & feldspar processing plant to remove the inbuilt impurities to enhance the brightness of Vitrified tile production.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans : Nil
- b) **Total Foreign Exchange used earned.**

Foreign Exchange Earnings	:	Rs. 51.58 lacs
Foreign Exchange Outgo	:	Rs. 763.28 lacs

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-
Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-
Naveen Rama Shetty
Director
DIN: 00058779

Place: Bengaluru
Date: 29.05.2025

ANNEXURE - 4:
FORM NO. AOC-2

**Disclosures of particulars of contracts/arrangements entered into by the company with related parties
[Pursuant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) of the companies (accounts) rules, 2014 for
the Financial Year ended 31.03.2025]**

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

1. Details of contracts, arrangements, or transactions not at arm's length basis

Sl. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Nil
2	Nature of contracts / arrangements / transaction	Nil
3	Duration of the contracts / arrangements / transaction	Nil
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Justification for entering into such contracts or arrangements or transactions	Nil
6	Date of approval by the Board	Nil
7	Amount paid as advance, if any	Nil
8	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Particulars	Details
1	Names of the related party	RNS Infrastructure Limited; Murudeshwar Power Corporation Private Limited.; RNS Power Limited; RNS Motors Private Limited; Naveen Hotels Private Limited; R. N. Shetty Trust; Shri Satish Rama Shetty – Chairman & MD Shri Sunil Rama Shetty - Director; Shri Naveen Rama Shetty – Director; Shri Karan Satish Shetty - Whole Time Director; Shri Ravindra Bhandary – Independent Director; Shri Vishwanath Shetty – Independent Director; Shri Vittal KM Shetty – Independent Director; Smt. Shakunthala Shetty – Independent Director; Shri N. M. Hegde – V.P. (Finance) & Chief Financial Officer; Shri Ashok Kumar – Company Secretary & Compliance Officer
2	Nature of Relationship	Group Company, Common Directors & Promoters
3	Nature of contracts/ arrangements/ transaction	Sales of goods and services, purchase of power, receiving dividend, availing accommodation, remunerations, purchase of vehicles and services thereof etc.
4	Duration of the contracts/ arrangements/ transaction	Not applicable
5	Salient terms of the contracts or arrangements or transaction including the value if any	Not applicable

6	Justification for entering such contracts or arrangements or transactions	Financially beneficial for the company.
7	Date of approval by the Board	29.05.2024
8	Amount paid as advance, if any	Nil

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business. For all related party transactions, please refer Note No.27.3 of the Financial Statement.

**By order of the Board
For Murudeshwar Ceramics Limited**

Place: Bengaluru
Date: 29.05.2025

**Sd/-
Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526**

**By order of the Board
For Murudeshwar Ceramics Limited**

**Sd/-
Naveen Rama Shetty
Director
DIN: 00058779**

ANNEXURE – 5:
Corporate Social Responsibility initiative for the period of 1st April 2024 to 31st March 2025.
1. A brief outline of the Company's CSR Policy:

The company's CSR philosophy is to create long-term stakeholder value by implementing a business strategy that considers every dimension of how a business operates in the ethical, social, environmental, cultural, and economic spheres.

This Policy has been formulated in compliance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Your Company from time to time undertake projects, programs, and activity on one or more of the following areas: (a) Hospital which serves the poor and economical backward class people in rural area.

2. Composition of the CSR Committee as of 31.03.2025:

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1	Shri Satish Rama Shetty	Chairman of the Committee, Chairman & MD	1	1
2	Shri Vishwanath Shetty	Member of the committee, Non-Executive Independent Director	1	1
3	Shri Naveen Rama Shetty	Member of the committee, Non-Executive Non-Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: These details can be accessed on: https://www.naveentile.com/wp-content/uploads/2025/03/CSR-POLICY_10.02.2025.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). N.A

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: N.A

6. Average Net Profits/ (Loss) of the Company for the last three financial years: **Rs. 752.68 lakhs.**

7. Prescribed CSR Expenditure (Two percent of the amount as in item 4 above): **Rs. 15.05 lakhs.**

8. Details of CSR spent for the financial year: the Prescribed CSR Expenditure is in negative; therefore, the company has not spent any amount:

Sl. No.	Particulars	Amount Spent for the year (In Rs. lakhs)	Amount Unspent (In Rs. lakhs)
1	Contribution made to the RNS Hospital (Through RNS Trust) which serves the poor and economical backward class people in rural area.	Rs. 15.05	0.00

9. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A
Responsibility Statement: The CSR Committee states that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

**By order of the Board
For Murudeshwar Ceramics Limited**

**By order of the Board
For Murudeshwar Ceramics Limited**

Place: Bengaluru
Date: 29.05.2025

**Sd/-
Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526**

**Sd/-
Naveen Rama Shetty
Director
DIN: 00058779**

ANNEXURE-6:**Form No. MR-3
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st March, 2025**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
Murudeshwar Ceramics Limited**
CIN: L26914KA1983PLC005401
604/B, Gokul Road, Industrial Estate,
Hubballi, Karnataka- 580030

I have conducted the secretarial audit of the compliance of applicable statutory provisions under the Listed enactments and the adherence to good corporate practices by MURUDESHWAR CERAMICS LIMITED, (CIN: L26914KA1983PLC005401), having its Registered Office at '604/B, Gokul Road, Industrial Estate, Hubli, Karnataka- 580030' and a place other than Registered Office at '7th Floor, Naveen Complex, 14, M G Road, Bangalore Karnataka- 560001 India' (hereinafter referred as the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the representations made and also the information, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 ("the Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to me pertaining to the financial year ended on 31st March, 2025, wherever applicable and in accordance with the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015. (LODR Regulations) including the requirements with regard to the disclosure of information on Company's website and other disclosure and reporting requirements to the Stock Exchanges during the Financial Year (Subject to Para VIII /IX))

There were no occasions during the Financial Year requiring specific compliance under the provisions of the following Regulations and Guidelines: -

- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended till date;
- f) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014, as amended till date;
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended till date;

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended till date;
- i) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

VI. I further report that based on the Industry Specific Laws identified by the Company and the guidelines issued by the Institute of Company Secretaries of India ('the ICSI') as applicable to the Company and as per the information received from the management, records maintained, and on test check basis, subject to Para VIII herein, the Company has, in our opinion, generally complied to the extent applicable, with the provisions of:

1. Industry Specific Laws (subject to Para VIII herein)

- 1. The Environment Protection Act, 1986;
- 2. The Air (Prevention and Control of Pollution) Act, 1981
- 3. The Water (Prevention and Control of Pollution) Act, 1981
- 4. Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2016
- 5. Solid Waste Management Rules, 2016

2. General Laws (Subject to Para VIII)

- a. The Factories Act, 1948
- b. Boilers Act, 1923
- c. The Explosive Act, 1884
- d. The Industrial Dispute Act, 1947
- e. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- f. The Employees State Insurance Act, 1948
- g. The Payment of Wages Act, 1936
- h. The Minimum Wages Act, 1948
- i. The Payment of Bonus Act, 1965
- j. The Maternity Benefit Act, 1961
- k. The Contract Labour (Regulation and Abolition) Act, 1970
- l. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- m. Laws relating to Trademark.
- n. Indian Stamp Act, 1899
- o. Karnataka Stamp Act, 1957

I further report that the Company has developed fairly adequate systems and processes to be implemented which requires improvement, to monitor and ensure compliances with the General Laws mentioned above. The same is commensurate with its size and operations, to ensure compliance with applicable laws, rules, regulations and guidelines.

VII. I have also examined compliance with respect to:

- a. The Secretarial Standards SS-1 and SS-2 issued by the ICSI and as notified by the Ministry of Corporate Affairs and report that the Company has generally complied with the said Standards.
- b. The Listing Agreement/s entered into by the Company with the BSE Limited, subject to para VIII herein and report that the Company has complied with the same.

VIII. I further report that during the said Financial Year, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned in the foregoing paragraphs except following:

- 1. Delayed for taking approval from the Members of the Company for appointment or continuation of Non-Executive Director, as required under Regulation 17 (1A) of SEBI Listing Regulations during the review period.

IX. I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the Meetings duly recorded and signed by the Chairman, the decisions at the Board and Committee Meetings were carried out with requisite majority.

I further report that:

The Compliance by the Company of applicable financial laws such as Direct & Indirect Tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit, since the same have been subject to review by the Statutory Financial Auditors, Tax Auditors and other designated professionals.

I further report that;

Based on the information provided and representation by the Management of the Company, there were no specific events/ actions that occurred/ arose during the said Audit period of the F.Y. 2024-25, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

Sd/-
Shivappa Athani
COMPANY SECRETARY

M. No. 67536 / CP 25196

Peer Review Certificate No: 5484/2024

Unique Identification code: 12021KR2222700

Date : 29th May, 2025

Place: Bengaluru

UDIN: A067536G000498087

Note : This report is to be read with my letter of even date which is attached as 'Annexure -I' and forms an integral part of this report.

'ANNEXURE-A'

To,
The Members,
M/s. Murudeshwar Ceramics Limited
604/B, Gokul Road, Industrialestate,
HUBLI - 580030

Our report (2024-25) of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my Audit. The presence / absence of the directors at Board Meetings were verified as stated in Minutes Book.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on random test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of any of the financial records and books of accounts of the Company including the records pertaining to Goods and Service Taxes, Income Tax, Customs and other related enactments applicable to the Company. Hence nothing has been reported regarding these or any connected enactments.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-
Shivappa Athani
COMPANY SECRETARY

M. No. 67536 / CP 25196

Peer Review Certificate No: 5484/2024

Unique Identification code: 12021KR2222700

Date : 29th May, 2025

Place: Bengaluru

UDIN: A067536G000498087

ANNEXURE-7:
CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

To,
The Members,
Murudeshwar Ceramics Limited
CIN: L26914KA1983PLC005401
604/B, Gokul Road, Industrial Estate,
Hubballi, Karnataka- 580030.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Murudeshwar Ceramics Limited**, CIN L26914KA1983PLC005401 and having registered office at '604/B, Gokul Road, Industrial Estate, Hubli, Karnataka- 580030 India' and a place other than Registered Office at '7th Floor, Naveen Complex, 14, M G Road, Bangalore Karnataka- 560001 India' (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations/ representations furnished to me by the Company & its officers and also considering relevant relaxations granted by the MCA / SEBI, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Board of Directors:

Sl. No.	Name of Director	DIN	Designation	Date of appointment in Company #
1	Satish Rama Shetty	00037526	Chairman & Managing Director	27/06/2007
2	Sunil Rama Shetty	00037572	Director	29/11/1993
3	Naveen Rama Shetty	00058779	Director	24/11/1995
4	Karan Satish Shetty	08168200	Whole Time Director	10/08/2018
5	Ravindra Bhandary	07646192	Independent Director	14/02/2024
6	Vishwanath Shetty	10694435	Independent Director	01/08/2024
7	Vittal Kadekar Menaka Shetty	10695560	Independent Director	01/08/2024
8	Shakunthala Shetty	10704086	Independent Director	01/08/2024

The date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Date: 03.06.2025
Place: Bengaluru

Shivappa Annappa Athani
Company Secretary in Practice
M. No: 67536 and CP No: 25196
UDIN: A067536G000535696
Peer Review No. 5484/2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forming part of the Board's Report

Economic Overview

Global GDP growth is expected to moderate from 3.2% in 2024 to 3.1% in 2025 and 3.0% in 2026, with higher trade barriers in several economies and increased policy uncertainty weighing on investment and household spending. Annual real GDP growth in the United States is projected to slow from its very strong recent pace, to 2.2% in 2025 and 1.6% in 2026. Euro area real GDP growth is projected to be 1.0% in 2025 and 1.2% in 2026, as heightened uncertainty keeps growth subdued. Growth in China is projected to slow from 4.8% this year to 4.4% in 2026 (Sources OECD Economic Outlook, Interim Report March 2025).

India's economy continues to demonstrate strong momentum and is projected to remain one of the fastest-growing major economies in 2025 and 2026. The Indian economy is also expected to grow at a rate of 6.20% in 2025 and 6.30% in 2026 respectively. The Indian economy is become the fourth-largest in the world, surpassing Japan in the year 2025. Despite global economic headwinds, India's growth trajectory remains robust, driven by strong domestic demand, sustained public infrastructure investment, and a resilient services sector. However, external risks persist due to weaker global trade, tighter financial conditions, geopolitical uncertainties and trade tariff escalation.

About Industry Structure and Development

The industry manufactures various types of tiles for residential, commercial, and industrial applications like Ceramic Tiles, Vitrified Tiles, Porcelain Tiles, Glazed & Polished Tiles, Natural Stone Tiles etc. These tiles are applied as floor tiles, wall tiles, and others such as ceiling and roofing tiles etc.

Technological advancement has emerged as a crucial differentiator in the Indian ceramic industry, with manufacturers investing heavily in state-of-the-art production facilities. The real estate sector's transformation has substantially influenced the ceramic tiles market, with the implementation of the Real Estate Regulatory Authority (RERA) fostering increased transparency and process orientation. The consumer preferences in the ceramic tiles market have evolved significantly, leading to innovative product developments and expanded offerings.

The Indian Tiles Market size was valued at USD 5.86 Billion in 2024. The Indian tiles industry is one of the largest in the world and has witnessed significant growth in recent years. India is the second-largest producer of ceramic tiles after China and is also a major exporter. The Indian tiles industry is poised for strong growth due to increasing urbanization, rising incomes, and government support. Despite challenges like competition and cost pressures, advancements in design and sustainability will keep the industry expanding in the coming years.

Outlook:

The Global Ceramic Tiles Market size was valued at USD 213.56 billion in 2024 and is projected to reach from USD 228.94 billion in 2025 to USD 399.28 billion by 2030, growing at a CAGR of 7.2% during the forecast period of 2025-2030. The Indian Tiles Market size was valued at USD 5.86 Billion in 2024 and the total Indian Tiles revenue is expected to grow at a CAGR of 9.49% from 2025 to 2030, reaching nearly USD 12.10 Billion in coming projected years.

The Indian ceramic tiles industry has experienced significant shifts in international trade dynamics, particularly in export markets. The implementation of anti-dumping duties by Gulf Cooperation Council (GCC) countries, which imposed a substantial 41% duty on Indian ceramic tile imports, has prompted manufacturers to diversify their export destinations. The industry has demonstrated remarkable resilience by developing alternative markets and strengthening domestic capabilities, resulting in enhanced production infrastructure and quality standards to meet international requirements.

Opportunities and Threats:

The entry of retail establishments, including hypermarkets, supermarkets, and specialized shops increases the availability of numerous types of tiles, hence boosting the growth potential of this sector. The increasing investments in the infrastructure sector are expected to drive the growth of the tiles market. Governments of different countries are investing in developing and upgrading infrastructure, including residential, commercial, and public properties like Airports, Railway Stations, Metro Rails etc. The developments have increased the demand for tiles - a vital construction material. The surge in infrastructure development has increased the need for high quality tiles, boosting the growth of the tiles market.

The fluctuation and increased natural gas price are the major challenges in the current scenario. Raw material prices fluctuate because of supply chain constraints in different regions, geopolitical tensions, war situations, trade tariff as initiated by USA,

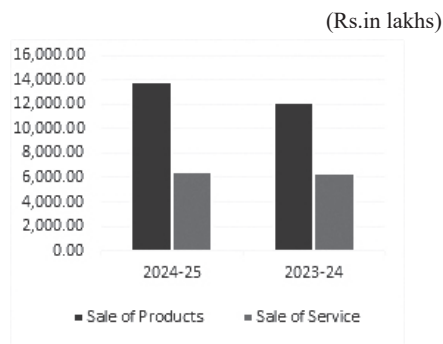
and the implementation of strict environmental regulations. Such scenarios lead to higher production costs. It is difficult for manufacturers to keep prices stable. Additionally, the increasing prices can squeeze profit margins, making it harder for firms to invest in new technologies and research.

Segment-Wise or Product-Wise Performance:

The financial performance and operational performance have been more fully described in the Board's Report. Shareholders may refer to the same in the Director's report and financial statements for further reference.

Segment	Sale of Products	Sale of Service
2024-25	13,810.46	6,430.70
2023-24	12,193.48	6,409.54

- The sale of products has increased by 13.26% at Rs. 13,81.46 lakhs in compared to Rs. 12,193.48 lakhs of the previous year.
- Sale of services has marginally increased by 0.33% at Rs. 6,430.70 lakhs in compare to Rs. 6409.54 Lakhs of the previous year.



Significant change in production plan:

The Company changes its production plan in accordance with the customers demand following with the market trends. The Company's vitrified tile product basket comprises various categories, including polished, glazed, double charged and full-body tiles. These tiles are mainly available in large format sizes, as per market tastes. Your Company emphasizes the Glazed Vitrified Tile (GVT) product, and in this direction, during the year under review, has produced high value GVT, PGVT Vitrified tiles in bigger sizes at Sira plant and Wall tiles at Karaikal. As given below in the table.

Sizes	2024-25		2023-24	
	Sq. Mtr.	% to total	Sq. Mtr.	% to total
30 x 30 cm	--	--	16	--
60 x 60 cm	12,76,028	28.12	11,91,614	30.13
60 x 120 cm	20,53,174	45.25	14,18,416	35.87
80 x 160 cm	64,103	1.41	6,907	0.18
Wall Tiles	11,44,116	25.22	13,37,727	33.82
TOTAL	45,37,421	100.00	39,54,680	100.00

Risks and concerns:

Risks are events or conditions that may occur, and whose occurrence, if it does take place, has a harmful or negative impact on the achievement of the organization's business objectives. The exposure to the consequences of uncertainty constitutes a risk. The industry is facing the risk such as high-cost raw material, stringent environmental laws, shortage of skilled labour, high competition, demand sluggish, high cost of distribution and other expenses.

Further, the production of tiles is an extremely energy-intensive operation, electricity, gas, and transportation costs are the primary expense-related factors affecting the business. Consistency in power and fuel availability at reasonable costs is crucial for the growth of the ceramic tile sector. Unpredictable and unstable marketplaces have enormously negative outcomes, which are closely monitored by manufacturing groups. In addition, there is greater volatility in the pricing of unprocessed materials used to manufacture ceramic tiles.

Discussion on financial performance with respect to operational performance:

The financial performance and operational performance have been more fully described in the Board's Report. Shareholders may refer to the same in the Board's Report for further reference.

Total revenue from operation was Rs.20,286.37 lakhs for the year ended March 31, 2025 as against Rs. 18,630.83 lakhs for the corresponding previous period, an increased by 8.87% by Rs. 1655.54 lakhs. The earning before exceptional items and tax was Rs. 1194.95 lakhs for the year ended March 31, 2025 as against Rs. 1148.90 lakhs for the corresponding previous period.

(Rs. in Lakhs)

Particulars	Financial year 2024-25		Financial year 2023-24	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	20776.90	20776.90	19075.22	19075.22
Total Expenditure	19581.96	19581.96	17926.31	17926.31
Profit /(loss) before Tax Expense	1194.95	1194.95	1148.90	1148.90
Profit /(loss) after Tax Expense	992.44	992.44	512.76	512.76
Other comprehensive income	(23.72)	(23.72)	(26.69)	(26.69)
Total Comprehensive Income	968.73	968.73	486.07	486.07
Profit or (loss) from Associate	-	(8.49)	-	11.01
Total Comprehensive income	968.73	960.24	486.07	497.08
Earing Per share: Basis	1.60	1.59	0.84	0.86
: Diluted	1.60	1.59	0.80	0.82

Internal control systems and adequacy:

The Company has a proper and adequate system of internal controls in terms of Section 134(5)(e) of the Companies Act, 2013 and commensurate with its size, scale, and complexity of operations. These controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and pro-ected against loss from unauthorized use or disposition.

The Company has established an effective internal control structure to enhance organizational performance and contribute to accomplishing its objectives. There are appropriate controls regarding policies and procedures, risk assessment, and ethics, which the Audit Committee periodically reviews and monitors the performance of the internal audits. This is conducted periodically through audit plans, findings, and through follow up.

Material development in human resources/ industrial relations:

The Company is committed to develop and nurture its employees' talents by providing numerous opportunities to enhance their skills through continuous learning and development programs, which are closely monitored and analysed by the Human Resources Team.

Further, the Company is committed to respect the talents, skills and capabilities of our people serving every day in our organization. Human Resource Department of your organisation has taken various initiatives for professional and personal development including health and safety and standard working environment for its employees during the year. The Company employed 309 employees across all locations as of March 31, 2025.

Details of significant changes in key financial ratios:

During the year under review, the followings are significant changes (i.e., changes of 25% or more as compared to the immediate previous financial year) in key financial ratios have been occurred. Please Financial Statements may be referred for more details.

Ratio	FY 2024-25	FY 2023-24	Variance in %	Remarks
Current Ratio	1.34	1.38	(11.36)	NA
Debt Equity Ratio	0.11	0.11	-	NA
Debt Service Coverage Ratio	1.43	1.32	8.33	NA
Return on Equity	0.03	0.01	(200.00)	There is an increase in profitability for the current year.
Inventory Turnover Ratio	1.81	1.59	13.84	NA

Ratio	FY 2024-25	FY 2023-24	Variance in %	Remarks
Trade receivables turnover ratio	7.12	11.33	(37.16)	The receivable is increase for the year.
Trade Payables turnover ratio	3.91	4.01	(2.49)	NA
Net capital turnover ratio	1.87	4.10	(54.39)	NA
Net Profit Ratio	0.05	0.03	(66.67)	Increase in profitability
Return on Capital Employed	0.06	0.05	(20.00)	NA
Return on Investment	5.48	-0.59	-	NA

Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:

There are no major changes in return on Net Worth as compared to the immediately previous financial year except carry forward profit or losses. However, return on net worth was impacted due to higher profitability.

Disclosure of accounting treatment:

Your Company has been adopted “IndAS” since April 01, 2017. There are no changes in accounting treatments for the financial year ended March 31, 2025. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI.

Cautionary statement:

Statements in this Management Discussion and Analysis Report contain “forward looking statements” including, but without limitation, statements relating opportunities, threats, outlook, forecasts etc. in any form and manner, made in this section or any other sections of this Annual Report are purely based on certain assumptions and expectation of future event, actual results could differ from those expressed or implied. Important factors that could make a difference to the Company’s operations include economic conditions affecting domestic demand supply conditions, finished goods prices, changes in Government Regulations and Tax regime, etc.

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-

**Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526**

**Place: Bengaluru
Dated: 29.05.2025**

**By order of the Board
For Murudeshwar Ceramics Limited**

Sd/-

**Naveen Rama Shetty
Director
DIN: 00058779**

Registered Office:

Murudeshwar Ceramics Limited
CIN: L26914KA1983PLC005401
Murudeshwar Bhavan, No. 604/B, Gokul Road,
Hubballi – 580 030, Karnataka.
PH.: 0836 – 2331615 – 18,
E-mail: Investor@naveentile.com

Corporate Office:

Murudeshwar Ceramics Limited
CIN: L26914KA1983PLC005401
Naveen Complex, 7th Floor, No. 14, M. G. Road,
Bengaluru – 560 001, Karnataka.
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CORPORATE GOVERNANCE REPORT

"Corporate governance is the combination of systems, rules, regulations, processes, and laws by which businesses are operated, regulated, and controlled in the right direction for maximization of stakeholders value."

1. Philosophy and Corporate Governance:

Corporate governance is a way in which an entity is directed, administered, and controlled. Corporate governance also concerns the relationships among the various internal and external stakeholders involved as well as the governance processes designed to help an entity to achieve its goals. It helps to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies. It is not an abstract goal, but exists to serve corporate purposes by providing a structure within which stockholders, directors and management can pursue most effectively with the objectives of the entity.

The Company's philosophy on corporate governance is to ensure fairness for every stakeholder including our customers, investors, vendor-partners, the community, and the governments of the Country and its states in which the Company operate. It facilitates effective, entrepreneurial, and prudent management that can deliver the company's long-term success. It is a continuous process by which the company's values, principles, management policies, and procedures are inculcated and manifested.

A sound Corporate Governance structure is essential for a company to function effectively. It promotes transparency, accountability, fairness and independence. The Company has a well-established Corporate Governance Structure comprising the following parties, provides a comprehensive framework to (i) enhance accountability to shareholders and other stakeholders, (ii) ensure timely and accurate disclosures of all material matters, (iii) deal fairly with shareholders and other stakeholder interests, and (iv) maintain high standards of business ethics and integrity.

The Board of Directors: is responsible for providing leadership, either directly or through its committees, to the Company and its associates in order to deliver long-term value to shareholders and other stakeholders.

The Committees of the Board – assist the Board in focusing on specific matters, fulfil their roles and responsibilities delegated by the Board, report to the Board on decisions and actions taken, monitor the management's performance, and make any necessary recommendations.

The Head of Departments: to provide the information to the various Committee like Audit Committee, Board Executive Committee, Corporate Responsibility Committee, Nomination and Governance Committee, Stakeholder Grievance Committee in formulation of policy, plans, projects etc. and to take appropriate decision on time for the execution of decision of the Board.

Your Company is in compliance with the requirements in terms of Regulation 17 to 27 read with Schedule v and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

2. Board of Directors ('TheBoard'):

The Board of Directors is ultimately responsible for the Strategic decision making, overseeing management, risk management, financial oversight, setting company's culture and value, stakeholder relation, general affairs, direction, performance, and long-term success of business of the Company. The Company has an active, experienced, diverse and a well-informed Board. The Board along with its committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy.

The Company has an optimum combination of Executive and Non-Executive Directors which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act and the Memorandum and Articles of Association. The Board periodically evaluates the need for change in its composition and size. The Company has an optimal combination of Executive and Non-Executive Directors as on March 31, 2025 as below:

2.1 Executive Director

- | | |
|-----------------------------|--------------------------------|
| 1) Shri Satish Rama Shetty | : Chairman & Managing Director |
| 2) Shri Karan Satish Shetty | : Whole Time Director |

2.2 Non-Executive Directors

- | | |
|----------------------------|------------|
| 3) Shri Sunil Rama Shetty | : Director |
| 4) Shri Naveen Rama Shetty | : Director |

- | | |
|--------------------------------------|-------------------------|
| 5) Shri Ravindra Bhandary | : Independent Director. |
| 6) Shri Vishwanath Shetty | : Independent Director |
| 7) Smt. Shakunthala Shetty | : Independent Director |
| 8) Shri Vittal Kadekar Menaka Shetty | : Independent Director |

The Board has six Non-Executive directors out of which four are independent directors. The said composition is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act and the Memorandum and Articles of Association, the Managing Director and the Whole Time Director have been appointed for a term of five years effective from their respective date of appointment. All the directors are resident Indian. Smt. Shakunthala Shetty is the woman Independent Director. Detailed profile of the Directors is available on the Company's website at www.naveentile.com.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations, Section 149(6) of the Companies Act, 2013 and rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Company has adopted a Code of Conduct for its employees, Executive and Non-Executive Directors including Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company's governance guidelines cover aspects mainly relating to composition and role of the Board, Chairman and Directors, Board Diversity and Committees of the Board.

a. Brief Particulars of Directors appointed/ re-appointed and cessation:

Pursuant to the provisions of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, brief particulars of Directors appointed / reappointed are furnished hereunder:

- (i) **Shri Naveen Rama Shetty (DIN – 00058779):** Pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 ("Act"), and rules made thereunder and as per provisions contained in the Articles of Association of the Company, resolution for reappointment of Shri Naveen Rama Shetty (DIN 00058779), as a director without affecting his current position, who is liable to retire by rotation has been placed for shareholders' approval. Shri Naveen Rama Shetty is a promoters' Director since inception.
- (ii) **Shri Vishwanath Shetty (DIN: 10694435):** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, and pursuant to the provisions of regulations 16, 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and that approval of the Board of Directors of the Company, the members of the company have appointed Shri Vishwanath Shetty (DIN: 10694435) as an Independent Director of the Company w.e.f. 01.08.2024.
- (iii) **Shri Vittal Kadekar Menaka Shetty (DIN: 10695560):** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, and pursuant to the provisions of regulations 16, 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and that approval of the Board of Directors of the Company, the members of the company have appointed Shri Vittal Kadekar Menaka Shetty (DIN: 10695560) as an Independent Director of the Company w.e.f. 01.08.2024.
- (iv) **Smt. Shakunthala Shetty (DIN: 10704086):** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, and pursuant to the provisions of regulations 16, 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and that approval of the Board of Directors of the Company, the members of the company have appointed Smt. Shakunthala Shetty (DIN: 10704086) as an Independent Director of the Company w.e.f. 01.08.2024.
- (v) **Smt. Sarvani Alva (DIN: 06896403):** Smt. Sarvani Alva (DIN: 06896403) has resigned from the post of Independent Director w.e.f. 19th August 2024 due to ill health and completion of her tenure being as an Independent Director . Further, she confirmed that there are no other material reasons for her resignation, other than those mentioned above.

- (vi) **Shri Annappayya (DIN: 03558522):** Shri Annappayya (DIN: 03558522) has resigned from the post of Independent Director w.e.f. 30th September, 2024 due to completion of his 10 years (5+5) tenure being as an Independent Director. Further, he confirmed that there are no other material reasons for his resignation, other than those mentioned above.
- (vii) **Dr. Shivabasayya Siddaramayya Hiremath (DIN: 02272897):** Dr. Shivabasayya Siddaramayya Hiremath (DIN: 02272897) has resigned from the post of Independent Director w.e.f. 30th September, 2024 due to completion of his 10 years (5+5) tenure being as an Independent Director. Further, he confirmed that there are no other material reasons for his resignation, other than those mentioned above.
- (viii) **Shri Sankappa Keremane Shetty (DIN: 00894366):** Shri Sankappa Keremane Shetty (DIN: 00894366) has resigned from the post of Independent Director w.e.f. 30th September, 2024 due to completion of his 10 years (5+5) tenure being as an Independent Director. Further, he confirmed that there are no other material reasons for his resignation, other than those mentioned above.

b. Board qualifications, skills, expertise, experience and competencies:

The Board of Company comprises qualified members who bring in the required skills, competence. The Board members of the Company comprise qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board in decision making and its committees. The Board consist of proper balance of Leadership, Finance, Banking, Sales and marketing, Technology, Diversity, Mergers and acquisitions and Global Business. The Board members are committed to ensure that the Board of the Company is in compliance with the standards of corporate governance. The Company has an enriched Board with the following skills, expertise and competencies:

Name of the Director	Core skills/expertise/competencies
Shri Satish Rama Shetty	Leadership, Finance, Sales & Marketing, Technology, Diversity, Risk Management, Human Resources, Business Management, Global Business and Strategic Planning.
Shri Sunil Rama Shetty	Leadership, Finance, Sales & Marketing, Technology, Diversity, Risk Management, Human Resources, Business Management, Global Business and Strategic Planning.
Shri Naveen Rama Shetty	Design and develop civil engineering projects, Leadership, Finance, Sales & Marketing, Technology, Diversity, Risk Management, Human Resources, Business Management, Global Business and Strategic Planning.
Shri Karan Satish Shetty	Leadership, Finance, Sales & Marketing, Technology, Diversity, Risk Management, Human Resources, Business Management, Global Business and Strategic Planning.
Shri Ravindra Bhandary	Banking, accountancy, finance, agriculture and rural economy, small scale industry, risk management, human resources, business management, Credit Recovery & Treasury Management and Strategic Planning.
Smt. Shakunthala Shetty	Banking, accountancy, finance, small scale industry, risk management, human resources, business management, Credit Recovery & Treasury Management and Strategic Planning.
Shri Vishwanath Shetty	Design and develop civil projects, Leadership, Sales & Marketing, Technology, Diversity, Risk Management, Human Resources, Business Management and Strategic Planning.
Shri Vittal KM Shetty	Leadership, Technology, Diversity, Risk Management, Human Resources, Business Management and Strategic Planning.

c. Meetings, Attendance and Membership of Committees:

During the financial year 2024-25 five Board Meetings were held on May 29, 2024, July 31, 2024, September 21, 2024, November 13, 2024, and February 10, 2025, and the gap between any two consecutive Board Meetings has not exceeded 120 days.

The following are the particulars of attendance of directors at the Board/ General Meetings of the Company and memberships of Committees and number of other directorships, of each director during the year 2024-25.

Sl. No	Name of Directors	Board Meetings		Whether attended last AGM	Committees		Directorship in other company
		Held	Attended		Membership	Chairman	
1	Shri Satish R Shetty	5	5	Yes	2	-	14
2	Shri Sunil R Shetty	5	4	No	-	-	13
3	Shri Naveen R Shetty	5	4	No	1	-	13
4	Shri Karan S Shetty	5	4	No	-	-	-
5	Dr. S. S. Hiremath	5	3	Yes	1	-	1
6	Shri Sankappa K Shetty	5	2	No	2	-	-
7	Shri Annappayya	5	2	No	1	-	-
8	Smt. Sarvani Alva	5	2	No	-	-	-
9	Shri Ravindra Bhandary	5	5	Yes	-	1	-
10	Shri Vishwanath Shetty	5	3	Yes	-	1	-
11	Shri Vittal KM Shetty	5	1	No	1	-	-
12	Smt. Shakunthala Shetty	5	2	No	1	-	-

Note: Membership in Committees (Audit Committee & SGC) and Chairman includes all other public companies. Other directorship includes all companies including private limited.

d. Web link where details of Familiarisation Programs imparted to Independent Directors is disclosed:

Pursuant to regulations 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to familiarize the Independent Directors with the company's operations, the company has conducted a program detail of which are available on the website of the Company at www.naveentile.com.

e. Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.

During the year no Independent Director has resigned before the expiry of his/her tenure.

f. Confirmations that in the opinion of the board, independent directors fulfill the conditions specified in these regulations and are independent from the management.

As per declarations submitted by the Independent Directors as prescribed by laws and as per the parameters of the skills and knowledges, in the opinion of the Board of the Company all the Independent Directors fulfill the conditions specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the criteria set under the Companies Act, 2013 and rules made thereunder.

g. Disclosure of relationships between directors inter-se:

No directors are related to each other except Shri Satish Rama Shetty, Shri Sunil Rama Shetty and Shri Naveen Rama Shetty are brothers and Shri Karan Satish Shetty is a son of Shri Satish Rama Shetty.

3. Code of Conduct:

The Board of Directors has laid down Code of Conduct for all the Board Members and senior management personnel of the Company. In the above context, Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the year ended 31.03.2025 and necessary declaration from Managing Director is annexed forming part of this report.

4. Audit Committee:

Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and rules framed thereunder with three Directors with two-thirds of the members of the Committee are Independent Directors including the Chairman who is also a Non-Executive Independent Director.

Composition	Roles, responsibilities, and the extract of terms of reference of the Committee.
<ol style="list-style-type: none"> Shri Ravindra Bhandary - Chairman Smt. Shakunthala Shetty - Member; and Shri Naveen Rama Shetty - Member. <ul style="list-style-type: none"> ➤ Shri Ravindra Bhandary - The Chairman, and Shri Shakunthala Shetty - member are Non-Executive Independent Directors. ➤ Shri Naveen Rama Shetty, member is Non-Executive Non-Independent Director of the Company. <p>The Company Secretary acts as the Secretary to the Audit Committee.</p>	<ul style="list-style-type: none"> ➤ Oversight of financial reporting process. ➤ Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval. ➤ Evaluation of internal financial controls and risk management systems. ➤ Recommendation for appointment, remuneration and terms of appointment of auditors of the Company. ➤ Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same. ➤ To consider matters with respect to the Company's Code of Conduct. ➤ To Carrying out other function as is mentioned in the terms of reference of the audit committee. ➤ Review and approve related party transactions and subsequent modifications of the transactions;

During the year under review four Meetings of Audit Committee were held May 29, 2024, July 31, 2024, November 13, 2024 and February 10, 2025 and gap between any two consecutive Meetings has not exceeded 120 days. The meeting of the Committees was also attended by the Chief Financial Officer and Statutory Auditors as special invitees.

The Audit Committee was reconstituted w.e.f. 31.07.2024 with above said members and Shri Sankappa Keremane Shetty was the Chairman upto 31.07.2024, Shri Satish Rama Shetty - member, and Shri Annappayya - member were till 31.07.2024.

5. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and rules made thereunder. The Nomination and Remuneration Committee of the Company is constituted comprising of all the members of the Committee as Independent including the Chairman who is a Non-Executive Independent Director.

Composition	Roles, responsibilities, and the extract of terms of reference of the Committee
<ol style="list-style-type: none"> Shri. Ravindra Bhandary - Chairman; Shri Vittal KM Shetty – Member; and Smt. Shakunthala Shetty – Member; and <ul style="list-style-type: none"> ➤ The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. ➤ All the members including the Chairman of the Committee are non-executive and Independent Directors. 	<ul style="list-style-type: none"> ➤ Recommend to the Board the setup and composition of the Board and its Committees. ➤ Recommend to the Board the appointment / re-appointment of Directors and Key Managerial Personnel. ➤ Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual Directors. ➤ Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees. Oversee familiarization programs for Directors. ➤ Evaluate the balance of skills, knowledge and experience on the Board and prepare a description of the role and capabilities required of an Independent Director.

During the year under review the Remuneration Committee has met two times on 31.07.2024 and 21.09.2024 and all three members Shri. Ravindra Bhandary, Shri Vittal KM Shetty and Smt. Shakunthala Shetty – Member attended the meetings except Shri Vittal KM Shetty who was taken leave of absence from the meeting held on 21.09.2024. The meetings of the Committee were also attended by the Chief Financial Officer and the Chairman and Managing Director as special invitees.

The Nomination & Remuneration Committee was reconstituted w.e.f. 31.07.2024 with the above members and Shri Annappayya was the chairman upto 31.07.2024 and Dr. Shivabasayya Siddaramayya Hiremath and Shri Sankappa Keremane Shetty members were upto 31.07.2024.

- **Remuneration Policy:** The Committee reviews the remuneration package for Executive Directors periodically with reference to trends prevailing elsewhere for similar industry for similar positions. The Board of Directors decides on a suitable remuneration package to the Executive Directors based on recommendations of the Remuneration Committee and submits the same for approval of members.

Details of Remuneration paid/ accrued to Executive Director for the year ended 31.03.2025:

Name of Executive Director	Salary	Perquisites	TOTAL
Shri Satish R Shetty, Chairman & Managing Director	95,00,000.00	12,00,000.00	1,07,00,000.00
Shri Karan Satish Shetty	36,00,000.00	3,00,000.00	39,00,000.00
Total	1,31,00,000.00	15,00,000.00	1,46,00,000.00

Note:

1. None of the above said remuneration /benefits are performance linked.
2. The Executive Directors shall discharge their duties under the supervision, control, and directions of the Board of Directors from time to time. There is no service contract or agreement.
3. The Term of office of the above said Directors are five years of both the Managing Director and of the Whole Time Director effective from their respective dates of appointment or re-appointment.
4. Independent Directors are entitled to sitting fee of Rs.25,000/- per Board meeting and Rs.5,000/- per committee meeting attended and reimbursement of travel and other incidental expenses.

However, the said Executive Directors continue to not receive any kind of sitting fees for attending any Board and/ or Committees' meetings as they have waived their entitlement for such remuneration.

- **Pecuniary Relationship/ transaction of Non-Executive Directors:** Non-Executive Independent Directors of the Company have no pecuniary relationship or transaction with either the Company or with any Promoters of the Company. The Non-Executive Directors are entitled to sitting fees of Rs.25,000/- for every Board meeting and Rs.5,000/- for committee meetings attended and reimbursement of travel and stay expenses for each meeting attended. However, Shri Sunil R Shetty and Shri Naveen R Shetty Directors (Relative of Shri Satish R Shetty) continue to not receive any kind of remuneration for attending any Board and/or Committee meetings as they have waived their entitlement for such remuneration.
- **Remuneration Package of Non-Executive Directors:** the remuneration packages of Non-Executive Directors have been furnished in paragraph 5.3(b) as above. No Non-Executive Directors are getting any remuneration except Independent Directors who are getting only sitting fees for attending Board Meetings and Committee's meetings.
- **Shareholding of Directors as on March 31, 2025 :** No director is holding any share in the Company except the following directors:

Name of Director	Nature of office of Director	Shares held	Percentage to Eq. Capital
Shri Satish Rama Shetty	Executive	11,10,903	1.84
Shri Sunil Rama Shetty	Non-Executive	11,11,102	1.84
Shri Naveen Rama Shetty	Non-Executive	16,50,604	2.73
Shri Karan Satish Shetty	Executive	9,800	0.02

None of the above directors holds any convertible instruments of the Company for the year ended March 31, 2025.

6. Stakeholders Grievance Committee:

The Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee of the Company has been constituted with two-thirds of Non-Executive Independent Directors along with the Chairman being Non-Executive Independent Director. During the year under review the committee was met on 29.05.2024 .

Composition	Roles, responsibilities, and the extract of terms of reference of the Committee
1. Shri Vishwanath Shetty - the Chairman; 2. Shri Satish Rama Shetty - Member; and 3. Shri Vittal KM Shetty – Member The Company Secretary acts as the Secretary to the Stakeholder Grievance Committee.	<ul style="list-style-type: none"> ➤ Resolving the grievances of the members of the company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. ➤ Review of measures taken for effective exercise of voting rights by shareholders. ➤ Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent. ➤ Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

All three members of the committee attended the meeting. The meeting of the Committee was also attended by the Chief Financial Officer as special invitee.

The Stakeholders Grievance Committee was reconstituted w.e.f. 31.07.2024 with the above said members and Shri Annappayya was the Chairman upto 31.07.2024 and Shri Sankappa Keremane Shetty – member

7. Corporate Social Responsibility (“CSR”) Committee:

The Corporate Social Responsibility (CSR) Committee of Murudeshwar Ceramics Limited (“the Company”) has been constituted in line with the provisions of Section 135 of Companies Act, 2013 and Schedule VII of the Companies Act, 2013 and the CSR Rules issued by the Ministry of Corporate Affair on February 27, 2014. During the year under review the committee has conducted a meeting on February 10, 2025.

Composition	Roles, responsibilities, and the extract of terms of reference of the Committee
1. Shri Satish Rama Shetty – Chairman; 2. Shri Naveen Rama Shetty - Member 3. Shri Vishwanath Shetty - Member The Company Secretary acts as the Secretary to the CSR Committee.	<ul style="list-style-type: none"> ➤ Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013. ➤ Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013. ➤ Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company. ➤ Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities. ➤ Monitor the implementation of the CSR Policy from time to time. ➤ Such other functions as the Board may deem fit etc.

All three members of the committee namely, Shri Satish Rama Shetty, Shri Naveen Rama Shetty and Shri Vishwanath Shetty – Members were attended the meeting. The meeting of the Committee was also attended by the Chief Financial Officer as special invitee.

The Corporate Social Responsibility (CSR) Committee was reconstituted w.e.f. 31.07.2024 with the above said members and Dr. Shivabasayya Siddaramayya Hiremath was retire as a member w.e.f. 31.07.2024.

8. Other Committees:

In order to closely monitor the day-to-day administration and speed up the administrative procedures, the Sub- Committee of the Board called the “Executive Committee” is functioning under the overall control and supervision of the Board of Directors.

The Executive Committee was reconstituted w.e.f. 31.07.2024 with the following Directors as members of the said Executive Committee :

1) Shri Satish Rama Shetty; 2) Shri Sunil Rama Shetty; 3) Shri Naveen Rama Shetty; 4) Shri Ravindra Bhandary, 5) Shri Karan Satish Shetty and 6) Smt. Shakunthala Shetty.

The said Committee has been discharging all the functions and responsibilities vested in it by the Board of Directors from time to time. Decisions taken by the Committee will be referred to the Board for review and suggestions, if any.

9. Meeting of Independent Directors:

The Independent Directors of the Company have been holding one meeting in a year, without the attendance of non-Independent Directors and members of management. Independent Directors on the Board to abide by the provision specified in Schedule IV of the Companies Act, which defines Code for Independent Directors. Accordingly, a meeting of Independent Directors was held by the Independent Directors on February 10, 2025. All the Independent Directors were attended the meeting except Shri Vittal KM Shetty who has taken leave of absence due to ill health.

10. Disclosures:

- a. **Senior Management Personnel (SMP):** During the financial year ended March 31, 2025 under review there is no change in SMP. The particulars of senior management including the changes therein are as follows:

Sl. No	Name	Designation
1	Narayan Manjunath Hegde	V.P. (Finance) & CFO
2	Y Vikram Hegde	President (Production)
3	Ashok Kumar	Company Secretary & Compliance Officer
4	Mahantesh A Mukare	General Manager (Marketing)
5	Prashant Shetty	General Manager (Civil Works)

- b. **Details of Material Subsidiaries:** During the year under review, the company does not have any subsidiary or material subsidiary.
- c. **Agreements binding the Company:** During the year under review, the company has not entered into any agreement except an agreement for supply of power and gas with GAIL (India) Limited.
- d. **Materially significant related party transactions:** All Related party transactions have been furnished in the Note 27.3 forming part of the statement of accounts. None of the transactions stated therein may be considered to have potential conflict with the interests of the Company and all transactions are in the usual course of business of the Company. The related party transactions, in the ordinary course of business and on arm's length basis are subject to periodical review by the audit committee. Policy for determining 'material' subsidiaries and policy on dealing with related party transactions have already placed on the website of the company at www.naveentile.com.
- e. **Disclosures of transactions of the listed entity:** with any person or entity belonging to the promoter/promoter Group which hold(s) 10% or more shareholding in the listed entity, has been shown in Note 27.3 forming part of the statement of accounts as under for the financial year 2024-25:

(Rs. In Lakhs)

Name of Party	Sales	Purchase	Commission Receipts	Service Receipts	Closing Balance
RNS Infrastructure Limited	450.76	385.86	481.16	7459.62	1935.46

- f. **Board Disclosures and Risk Management:** The Company has regular procedure of reporting to the Board on quarterly basis about all significant transactions, developments, policies etc., concerning the industry in general and the Company in particular. The Board reviews the same and also uses the same as tool of risk assessment, planning and control.
- g. **Disclosures under the SEBI Regulations 2015:** The Company has been regular in making timely disclosures as prescribed under the SEBI Regulations 2015. The Company has not been subjected to any penalties or strictures either by SEBI or by Stock Exchanges in the last three years.
- h. **Disclosures in relation to the Sexual Harassment of Women at workplace:** Your Company is committed to providing work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promoting a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment. Your Company has a set of Policy in this respect. The following Statement shows the details of complaint received during the F.Y. 2024-25.

Particulars	Redaressal
Number of complaints filed during the financial year	NIL
Number of complaints disposed during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

- i. **Disclosure in relation to Maternity Benefit Act, 1961:** During the year under review your Company complies with the provisions of the Maternity Benefit Act, 1961, ensuring that all eligible female employees are entitled to maternity leave, benefits, and protections as mandated by the Act. We are committed to upholding the rights and welfare of women in the workplace in accordance with applicable legal standards.

- j. **Total fees for all services paid by the listed entity to the Statutory Auditor:** During the year under review the company has paid the following amounts to the Statutory Auditors of the Company:

Particulars	Amount (Rs.in lakhs)
Statutory Audit Fees	3.60
For Taxation Matter	0.60
For management services	0.60
Reimbursement of expenses	2.40

- k. **Acceptance of recommendation of committees:** The Board of Directors of the Company has always accepted the recommendations from all committees of the Board which are mandatorily required during the financial year 2024-25.

- l. **Disclosure of Non-Compliance:** Stock Exchanges have imposed fine on the Company for delayed taking of approval from the Members of the Company for appointment of Non-Executive Director, as required under Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- m. **Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:** Your companies always try to comply with all laws, rules, regulations, notifications, circulars, recommendation, and advisory issued by the various statutory departments from time to time. During the year under review your company has complied with all the applicable laws from time to time.

11. General Body Meetings:

The three Annual General Meetings of the Company were held at Hubballi where registered office of the Company is situated are as under:

a. Annual General Meeting:

Year ended	Date of Meeting	Time	Special Resolutions passed
2023-24	21.09.2024	3:00 P.M.	<ol style="list-style-type: none"> To approve existing and new Material Related Party Transaction(s) with RNS Infrastructure Limited (RNSIL) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013; Appointment of Shri Vishwanath Shetty (DIN: 10694435) as an Independent Director of the Company; Appointment of Shri Vittal Kadekar Menaka Shetty (DIN: 10695560) as an Independent Director of the Company; and Appointment of Smt. Shakunthala Shetty (DIN: 10704086) as an Independent Director of the Company.

Year ended	Date of Meeting	Time	Special Resolutions passed
2022-23	22.09.2023	3:00 P.M.	<ol style="list-style-type: none"> To approve existing as well as new Material Related Party Transaction(s) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013. Approval for re-appointment of Shri Karan Satish Shetty (DIN: 08168200) as the Whole Time Director of the Company.
2021-22	22.09.2022	3:00 P.M.	<ol style="list-style-type: none"> To approve existing as well as new Material Related Party Transaction(s) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013; Approval under Section 180(1) of the companies Act, 2013 and rules made thereunder; Approval to make Investments, to give Loans, to give guarantees and Provide Securities under Section 186 of the companies Act, 2013 and rules made thereunder; and Approval under section 185 of the companies Act, 2013 and rules made thereunder.

b. **Extra Ordinary General Body Meetings:** None

c. **Details of Special Resolution Passed during the year through Postal Ballot:** During the year under review the company has not passed any resolution through Postal Ballot.

12. Means of communication:

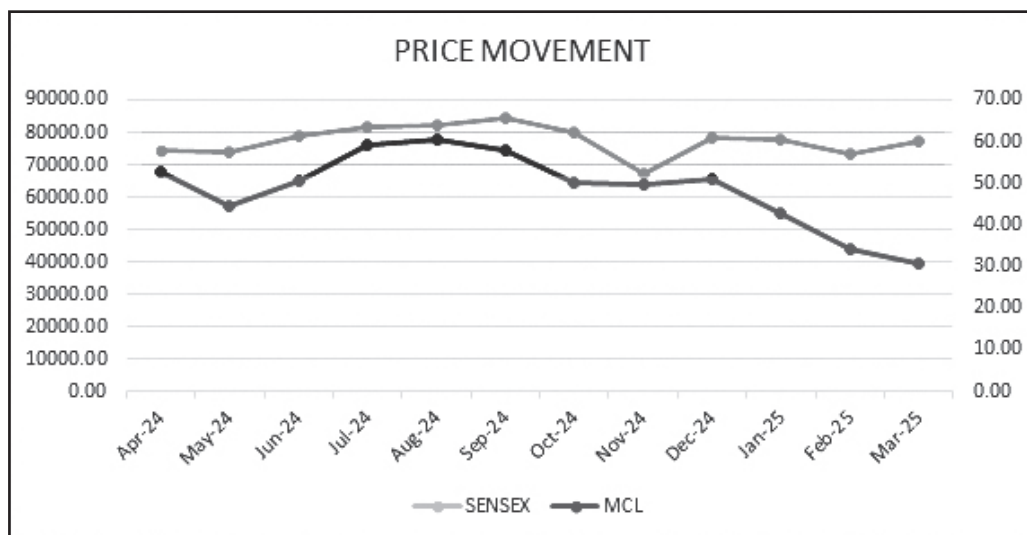
- The quarterly, half-yearly and annual Financial Results prescribed under Regulation 33 of SEBI (LODR) Regulations 2015 were published in Financial Express in English Version and Udayavani in Vernacular text and also made available on the website of the company at www.naveentile.com and the website of exchanges at www.bseindia.com and at <https://www.nseindia.com> respectively.
- The Presentations made to Institutional Investors were mainly on case-to-case basis and purely related to matters concerning the Company and corresponding Lenders. No analysts were involved during the year.
- The Company's website www.naveentile.com contained a separate dedicated section **"Investor Relations"** where all shareholders' information are available. The Company's Annual Report and all other necessary documents prescribed under under Regulation 46 of the SEBI (LODR) Regulations, 2015 is also uploaded on the website in a user friendly and downloadable form.
- All periodical compliances filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically through NSE - NEAPS and BSE - Listing Centre maintained by National Stock Exchange of India Limited and Bombay Stock Exchange Limited respectively.
- The investor complaints are processed in a centralized web-based complaints redress system of SEBI Complaints Redress System (SCORES). The salient features of this system are Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- The Management Discussion and Analysis report is separately annexed forming part of the Directors' Report.

13. General information to shareholders:

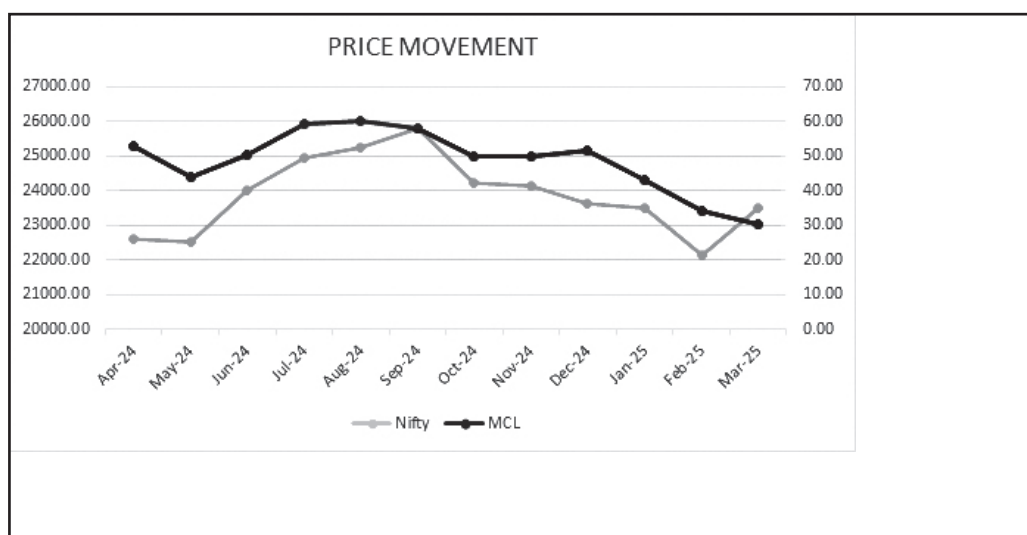
- Outstanding GDR/ ADR/ Warrants/ any other Convertible Instruments:** NIL
- Commodity Price risk of foreign exchange risk and hedging risk:** The Company has a Risk Management policy which the company follows in case of such situation.
- Plant Location:** Please refer first page of the Annual Report.

d. Annual General Meeting

1. Date and time : Monday, 25th day of August 2025 at 3:00 p.m. IST
 2. Venue : Hotel Naveen, Unkal Lake, Hubli - Dharwad Highway, Bairidevarkoppa, Hubballi – 580025.
- e. **Financial Year** : 1st day of April to 31st day of March of succeeding year.
- f. **Books Closure** : Monday, August 18, 2025 to Monday, August 25, 2025 (both days inclusive).
- g. **Stock Exch. on which listed and Stock Code** 1) Bombay Stock Exchange Ltd., (Stock Code 515037)
 2) National Stock Exchange of India Ltd., (Symbol MURUDCERA)
- h. **Murudeshwar Ceramics Limited Vs. BSE Sensex in the financial Year 2024-25:**



i. Murudeshwar Ceramics Limited Vs. NIFTY 50 in the financial Year 2024-25:

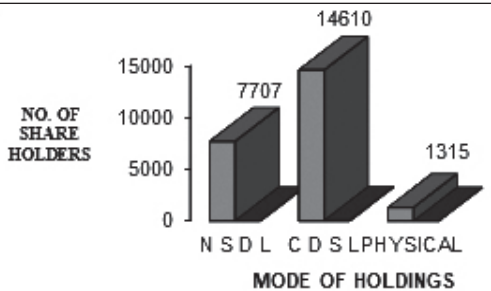


j. Market Price Data for the FY 2024-25:

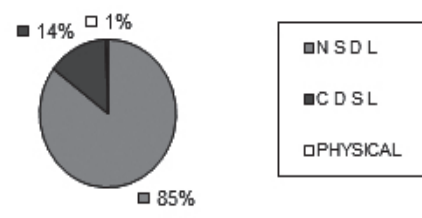
Month		BSE		NSE	
		Highest (Rs.)	Lowest (Rs.)	Highest (Rs.)	Lowest (Rs.)
April	2024	54.99	52.05	54.45	52.25
May	2024	50.50	43.10	44.50	43.10
June	2024	53.00	50.30	51.74	50.30
July	2024	61.00	55.95	60.95	55.92
August	2024	61.90	59.62	61.84	59.55
September	2024	59.05	54.10	58.85	57.08
October	2024	51.50	49.70	51.50	49.52
November	2024	50.00	49.00	49.92	48.51
December	2024	52.50	50.00	52.00	50.51
January	2025	43.57	42.06	43.37	42.06
February	2025	35.17	33.60	35.05	33.55
March	2025	32.40	30.09	32.44	30.20

k. Share Transfer System and Dematerialization:

Category	No. Of Holders	%
N S D L	7707	32.61
C D S L	14610	61.82
DEMAT	22317	94.44
Physical	1315	5.56
Total	23632	100.00



Category	No. Of Shares	%
N S D L	51651233	85.31
C D S L	8604952	14.21
DEMAT	60256185	99.52
Physical	289075	0.48
Total	60545260	100.00



At the end of March 31, 2025, the Company had 23632 shareholders holding 60545260 equity shares of the Company. Out of the which 22317 members (94.44%) hold 60253045 (99.52%) shares in dematerialized form. The Balance of 1315 members (5.56%) hold 289075 equity shares (0.48%) in physical form.

From the records it is clear that 1315 (5.56%) of the total number of members holding in all 289075 (0.48%) in physical form have still not taken action to dematerialize their shares, despite various reminders and appeal made by the Company in the interest of such members. Since, the trading of shares of this Company is allowed by Stock Exchanges only in dematerialized form, members holding shares in physical form will lose the advantage of easy liquidity for their shares unless their shareholding is dematerialized.

Such members are requested to dematerialize their shares in their own interest. Members may please contact their Depository Participants or may contact the Company Secretary for guidance.

l. Distribution of Shareholding as on 31.03.2025:

Nominal Value of Shares	No. of Holders	%	Number of Share	
			In paid up capital	% to Paid-up Capital
Upto 5,000	19495	82.49	2551255	4.21
5,001 - 10,000	2083	8.81	1717058	2.84
10,001 - 20,000	984	4.16	1511710	2.50
20,001 - 30,000	380	1.61	985199	1.63
30,001 - 40,000	144	0.62	518090	0.86
40,001 - 50,000	137	0.58	650696	1.07
50,001 - 1,00,000	227	0.96	1752219	2.89
1,00,001 & Above	182	0.77	50859033	84.00
TOTAL	23632	100	60545260	100.00

m. Shareholding Pattern as on 31.03.2025:

Sl. No.	Category of Shareholder	Number of shares	% Of holding
1	State Government/ Governor	2,200	0.00
2	Mutual Funds	800	0.00
3	Banks/Financial Institutions	400	0.00
4	NRI's	3,89,660	0.64
5	Hindu Undivided Family	5,31,454	0.88
6	Foreign Institutional Investors	271	0.00
7	Promoters, Promoter Directors & their Relatives	4,47,65,125	73.94
8	Other Bodies Corporates	5,68,558	0.94
9	Clearing Members	47,753	0.08
10	Resident Individuals	1,42,37,880	23.52
11	Proprietary Firm	459	0.00
12	Key Managerial Personnel	700	0.00
TOTAL		6,05,45,260	100

n. Compliance with non-mandatory requirements under Corporate Governance Provisions:

The Company has taken action to comply with non-mandatory requirements to the following extent:

- 1) At present Shri Satish Rama Shetty is the Chairman and Managing Director of the Company.
- 2) **Audit qualification:** The Company is in the regime of unqualified financial statements.
- 3) **Reporting of Internal Auditor:** The Internal Auditor of the Company reports directly to the Audit Committee.
- 4) **Training of Board Members:** The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. All new Non-Executive Directors inducted to the Board are introduced to the Company culture with appropriate orientation sessions. Periodic presentations are made at the Board and Board's Committee Meetings on business and performance updates of the Company, global business environment, business strategy and risks involved.

- 5) **The Whistle Blower Policy:** The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. The existence of the policy/mechanism is communicated through appropriate manuals within the organization.
- 6) **Risk Management:** The Board reviews the Company's risk management practices and activities periodically. This includes comprehensive review of various risks attached to the company's business for achieving key objectives and actions taken to mitigate them. The Board review and advises on risk management aspects inter alia in the areas of leadership development, information security, project management and execution risks, contracts management risks, financial risks, forex risks and geopolitical risks.

o. General:

- 1) Members of the Company may nominate a person to whom share(s) held by such Member/s shall vest in the event of the death of such member/s. Such Nomination should be prescribed as under the Companies Act, 2013.
- 2) Common and Simplified Norms for processing investor's service request by RTA and norms for furnishing PAN, KYC details and Nomination The Securities Exchange Board of India vide its circular SEBI/HO/ MIRSD-PoD/P/CIR/2023/37 dated March 16, 2023 amongst other things has advised the Companies and Registrar and Transfer Agents as follows: i. Mandatory furnishing of PAN, KYC details and Nomination by the holders of physical securities SEBI has mandated that all holders of Physical securities in listed company shall mandatorily furnish the following documents/ details to the Registrar and Share Transfer Agent (RTA) and the RTA shall not process any service requests or complaints received from the holder(s)/ claimant(s) till documents/ details are furnished to the RTA i. Permanent Account Number (PAN). ii. Nomination – Details of nomination shall be furnished in hard copy or through electronic mode with e-signature. iii. Contact – Postal address with PIN, Mobile number, E-mail address. iv. Bank account details – Bank name and branch, bank account number, IFS Code. v. Specimen signature. The folios wherein any one of the above stated documents/ details are not available on or after October 1, 2023, the said folios shall be frozen by RTA and the said folios shall be restored to normal status only after furnishing by the holders of Physical securities all the completed documents/ details as stated. Further, those folios that were frozen on or after October 1, 2023 and continues to remain frozen till December 31, 2025, post that such securities will be referred by RTA/ Company to the administering authority under Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.
- 3) The Listing Regulations has mandated that transfer of shares would be carried out only when shares are held in dematerialised form with effect from April 1, 2019. In view of this and to facilitate seamless transfer of shares in future, Shareholders holding shares in physical form are requested to dematerialize their shares. The Company's shares are tradeable in electronic form only and has established connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Canbank Computer Services Limited, our Registrar and Share Transfer Agents. The Shareholders can visit the below mentioned websites of the Depositories viz., NSDL www.nsdl.co.in or CDSL www.cdslindia.com for understanding the procedure of dematerialization of shares. In case of any queries, you may contact the Company or its Registrar and Share Transfer Agent.
- 4) It is noticed that some of the members holding shares in dematerialized form have not updated address, e-mail, phone numbers and Bank account details with their Depositories through their DPs. Some members holding dematerialized shares request the Company for updating the particulars. Members may please note that the Company has no access to their Demat accounts and all such corrections have to be got updated by the members in their Demat accounts through their respective DPs.

p. Address for Communication:

1. Members may contact **Company Secretary at the Registered Office of the Company at Murudeshwar Bhavan, 604/B, Gokul Road, Hubli – 580 030 [Phone: 0836 – 2331615 (upto 18)], Fax: 0836 – 4252583 or at 7th Floor, Naveen Complex, No. 14, M. G. Road, Bengaluru – 560 001 (Phone-080-25584181. Fax: 080-25584017)** for clarifications or grievances, if any.
2. In respect of members holding shares in physical form, all correspondences relating to share transfers, transmissions, issue

of certificates on split-up/ consolidation/ replacement, change of address and dematerialisation requests may be addressed to the Share Transfer Agents - **Bigshare Services Private Limited at its Office at S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai 40009. Phone: +91 22 62638300, Fax: 080 +91 22 6263 8399**

3. The Company has designated a separate E-mail Id - investor@naveentile.com for the benefit of members to report their grievances, if any, regarding their shareholding, transfers / transmissions and dividends.

q. Other Provisions:

Certificate from Auditors: Statutory Auditors have certified that the Company has complied with Corporate Governance Provisions. A copy of the said certificate is annexed forming part of this Report.

**By and behalf of the Board
For Murudeshwar Ceramics Limited**

**By and behalf of the Board
For Murudeshwar Ceramics Limited**

Place: Bengaluru

Sd/-

**Satish Rama Shetty
Chairman & Managing Director
DIN: 00037526**

Sd/-

**Naveen Rama Shetty
Director
DIN: 00058779**

Date: 29.05.2025

Auditors' Certificate on Compliance of Corporate Governance Provisions

To,

The Members,

Murudeshwar Ceramics Limited.

We have examined all relevant records of Murudeshwar Ceramics Limited (the Company) for the purpose of certifying compliance of conditions of Corporate Governance under Chapter IV read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the financial year ended on March 31, 2025.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause / Regulations.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in Chapter IV read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We further state that this certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For K G RAO & CO.,
Chartered Accountants ICAI
FIRM REG No: 010463S

Sd/-

**Krishnaraj K
Partner**

M. No: 217422

UDIN: 25217422BMNWUY2227

Place : Bengaluru

Date : 29.05.2025

Declaration regarding compliance with company's code of conduct by the board members and senior management personnel

To

The Members,
Murudeshwar Ceramics Ltd.

This is to confirm that the Company has laid down Code of Conduct for all Board members and senior management personnel of the Company and a copy of the said Code of Conduct is available on the Company's website at www.naveentile.com.

This is also to confirm that the members of the Board of Directors and senior management personnel within the meaning of the said Code of Conduct have affirmed compliance with the said Code of Conduct applicable to them for the year ended 31.03.2025.

For Murudeshwar Ceramics Limited

Sd/-

Satish Rama Shetty

Chairman & Managing Director

DIN: 00037526

Place : Bengaluru

Date : 29.05.2025

Managing Director and Chief Financial Officer Certification

(In terms of sub regulation 2(a) of Regulation 33 and sub regulation (8) 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II)

To,

**The Board of Directors,
Murudeshwar Ceramics Limited**

- A. We have reviewed the financial statements including Balance Sheet, Profit and Loss and the cash flow statement for the year ended 31st March 2025 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omission any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that they have evaluated the effectiveness of Internal Control Systems of the listed entity pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies if any in the design or operation of such Internal Controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies
- D. We have indicated to the Auditors and the Audit Committee;
- (1) Significant changes in Internal Control over Financial reporting if any during the year;
 - (2) Significant changes in Accounting Policies if any during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud if any of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal Control System over Financial Reporting.
- E. Further, we hereby certify that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

For Murudeshwar Ceramics Limited

Sd/-

Satish Rama Shetty

Chairman & Managing Director

DIN: 00037526

Place : Bengaluru

Date : 29.05.2025

For Murudeshwar Ceramics Limited

Sd/-

Narayan Manjunath Hegde

VP Finance & CFO

K.G. Rao & Co.
Chartered Accountants

Independent Auditor's Report

To the Members of Murudeshwar Ceramics Limited

Report on the Audit of Standalone Ind AS Financial Statement
Opinion

We have audited the standalone Ind AS financial statements of **Murudeshwar Ceramics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

we have determined the matters described below to be the Key Audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
1. Inventory The Value of inventory as at 31.03.2025 is 10,868.23 lakhs which is 19.09% of total asset value. given the size of the inventory balance relative to the total asset size of the company, the valuation of inventory required significant audit attention As disclosed in the notes forming part of statement of accounts inventories are held at the lower of cost or net realisable value determined using weighted average cost The determination of valuation of inventory requires management to exercise qualitative judgments and apply assumptions	We have performed the following procedures w.r.t valuation of the inventory and assessment of procedures of physical verification of inventory during the period to ensure accuracy of inventory reporting On a sample basis, we tested the net realisable value of inventory to recent selling prices. We have also considered the stock audit report by Account Special Monitoring (ASM) auditors engaged by the lending bank to ensure that there are no inconsistencies in reporting At the year end the valuation of inventory is reviewed by management and cost of inventory is revalued where inventory is forecast to be sold below cost. In the view of the management, basic raw material used is clay for manufacturing of tiles and the same being a natural resources, does not have any depletion in value over the passage of time.

Key Audit Matter	Auditor's Response
2. Property, Plant and Equipment Additions to Fixed assets during the year were 2,933.87 lakhs (including CWIP of the previous year). inappropriate timing of capitalization of project/inappropriate classification of categories of the items of PPE could result in material misstatement of CWIP/PPE with consequent impact on depreciation charge and results for the year	Our audit procedures included testing the design implementation and operating effectiveness of controls in respect of review of capitalization of assets, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of cut-off date considered for project capitalization We tested the source documentation to determine whether the expenditure is of capital nature and has been approved and segregated into appropriate categories. We reviewed operating expenses to determine the appropriateness of accounting.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, Including Indian Accounting Standard (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality

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

Communication with those charged with governance

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- 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.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books;
- The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Ind AS financial statements;
- In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.
- On the basis of the written representations received from the Directors of the Company as on 31 March 2025 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' report of the company.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended : In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Company's Management and the Board of Directors have represented that, to the best of their knowledge and belief, 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 or entity, including foreign entity ("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.
(b) The Company's Management and the Board of Directors have represented, that, to the best of their knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has declared and paid dividend during the financial year under audit and is in accordance with Sec.123 of the Companies Act, 2013.
 - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 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 softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure B**, a statement on the matters specified in the paragraph 3 and 4 of the order.

For K G Rao & Co.
Chartered Accountants
Firm Registration Number - 010463S
Sd/-
Krishnaraj K
Partner
Membership Number - 217422)
UDIN – 25217422BMNWUW3587

Place: Bengaluru
 Date: 29.05.2025

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirement' of our report to the members of Murudeshwar Ceramics Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Murudeshwar Ceramics Limited

We have audited the internal financial controls over financial reporting of **Murudeshwar Ceramics Limited** ("the Company") as of 31 March 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2025, 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 ICAI.

For K G Rao & Co.
Chartered Accountants
Firm Registration Number - 010463S

Place: Bengaluru
Date: 29.05.2025

Sd/-
Krishnaraj K
Partner
(Membership Number - 217422)
UDIN – 25217422BMNWUW3587

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal & Regulatory Requirement' of our report to the members of Murudeshwar Ceramics Limited of even date)

- i. In respect of the Company's Property Plant and Equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
 - (B) Based on the information and explanations made available to us, the company do not have any Intangible assets.
 - (b) The property, plant and equipment were physically verified by the management in accordance with a regular program of verification which, in our opinion, provides for physical verification of fixed assets at regular intervals. According to the information and explanations given to us, no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification of the inventory.
- (b) Based on the information and explanations given to us and documents verified by us, During the year the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from State Bank of India, Bank of Baroda, Canara Bank, Punjan National Bank, HDFC Bank, Etc on the basis of security of current assets. *The quarterly returns / statements filed by the Company with Banks are not in agreement with the books of account of the Company and the details of variances are as under –*

Quarter End	Value of Current assets as per books of accounts (Stock+WIP+Debtors-Creditors) (a)	Total Value of stocks and book debts as per statement given to bank (b)	Difference (c = a-b)
Jun-24	10,506.84	9,347.82	1,159.02
Sep-24	11,478.65	9,552.29	1,926.36
Dec-24	11,105.49	9,082.00	2,023.49
Mar-25	11,546.53	9,183.14	2,363.39

- iii. According to the information and explanations given to us, the company has not granted the loans/advances, secured or unsecured to the Companies, firms, Limited Liability Partnerships or any other parties except the guarantee given to the lenders of RNS Infrastructure Limited as detailed under and hence reporting under clause 3(III) (a), (c), (d), (e), (f) of the Order are not applicable to the company and hence not commented there upon.

- (a) (B) Details of the guarantee given by the company

Guarantee given to during the year	Guarantee as at the end of the year
Rs. 100 Crores	Rs. 450 Crores

- (b) In our opinion, the investments made during the year and guarantee given are, prima facie, not prejudicial to the Company's interest
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities, as applicable.
- v. The Company has not accepted any deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company in respect of products/service for which maintenance of prescribed cost records is mandated by Government of India U/s 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- c) Details of dues of income tax, excise duty and custom duty which have not been deposited as at 31.03.2025 on account of dispute are as under:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which Relates	Remarks
The Income Tax Act, 1961	Income Tax	High court of Karnataka	AY 2007-2008 to 2015-16	Disallowances of expenses and additions to income, Carry forward loss hence no tax demand arises
The Income Tax Act, 1961	Income Tax	CIT Appeals	AY 2006-2007	Disallowances of expenses and additions to income, Tax is paid under MAT, no additional demand
CGST Act, 2017	Goods & Service Tax	Appeal to be filed in High Court.	FY 2019-20	Total Demand as per order Rs.35,00,000/-
CGST Act, 2017	Goods & Service Tax	Order passed by Office of Superintendent of GST and Central Excise, Range-II, Karaikal. Appeal filed before the JCIT (Appeals), Chennai	FY 2020-21	Total Demand as per order is Rs.11,04,444/-

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 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 other lender.
- (c) The 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, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable for the year under report.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures and hence, reporting on clause 3(ix)(f) of the Order is not applicable for the year under report.
- x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments except term Loans which is applied for the purpose for which the same is raised.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore reporting under this clause is not applicable and hence not commented upon.
- xi. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As per information and explanations given to us, no whistle blower complaints were received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company, in determining the nature, timing and extent of our audit procedures and reporting.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him and hence reporting under the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. (a) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and hence reporting under the provisions of clause 3 (xvi) (a), (b) & (c) of the Order are not applicable to the Company.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit & in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

xxi. Our reporting on the matters specified in paragraphs 3(xxi) and 4 read with the proviso to paragraph (2) of the Companies (Auditor's Report) Order, 2020, has been made in paragraph (2) of Other Legal and Regulatory Requirements section of our Auditor's Report on the consolidated audited financial statements.

For K G Rao & Co.
Chartered Accountants
Firm Registration Number - 010463S

Sd/-

Krishnaraj K
Partner
(Membership Number - 217422)
UDIN – 25217422BMNWUW3587

Place: Bengaluru
Date: 29.05.2025

Audited Financial Statement from 01st April 2024 To 31st March, 2025
Standalone Balance Sheet as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Notes	March 31, 2025	March 31, 2024
ASSETS			
1 - Non Current Assets			
(a) Property, plant and equipment	3	34,789.40	36,013.96
(b) Capital work-in-progress		3,753.42	1,044.59
(c) Investment Property		115.35	115.35
(d) Goodwill		-	-
(e) Other Intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets Other than bearer plants		-	-
(h) Financial assets			
(i) Investments	4	923.52	923.52
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(i) Deferred tax Assets (Net)		-	-
(j) Other non-current assets	5	274.03	269.65
Total non - current Assets (A)		39,855.72	38,367.07
2 - Current Assets			
(a) Inventories	6	10,868.23	11,581.49
(b) Financial assets			
(i) Investments		-	-
(ii) Trade Receivables	7	4,056.85	1,643.16
(iii) Cash and cash equivalents	8	67.87	124.86
(iv) Bank balances other than (iii) above	8A	176.39	1,314.15
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	9	1,896.63	1,737.97
Total current assets (B)		17,065.98	16,401.63
Total Assets (A+B)		56,921.70	54,768.70
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	6,054.53	6,054.53
(b) Other equity		31,082.97	30,416.96
Total equity (C)		37,137.50	36,471.49

(Rs. in Lakhs)

LIABILITIES			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	3,961.88	4,190.64
(ia) Lease Liabilities	13	317.17	310.70
(ii) Trade payables	13	856.61	-
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	12	1,922.63	1,935.36
(d) Other Non Current Liabilities		-	-
Total non-current liabilities (D)		7,058.29	6,436.70
2 - Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	6,483.62	6,529.37
(ia) Lease Liabilities		-	-
(ii) Trade payables	14	3,064.65	2,495.27
(A) total outstanding dues of micro enterprises and small enterprises		169.17	123.88
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,895.48	2,371.39
(b) Other current liabilities	16	2,894.85	2,562.93
(c) Provisions	17	282.79	272.94
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities (E)		12,725.91	11,860.51
Total Equity and Liabilities (C+D+E)		56,921.70	54,768.70

In terms of our report attached

For K.G.RAO & Co.

Chartered Accountants

ICAI FIRM REGN. No.: 010463S

Sd-
KRISHNARAJ K

Partner

Membership No.:217422

UDIN : 25217422BMNWUW3587

Place : Bengaluru

Date : 29.05.2025

For and on behalf of the Board of Directors

MURUDESHWAR CERAMICS LIMITED
Sd-
SATISH R SHETTY
Chairman & Managing Director

(DIN 00037526)

Sd-
N M HEGDE
Vice President(Finance) & CFO
Sd-
NAVEEN R SHETTY
Director

(DIN 00058779)

Sd-
ASHOK KUMAR
Company Secretary

Audited Financial Statement from 01st April 2024 to 31st March, 2025
Standalone Statement of Profit and Loss for the year ended 31st March, 2025 (Rs. in Lakhs)

Particulars	Notes	March 31, 2025	March 31, 2024
I. REVENUES:			
Revenue from operations	18	20,286.37	18,630.82
Other Income	19	490.53	444.39
Total Income		20,776.90	19,075.21
II. EXPENSES:			
Cost of materials consumed	20	4,376.09	4,515.23
Purchase of Stock in Trade		1,057.07	822.73
Changes in inventory of Finished Goods and Work-In Progress	21	(100.04)	(906.38)
Employee benefit expenses	22	2,961.30	2,743.67
Finance costs	23	1,305.94	1,103.82
Depreciation and amortisation expense	3	1,449.59	1,200.02
Other expenses	24	8,532.00	8,447.22
Total Expenses		19,581.96	17,926.30
III. Profit/(loss) before exceptional items and tax (I-II)		1,194.95	1,148.90
IV. Tax Expense			
Current Tax		215.23	201.41
Deferred tax		195.10	344.07
Deferred Tax Provision for Earlier years Reversed			
Less : MAT Credit Entitlement		215.23	201.41
Add : MAT Credit Reversed		7.40	292.07
Total tax expense		202.50	636.14
V. Profit/(loss) for the period from continuing operations		992.44	512.76
VI. Other comprehensive income			
(a) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of Defined benefit plans		(32.06)	(36.06)
- Others		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		8.34	9.37
(b) (i) Items that may be reclassified to profit or loss		-	-
- Exchange differences in translating financial statements of a foreign operation		-	-
- Debt instruments through other comprehensive income			
Total other comprehensive income		(23.72)	(26.69)
VII. Total comprehensive income for the period (V+VI)		968.73	486.06
<i>(Comprising Profit(Loss) and Other Comprehensive Income for the year)</i>			
VIII. Earnings per equity share (for discontinued & continuing operation):			
Basic Rs.		1.60	0.84
Diluted Rs.		1.60	0.80

In terms of our report attached

For K.G.RAO & Co.

Chartered Accountants

ICAI FIRM REGN. No.: 010463S

For and on behalf of the Board of Directors

MURUDESHWAR CERAMICS LIMITED

**Sd-
KRISHNARAJ K**

Partner

Membership No.:217422

UDIN : 25217422BMNWUW3587

Place : Bengaluru

Date : 29.05.2025

**Sd-
SATISH R SHETTY**
Chairman & Managing Director
(DIN 00037526)

**Sd-
N M HEGDE**
Vice President(Finance) & CFO

**Sd-
NAVEEN R SHETTY**
Director
(DIN 00058779)

**Sd-
ASHOK KUMAR**
Company Secretary

**STANDALONE CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET
FOR THE PERIOD FROM April 2024 to March 2025**

(Rs. in Lakhs)

	2024-25	2023-24
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax & extra - ordinary items	1,194.95	1,148.90
Adjustments for:		
Net Profit/(Loss) of the Associate	-	-
Depreciation	1,449.59	1,200.02
Interest Paid	1,039.00	885.97
Rent Received	-	(6.53)
Loss on Sale of Fixed Assets	-	37.58
Profit on Sale of Assets	(0.65)	(17.99)
Interest Income on Investments	(28.32)	(20.94)
Dividend received	(29.79)	(29.79)
Other Income	(419.32)	(350.00)
Provision for taxation	(194.17)	(555.56)
Remeasurement of defined benefit plans	(32.06)	(36.06)
Operating profit before working capital changes	2,979.24	2,255.60
Adjustments for:		
Increase/(Decrease) in Long Term Liability	850.36	517.83
Decrease / (Increase) in Inventories	713.26	218.27
Decrease / (Increase) in Trade receivables	(2,413.69)	3.03
Increase / (decrease) in Trade Payables	569.38	(259.26)
Decrease/(Increase) in Short term loans & advances	-	-
Decrease/(Increase) in Other Current Assets	(310.80)	145.72
Decrease/(Increase) in Long Term Loans & Advances	(4.37)	(3.45)
Increase / (decrease) in Other Current Liabilities	331.92	349.89
Increase / (decrease) in Short Term Provisions	9.85	12.72
Cash generated from operations	2,725.14	3,240.35
Taxes paid	152.14	(155.53)
Cash flow before extra - ordinary item	-	-
Net Cash from Operating Activities	2,877.28	3,084.82
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,933.87)	(957.04)
Sale of fixed assets	0.65	57.12
Interest received	28.32	20.94
Dividend received	29.79	29.79
Rent received	-	6.53
Other Income	419.32	350.00
Investments	-	-
Net cash flow from investing activities	(2,455.79)	(492.66)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long term Borrowings repaid	(228.76)	(1,257.80)
Short Term Borrowings repaid	(45.75)	167.66
Proceeds from Issue of Share Capital	-	1,339.50
Issue of Share Warrants	-	(401.85)

IND AS Transition Reserve	-	-
Change in reserve	-	-
Dividend Paid	(302.73)	(288.48)
Interest paid	(1,001.73)	(860.32)
Interest on Lease Liabilities	(37.27)	(25.65)
Net cash used in Financial activities	(1,616.23)	(1,326.93)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,194.75)	1,265.22
CASH AND CASH EQUIVALENTS AS ON 31.03.2024	1,439.01	173.79
CASH AND CASH EQUIVALENTS AS ON 31.03.2025	244.26	1,439.01

NOTES TO THE CASH FLOW STATEMENT
CASH AND CASH EQUIVALENT:

Cash and cash equivalents consists of cash on hand and balances with Banks and Investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following Balance Sheet amounts.

	2024-25	2023-24
Cash on hand and balances with banks	244.26	1,439.01
Short Term investments	-	-
Cash and cash equivalents effect of changes in Exchange rates	-	-
Cash and cash equivalents as restated	244.26	1,439.01

In terms of our report attached

For K.G.RAO & Co.

Chartered Accountants

ICAI FIRM REGN. No.: 010463S

For and on behalf of the Board of Directors

MURUDESHWAR CERAMICS LIMITED

**Sd-
KRISHNARAJ K**

Partner

Membership No.:217422

UDIN : 25217422BMNWUW3587

Place : Bengaluru

Date : 29.05.2025

**Sd-
SATISH R SHETTY**
Chairman & Managing Director
(DIN 00037526)

**Sd-
N M HEGDE**
Vice President(Finance) & CFO

**Sd-
NAVEEN R SHETTY**
Director
(DIN 00058779)

**Sd-
ASHOK KUMAR**
Company Secretary

CERTIFICATE

We have examined the above Cash Flow Statement of Murudeshwar Ceramics Ltd.,for the year ended 31.03.2025 and certify that the said statement has been prepared by the Company in accordance with IND AS-7 issued by the Institute of Chartered Accountants of India and as per requirement of Listing Agreements with Stock Exchanges and is based on and is in agreement with Profit & Loss Account and Balance Sheet of the Company for the year ended on 31.03.2025.

For K.G.RAO & Co.

Chartered Accountants

ICAI FIRM REGN. No.: 010463S

Place : Bengaluru

Date : 29.05.2025

**Sd-
KRISHNARAJ K**
Partner
Membership No.:217422

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

Note: 1 Corporate Information

Murudeshwar Ceramics Limited (the Company) was established in the year 1983. The Company is manufacturing and trading Ceramic and Vitrified floor & wall Tiles. The Registered Office of the Company is at 604/B, Murudeshwar Bhavan, Gokul Road, Hubli – 580030 and the Corporate Office is at Naveen Complex, 7th Floor, 14, M.G.Road, Bengaluru - 560001. The Company is having 2 manufacturing plants at Sira, Dist. Tumkur and Karaikal, Pondicherry. The Company trading Vitrified Tiles and Ceramic Tiles sourced through job work basis as well. The Company's products are branded as "Naveen Ceramic Tiles" and "Naveen Diamontile". The Company is having well established marketing network all over the country.

Note: 2 Significant Accounting Policies

1. Basis of Preparation

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the 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 as amended from time to time.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

Basis of measurement

The financial statements have been prepared on the historical cost basis except certain financial assets and liabilities which are required to be measured at fair value as per Ind AS.

2. Use of estimates and judgment

In the application of the Company's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Current / Non-Current Classification

The Company recognizes any asset or liability as current if it satisfies any of the following conditions:

- Asset/Liability is expected to be realized/settled during the company's normal operating cycle.
- The asset is intended for sale or consumption.
- The Asset/Liability is held primarily for the purpose of trading.
- The Asset/Liability is expected to be realized/settled within 12 months after the reporting period.
- The Asset is cash/cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- In the case of the liability, the company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

3. Revenue

- i) Disclosure as per Ind AS 115 "Revenue from contract with Customers - Revenue from contract from customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the company is expected to be entitled to in exchange for those goods or services. The Transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by company as part of the contract. Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.
- ii) Sale of Products - Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time that is, when the material is shipped to the customer or on delivery to the customer as may be specified in the contract.
- iii) Rendering of Services - The Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligations for the services rendered. The company uses output method for measurement of revenue from services.
- iv) Interest - Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- v) Dividend - Revenue is recognised when the shareholder's or unit holders right to receive payment is established, which is generally when share holders approve the dividend.
- vi) Rental Income - Rental income from the properties given on lease (net of any incentives given to the lessees) is recognized on accrual basis over the lease term.

4. Expenses

All expenditures are accounted on accrual basis after reducing any specific income attributable to such expenditure.

5. Property, plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken to improve the economic benefits expected to arise from the asset.

Capital Work in Progress

The cost of assets not ready for intended use, as on the balance sheet date, is shown as Capital Work in Progress.

Depreciation commences when the assets are ready for their intended use

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Plant and Machinery and Factory building, in those case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is provided on estimated useful lives of the assets as per Schedule – II of the Companies Act, 2013 except for the following assets where the useful life has been estimated based on the technical estimate.

Assets	Estimated Life	Life as per Schedule-II
Plant & Machinery	25-30 Years	20 Years
Building/Factory	50 Years	60 Years

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

Amounts spent on Site preparation at Quarry for mining of Clay have been capitalized under the head Building-Others and Depreciation provided accordingly.

No depreciation is charged on capital work in progress and free hold land.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition

The carrying amount of an item of property, plant and equipment, is de-recognized on disposal or when no future economic effects are expected from its use or disposal. The Gain or Loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

6. Inventories

Raw Materials, Work in progress, finished goods, packing materials, stores, spares, components, consumables and stock in trade are carried at the lower of cost and net realizable value. However, the materials and other items held for use in production of inventories are not written down below cost If the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis. Net realizable value is the estimated selling price in the ordinary course of the business less estimated cost of completion and estimated costs necessary to make the sale.

In determining the cost of raw materials, packing materials, stock in trade, stores, spares, components and consumables weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities) and all the other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work in progress, includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

7. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain

The Company's lease asset classes primarily consist of leases for shops. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

8. Investments in associate company

The company has elected to recognize its investments in associate company at cost in accordance with the option available in IND AS 27 "Separate financial statements".

While preparing the consolidated financial statements, the company has followed Equity Method as per IND AS 28 "Investment in Associates & Joint Ventures".

9. Taxes on Income

Current Tax

The current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Indian Income Tax Act, 1961.

Deferred Tax

Deferred income tax is provided using the liability method on all timing differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the tax rates and tax laws substantively enacted at the balance sheet date. In assessing the realisability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

10. Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are considered as cost on initial recognition.

The Disclosure as per IND AS is given as under –

As on 31.03.2025 (Rs. In Lakhs)

Cash and cash equivalents including other bank balances	Note	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial Assets:						
Trade receivables	7	-	-	4,056.85	4,056.85	-
Cash and cash equivalents including other bank balances	8	-	-	244.26	244.26	-
Investments	4	-	-	923.52	923.52	-
Other financial assets	5	-	-	-	-	-
Total Financial Assets		-	-	5,224.63	5,224.63	-
Financial Liabilities:						
Trade payables	14	-	-	3,921.26	3,921.26	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

Lease Liabilities	13	-	-	317.17	317.17	
Other financial liabilities	15	-	-	6,483.62	6,483.62	-
Total Financial Liabilities		-	-	10,722.06	10,722.06	-

As on 31.03.2024 (Rs. In Lakhs)

Cash and cash equivalents including other bank balances	Note	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial Assets:						
Trade receivables	7	-	-	1,643.16	1,643.16	-
Cash and cash equivalents including other bank balances	8	-	-	1,439.01	1,439.01	-
Investments	4	-	-	923.52	923.52	
Other financial assets	5	-	-	-	-	-
Total Financial Assets		-	-	4,005.69	4,005.69	-
Financial Liabilities:						
Trade payables	14	-	-	2,495.27	2,495.27	-
Lease Liabilities	13	-	-	310.70	310.70	
Other financial liabilities	15	-	-	6,529.37	6,529.37	-
Total Financial Liabilities		-	-	9,355.34	9,355.34	-

Other Financial Instruments and Cash & Cash Equivalents

The Company held cash and cash equivalents of Rs.67.87 Lakhs (31st March 2024 - Rs.124.86 Lakhs). The cash and cash equivalents are held with banks with high rating. The Company held deposits with banks and financial institutions of Rs.176.39 Lakhs (31st March 2024 - Rs. 1314.15 Lakhs), In order to manage the risk, Company places deposits with only high rated banks/institutions.

(Amount in Rs. Lakhs)

Particulars	As at	As at
	31-Mar-25	31-Mar-24
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL).		
Non-current Investment	923.52	923.52
Non-current Loans & Advances	200.50	200.50
Other Non-Current Financial Assets	73.53	69.16
Cash & Cash Equivalent	67.87	124.86
Bank balances other than cash and cash equivalents	176.39	1,314.15
Current Loans & Advances	-	-
Other Current Financial Assets	1,896.63	1,737.97
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)	-	-
Trade Receivables	4,056.85	1,643.16
Total	7,395.30	6,013.31

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

Fair Value Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: Inputs for the assets or liabilities that are not based on the observable marked data (unobservable inputs).

Measurement of fair value of financial instruments

The fair value measurement is not applicable since there were no financial assets and liabilities are measured at fair value.

Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, other balances with banks, loans and deposits that derive directly from its operations.

Company is exposed to following risk from the use of its financial instrument:

1. Market Risk
2. Credit Risk
3. Liquidity Risk

1. Market Risk : Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risk comprises three types of risk: Interest rate risk, foreign currency risk and another price risk.

- a) Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of market interest risk. The Company's exposure to risk of changes in market interest rates is minimal. The company has not used any interest rate derivatives.
- b) Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company has not entered into any forward exchange contracts/derivative contracts.
- c) Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The company has not invested in any traded equity instruments or bonds.

2. Credit risk

The credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the company. Credit risk arises from financial assets such as trade receivables, other balances with banks, loans and other receivables. The Company has adopted a policy of only dealing with the counterparties that have sufficiently high credit ratings. The exposure and credit ratings of the counterparties are continuously monitored, and aggregate value of transactions is reasonably spread amongst the counterparties. There are no cases of historical defaults and hence no provision for expected credit loss is necessary.

3. Liquidity risk

The liquidity risk is the risk that the company will encounter difficulty in raising funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. The company has established liquidity risk management framework for managing its short term, medium term and long term and liquidity management requirements. The company has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

11. Borrowings and Borrowing Cost

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

12. Provision and contingencies

The company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resource embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The details of contingent liabilities as on balance sheet are as under;

Particulars	Amount (Rs. In lacs)
i. Indirect tax demands -	
GST – FY 2019-20	35.00
GST – FY 2020-21	11.04
ii. Corporate Guarantee given by the Co.-(a) RNS Infrastructure Limited	45,000.00

13. Cash and cash equivalents

Cash and cash equivalent for the purpose of balance sheet comprises of cash and banks balances.

14. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events of bonus issue and share split.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

15. Employee benefits

(i) **Short term Employee benefits:** Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance – linked rewards falling due wholly within the twelve months or rendering the service are classified as short term employee benefits and are expensed in the period in which employee renders the related service.

(ii) Post-employment benefits

A. **Defined contribution plans:** The company's superannuation scheme, the state governed provident fund scheme, employee insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under such schemes is recognized during the period in which the employee renders the related service.

B. **Defined benefit plans:** The present value of obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

The obligation is measured at the present value of estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to weighted average maturity profile of defined benefit obligations at the balance sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amount included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other comprehensive income and is reflected in Retained earnings and the same is not eligible to be reclassified to profit and loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognized in the Statement of Profit and loss as employee benefits expense, interest cost implicit in the defined benefit employee cost is recognized in the Statement of Profit and Loss under finance cost.

Gains or losses on settlement on any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the company recognized related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

- (iii) **Long term employee benefits :** The obligation recognized in respect of long term benefits such as compensated absences, long service award is measured at present value of estimated future cash flows expected to be made by company and is recognized in similar manner as in the case of defined benefit plans as above.

Gratuity - The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. Gratuity has been paid through an approved gratuity fund managed by the LIC of India. Premium paid thereon is accounted as expenditure. The Company has also provided for gratuity as per actuarial valuation performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk

Leave Encashment - Leave encashment has been determined based on the actuarial valuation, available leave entitlement at the end of each calendar year. The incremental amount so calculated each year is debited to Salaries and Wages - leave encashment.

16. Investment Property:

The disclosure as per IND AS is as under –

- Accounting policy for measurement of investment
The entity is following cost model for recognition & measurement of investment.
- The investment property is valued and recognised at Cost, therefore no such valuation is carried out by any professional/ valuers.
- Amounts recognised in the Profit & Loss Account

Rental income from Investment Property	-
Direct Operating Expenses arising from Investment Property generating rental income	
Municipal Tax/Property Tax	31,545
Flat Maintenance Charges	2,07,144
Direct Operating Expenses arising from Investment Property not generating rental income	NA

- The existence and amounts of restrictions on the reliability of the Investment Property or remittance of income and proceeds of disposals – Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)

5. Contractual obligation to purchase, construct or develop investment property or for repair and maintenance or enhancements - Nil.
6. Asset Value and Depreciation Disclosure:
 - Depreciation method used: Straight Line Method
 - Useful life of Depreciation: 50 Years
 - Asset Schedule

Property	Opening as on 01.04.2024 [A]	Addition [B]	Deletion [C]	Depreciation for the year [D]	Closing value as on 31.03.2025 E=[A+B-C-D]
FLAT AT BANGALORE - JUNGFRAU BLOCK NO. 306	38,44,972	-	-	81,375	37,63,597
FLAT AT BANGALORE - JULIAN BLOCK NO. 307	38,44,972	-	-	81,375	37,63,597
FLAT AT BANGALORE - ARONIA BLOCK NO. 501	38,44,972	-	-	81,375	37,63,597
TOTAL					1,12,90,791

7. Fair Value of Investment Property
 - Since the Investment property is valued following the cost model, no fair valuation is carried out.

17. Segment reporting policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

18. Events after the reporting date

Where events occurring after the balance sheet date provide evidence of the conditions that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of the material size of the nature are only disclosed.

19. Government Grants/Subsidy

The Company has not received subsidy of any kind from the government during the year.

20. The Company has been maintaining its books of accounts in the Odoo 16 which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021.

21. Recent Pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its financial statements.

22. Additional Reporting requirement as per amendment in Schedule III of the Company's Act 2013:
1. Details of Benami Property held:

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

2. Title deeds of immovable properties not held in name of the company:

There are no immovable properties which are not held in name of the company. In case of leasehold property lease deeds are duly executed in favour of company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)
3. Valuation of Property, Plant & Equipment, intangible asset and investment property:

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

4. The fair value of Investment Property is based on prevailing Government prescribed value of the property which is not based on valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
5. The details of Loans or Advances in the nature of loans granted to promoters, directors, KMPs and other related parties are as below:

(Amount in Lakhs)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
KMPs	-	-
Related Parties	-	-
NIL		

6. Borrowings from Banks or Financial institution on the basis of Security of Current Assets:

The company has availed short term loans/working capital facilities from banks or financial institution on the basis of security of Current Assets. The quarterly details submitted to the banker are not in agreement with books of accounts, the variances as detailed under-

(Rs. In Lakhs)

Quarter Ending	Value of Current assets as per books of accounts (Stock+WIP+Debtors-Creditors) (a)	Total Value of stocks and book debts as per statement given to bank (b)	Difference (c = a-b)
Jun-24	10,506.84	9,347.82	1,159.02
Sep-24	11,478.65	9,552.29	1,926.36
Dec-24	11,105.49	9,082.00	2,023.49
Mar-25	11,546.53	9,183.14	2,363.39

Reason for variance:

** Receivables/inventories outstanding for more than 6 months are not considered for Drawing Power calculation for working capital. As a result, total value of stocks and book debts submitted to the banker is less than the value appearing in the books of accounts.*

7. Wilful Defaulter:

The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

8. Relationship with struck off Companies:

The Company has no transactions with the companies struck off under the Companies Act, 2013.

9. Compliance with approved scheme(s) of arrangements:

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

10. Undisclosed Income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account

11. Details of crypto currency of virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd..)
12. Utilisation of Borrowed funds and share premium:

The Company has utilised borrowed fund for the purpose as specified in the terms of sanctions.

13. Registration of charges or satisfaction with Registrar of Companies:

No charges or satisfaction are pending to be registered with Registrar of Companies except the following –

For the following loans, the satisfaction of charge is yet to be registered with RoC

Sl. No.	Charge ID	Loan Amount (Charge Created for) (Rs)	Bank/Financial Institution	Reason for delay
1	100228171	28,75,920/-	Sundaram finance limited	The loan closure & clearance related documents are yet to be received from the lender.
2	100359329	1,05,00,000/-	Bank of Baroda	The loan closure & clearance related documents are yet to be received from the lender.

14. Corporate Social Responsibility:

The details of Contribution to Corporate Social Responsibility are as follows:

Amount Required to be spent	Amount of Expenditure Incurred	Shortfall at 31.03.2025	Total of Previous Years Shortfall	Reasons for Shortfall	Nature of CSR Activities	Remark
15,05,366	16,64,722	-	-	-	1. Contribution for Medical Relief.	Contribution made to RNS Trust.

15. Financial ratios are separately enclosed.

For and on behalf of
K G Rao & Co.,
Chartered Accountants
FRN: 010463S

**Sd-
Krishnaraj K.**
Partner
M. No. 217422
Place: Bengaluru
Date: 29.05.2025

By Order of the Board
For Murudeshwar Ceramics Limited

**Sd-
Satish R Shetty**
Chairman & Managing Director
(DIN 00037526)

**Sd-
Naveen R Shetty**
Director
(DIN 00058779)

Particulars	FY 2024-25	FY 2023-24	Variation (Increase/ Decrease as a % of last year ratio)	REMARKS - (If variation is more than 25%)
1. Current Ratio				
Current assets	17,065.98	16,401.63		
Current liabilities	12,725.92	11,860.52		
	1.34	1.38	(3.03)	NA
2. Debt Equity Ratio				
Total Debts	3,961.88	4,190.64		
Shareholders Equity	37,137.49	36,471.49		
	0.11	0.11	-	NA
3. Debt Service Coverage Ratio				
Earnings available for debt service	3,747.33	2,836.19		
Debt Service	2,623.15	2,147.49		
	1.43	1.32	8.33	NA
4. Return on Equity				
Net Profits after taxes – Preference Dividend (if any)	968.73	486.08		
Average Shareholder's Equity	36,804.50	35,903.87		
	0.03	0.01	(200.00)	There is an increase in profitability for the current year.
5. Inventory Turnover Ratio				
Sales	20,286.37	18,630.82		
Average Inventory	11,224.86	11,690.62		
Average inventory is (Opening + Closing balance / 2)	1.81	1.59	13.84	NA
6. Trade receivables turnover ratio				
Net Credit Sales	20,286.37	18,630.82		
Avg. Accounts Receivable	2,850.01	1,644.68		
Average trade debtors = (Opening + Closing balance/2)	7.12	11.33	(37.16)	The receivable is increase for the year.
7. Trade Payables turnover ratio				
Net Credit Purchases	10,856.70	10,529.46		
Average Trade Payables	2,779.96	2,624.90		
	3.91	4.01	(2.49)	NA
8. Net capital turnover ratio				
Net Sales	20,286.37	18,630.82		
Working Capital	4,340.06	4,541.12		
Working capital shall be calculated as current assets minus current liabilities	4.67	4.10	13.90	NA
9. Net Profit Ratio				
Net Profit	968.73	486.08		
Net Sales	20,286.37	18,630.82		
	0.05	0.03	(66.67)	Increase in profitability.

Particulars	FY 2024-25	FY 2023-24	Variation (Increase/ Decrease as a % of last year ratio)	REMARKS - (If variation is more than 25%)
10. Return on Capital Employed				
Earning before interest and taxes	2,500.89	2,252.72		
Capital Employed	43,022.00	42,597.48		
	0.06	0.05	(20.00)	NA
11. Return on Investment				
{MV(T1) – MV(T0) – Sum [C(t)]}	5.48%	-0.59%		
{MV(T0) + Sum [W(t) * C(t)]}				
T1 = End of time period				
T0 = Beginning of time period				
t = Specific date falling between T1 and T0				
MV(T1) = Market Value at T1				
MV(T0) = Market Value at T0				
C(t) = Cash inflow, cash outflow on specific date				
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$				

Notes forming part of the financial statements

Note 03: Property, Plant & Equipment and Other Intangible Assets

Changes in the carrying value of property, plant and equipment for the period ended March, 2025:

(Rs in lakhs)

Particulars	Property, Plant and Equipment							Other Intangible Asset				Total	
	Leasehold improvements	Building	Plant and equipment	Computers	Office furniture and fixtures	Vehicles	Right to use Assets	Total	Investment Property	Goodwill	Other Intangible assets		Intangible assets under development
Gross carrying value as of April 1, 2024	8,084.56	10,137.21	23,690.25	55.90	129.67	120.25	970.01	599.90	43,787.74	134.27			43,922.01
	10.68	-	75.13	8.48	25.25	9.76	-	95.73	225.03	-			225.03
		-	-	-	-	-	-	-	-	-	-		-
Gross carrying value as of March 31, 2025	8,095.24	10,137.21	23,765.38	64.38	154.92	130.02	970.01	695.63	44,012.77	134.27			44,147.04
	-	1,530.65	5,475.34	50.11	54.23	71.75	276.69	315.01	7,773.78	18.92			7,792.70
	-	218.49	972.91	5.27	25.47	9.47	117.72	100.25	1,449.59	-			1,449.59
Accumulated depreciation on deletions		-	-	-	-	-	-	-	-	-			-
Accumulated depreciation as of March 31, 2025	-	1,749.14	6,448.25	55.38	79.71	81.23	394.42	415.26	9,223.38	18.92			9,242.30
Carrying value as of March 31, 2025	8,095.24	8,388.07	17,317.13	9.00	75.21	48.79	575.59	280.37	34,789.40	115.35			34,904.74
Carrying value as of March 31, 2024	8,084.56	8,606.55	18,214.91	5.79	75.44	48.50	693.31	284.89	36,013.96	115.35			36,129.31

CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	2,708.83	1,045.59	-	-	3,753.42	
Advance for purchase of Land	-	-	-	-	-	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 4. Investments

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	Equity Instruments	Govt & Trust Securities	Debenture & Bonds	Total	Equity Instruments	Govt & Trust Securities	Debenture & Bonds	Total
Investments in								
a) Subsidiaries								
b) Associates	908.03			908.03	908.03			908.03
c) Joint Ventures								
d) Structured Entities	2.00	0.49	13.00	15.49	2.00	0.49	13.00	15.49
Total	910.03	0.49	13.00	923.52	910.03	0.49	13.00	923.52
Of Above								
Quoted Investments	-	-	-	-	-	-	-	-
Market Value								
Unquoted Investments	910.03	0.49	13.00	923.52	910.03	0.49	13.00	923.52
Impairment								

Other Financial Assets

NOTE 5. Other Non Current Assets	As at 31.03.2025	As at 31.03.2024
(i) Capital Advances/Prepaid Rent	15.66	16.13
(ii) Prepaid Interest - IND AS	4.30	4.30
(iii) Advances against purchase of shares	-	-
(iv) Security Deposits	53.57	48.72
Total	73.53	69.16
5. Non-Financial Assets :		
(i) PLA & Cenvet Credit	-	-
(ii) VAT credit receivable	19.66	19.66
(iii) Service Tax credit receivable	-	-
(iv) Income Tax Refund Receivable	180.83	180.83
	200.50	200.50
Total	274.03	269.65

NOTE 6. Inventories

Particulars	As at 31 March, 2025	As at 31 March, 2024
Raw Materials	1,999.57	2,786.47
Work In Progress	687.33	931.46
Finished Goods	6,444.24	6,099.35
Stock in Trade	135.38	113.20
Stores and Spares	1,601.71	1,651.01
Loose Tools	-	-
Others	-	-
Total	10,868.23	11,581.49
Goods in Transit	-	
Method of Valuations	Weighted Average	Weighted Average

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 7. Trade Receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	559.02	474.40
Doubtful	-	-
	559.02	474.40
Less: Provision for doubtful trade receivables	-	-
	559.02	474.40
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	3,497.83	1,168.76
Doubtful	-	-
	3,497.83	1,168.76
Less: Provision for doubtful trade receivables	-	-
	3,497.83	1,168.76
Total	4,056.85	1,643.16

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Private companies in which any director is a director or member		
RNS Infrastructure Limited	1,936.46	-
Murudeshwar Power Corporation Pvt. Ltd	-	-
Naveen Hotels Pvt. Ltd	94.26	-
	2,030.72	-

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2025				
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
(i) Undisputed Trade Receivables - considered good	3,497.83	76.92	411.81		3,986.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	70.29	-	70.29
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-

NOTE 8. Cash and Cash equivalents

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balances with bank(of nature cash and cash Equivalents)		
- Current Accounts	52.51	114.59
- Cash on hand	15.36	10.27
Total	67.87	124.86

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 8A. Bank balances other than Cash and Cash equivalents

Particulars	As at 31 March, 2025	As at 31 March, 2024
Earmarked Funds- unpaid dividends*	7.25	2.85
Margin Money	169.14	1311.30
Total	176.39	1314.15

NOTE : 9 OTHER CURRENT ASSETS

	As at 31 March, 2025	As at 31 March, 2024
(i) Capital Advances	-	-
(ii) Advances other than Capital Advances		
Security Deposits	571.85	563.52
Advances to Related Parties	-	-
Other Advances	-	-
Advances to :		
Directors	-	-
Officers	-	-
Firms (Related party)	-	-
Private Companies (Related party)	-	-
Interest Accrued on Deposits	64.56	72.97
Total	636.41	636.49
(iii) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	361.66	359.19
Doubtful	-	-
Total	361.66	359.19
iv) Balances with government authorities		
Unsecured, considered good		
(i) GST Credit	1.40	(0.32)
(ii) PLA & Cenvet Credit	-	-
(iii) VAT credit receivable	-	-
(iv) Service Tax credit receivable	-	-
(v) Income Tax Refund Receivable	-	-
Total	1.40	(0.32)
v) Prepaid expenses - Unsecured, considered good	66.79	61.06
vi) Others - Advances		
Secured, considered good		
For supply of goods and rendering services	678.23	525.57
Advance Payment of Income Tax	152.14	155.98
	830.37	681.55
Less: Provision for other doubtful loans and advances	-	-
Total	830.37	681.55
Total	1,896.63	1,737.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..) *(Rs. in Lakhs)*
NOTE 10. Statement of changes in Equity

Particulars	Equity share capital	Other Equity Reserve & Surplus					Total equity attributable to equity holders of the Company	
		Money Received Against Share warrant	Securities Premium	Retained Earnings	General Reserve	Capital/ Capital Redemption Reserve		IND AS Transition Reserve
Restated Balance as on April 1, 2023	5,769.53	401.85	13,549.04	1,094.21	12,795.85	1,615.80	109.97	35,336.25
Changes in equity share capital	285.00	(401.85)	1,054.50)	-	-	-	-	937.65
Fresh Share Warrant issued during the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	486.07	-	-	-	486.07
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	-
Dividends (including Corporate Dividend Tax)	-	-	-	288.48	-	-	-	288.48
Restated Balance as on April 1, 2024	6,054.53	-	14,603.54	1,291.80	12,795.85	1,615.80	109.97	36,471.49
Changes in equity share capital	-	-	-	-	-	-	-	-
Fresh Share Warrant issued during the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	968.73	-	-	-	968.73
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
Interim Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-
Final Dividends (Including Corporate Dividend Tax)	-	-	-	302.73	-	-	-	302.73
Balance as of MAR 31, 2025	6,054.53	-	14,603.54	1,957.80	12,795.85	1,615.80	109.97	37,137.49

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

I. Equity Share Capital:		Number of Equity Shares	Amount Rs. In lakhs
(a) The number of shares authorised;		7,16,20,000	7,162.00
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;			
Issued		6,05,45,260	6,054.53
subscribed and fully paid		6,05,45,260	6,054.53
subscribed but not fully paid (Shares are forfeited and the amount received are disclosed under Capital reserve)		24,857	0.78
(c) par value per Share;	Rs.		10
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;			
at the beginning fully paid up		6,05,45,260	
at the end fully paid up		6,05,45,260	
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;		Not Applicable	
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;		Not Applicable	
(g) shares in the company held by each shareholder holding more than five per cent. Shares specifying the number of shares held;			
RNS INFRASTRUCTURE LIMITED		1,28,52,966	21.23%
MURUDESHWAR POWER CORPORATION PRIVATE LIMITED		2,31,62,172	38.26%
(h) shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts;		Not applicable	
(i) for the period of five years immediately preceding the date at which the Balance Sheet is prepared			
• number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;		Not applicable	
• aggregate number and class of shares allotted as fully paid up by way of bonus shares; and		Not applicable	
• aggregate number and class of shares bought back;		Not applicable	
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;		Not applicable	
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);		Not applicable	
(l) forfeited shares (amount originally paid up).	No. of Shares 24,857	Rs. In Lakhs 0.78	
(m) A company shall disclose Shareholding of Promoters as under:			
Shares held by promoters at the end of the year			
RNS Infrastructure Limited	1,28,52,966	21.23	P.Y % Change during the year
Murudeshwar Power Corporation Private Limited	2,31,62,172	38.26	
Others	87,49,987	14.45	
Total	4,47,65,125	73.94	73.94 0.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

NOTE 11. Borrowings	As at 31 March 2025	As at 31 March 2024
Bonds and Debentures	-	-
Term Loans :		
From Banks :		
Secured	3,107.73	3,876.27
Unsecured	-	-
From Others	854.14	314.36
Deposits		
Loans from Related parties	-	-
Long term maturities of Finance lease obligations	-	-
Liability component of Compound Finance Instruments	-	-
Other loans	-	-
	3,961.88	4,190.64

The Term Loans from Banks are repayable in monthly instalments. Interest is payable on monthly basis. The Term Loans from HDFC Bank is secured by exclusive first charge created on immovable property and Plant and machinery at Sira Plant. The Working Capital Loans from banks namely Canara Bank, Punjab National Bank and HDFC Bank are secured by first charge created on the immovable properties, Stock and Book Debts and second charge created on movable Plant & Machinery except the exclusive charge created in favour of HDFC Bank for availing Term Loan and Assets hypothecated to concerned institutions/Bankers against specific finance for the same. The WCTL under Gaurenteed Emergency Credit Line (GECL 2.0) and GECL 2,0 - Extended availed from consortium banks namely Canara Bank, Punjab National Bank are secured by second charge created/to be created on the immovable assets of the Company. Loans from Sundaram Finance Limited and Kotak Mahindra Bank for specific assets are secure against hypothication of specific items of assets financed for. Loans from LIC of India is against pledge of Key Man Policy. All the secured loans have been further secured by way of Personal Guarantees by two Promoter Directors of the Company to the extent applicable.

NOTE 12. Non-Current Liabilities	As at 31 March 2025	As at 31 March 2024
Deferred Tax Liability		
Opening balance as on 01.04.2024	2,799.65	2,455.58
ADD: Provision for the year	195.10	344.07
Closing Balance as on 31.03.2025	2,994.75	2,799.65
Less: Defferred Tax Asset- MAT Credit		
Opening Balance as on 01.04.2024	864.29	954.95
Add: Provided for the year	215.23	201.41
Less: MAT Credit Reversed	7.40	292.07
Closing Balance as on 31.03.2025	1,072.12	864.29
Deferred Tax Liability (Net)	1,922.63	1,935.36

The Company had calculated Deferred tax asset/liability using the rate at which the normal income taxes would be payable by the company as per IND AS 12

NOTE 13. Other long-term liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
(a) Trade Payables:		
(i) Acceptances	856.61	-
(ii) Other than Acceptances	-	-
(b) Lease Liabilities	317.17	310.70
Total	1,173.78	310.70
Employee Benefits	-	-
Others	-	-
Total	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 14. Trade payables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade payables:		
Acceptances	531.41	158.92
Other than Acceptances	2,533.24	2,336.35
Total	3,064.65	2,495.27

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	134.62	34.55			169.17
(ii) Others	2,631.94	263.54			2,895.48
(iii) Disputed dues — MSME	-				-
(iv) Disputed dues - Others	-				-

NOTE 15. Borrowings

	As at 31 March, 2025	As at 31 March, 2024
Bonds and Debentures		
Loans repayable on demand from Banks:		
From Banks		
Secured	6,483.62	6,529.37
Unsecured	-	-
Total	6,483.62	6,529.37

The Cash Credit and other working capital facilities from the consortium of Bankers namely, Canara Bank, Punjab National Bank and HDFC Bank are secured by way of hypothecation of Raw Material, Stock in Process, Finished Goods, Book Debts and Goods meant for export on pari-passu basis and further secured by way of first charge on immovable assets of the company and second & subsequent charge on the whole of the movable/Fixed Assets of the Company except exclusive charge created in favour of HDFC Bank for availing Term Loans. These borrowings are further secured by way of Personal Guarantees by two Promoter Directors of the Company to the extent applicable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

NOTE 16. Other Current Liabilities		
Particulars	As at 31 March, 2025	As at 31 March, 2024
Advances from Customers	298.35	198.54
Term Loan Instalments payable within one year	1,144.47	1,298.88
Deposits - DLR	118.47	93.37
Statutory remittances		
(i) Contributions to PF and ESIC, Withholding Taxes, Excise Duty, GST, Service Tax, etc.	733.07	505.46
(ii) Contractually reimbursable expenses	9.34	11.42
(iii) Salary & Wages Payable	368.47	290.88
(iv) Outstanding Liabilities for Expenses	215.49	161.58
(v) Interest accrued on borrowings	-	-
(vi) Dividend Payable	7.19	2.80
Total	2,894.85	2,562.93
NOTE 17. Provisions		
Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Employee Benefits	88.67	84.30
Current Tax Provision	(12.77)	188.64
Total	75.90	272.94

NOTE 18. Revenue from operations			
Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a)	Sale of products	13,810.46	12,193.48
(b)	Sale of services	6,430.71	6,409.54
(c)	Other operating revenues	45.20	27.80
	Total	20,286.37	18,630.82
(i)	Sale of products comprises		
	Manufactured goods	12,443.08	11,118.10
	Traded goods	1,367.39	1,075.38
	Total - Sale of products	13,810.46	12,193.48
(ii)	Sale of services comprises		
	Service - Earth Work	6,430.71	6,409.54
	Service - Road Work	-	-
	Total - Sale of services	6,430.71	6,409.54
(iii)	Other operating revenues comprise:		
	Sale of Scraps	26.22	9.97
	Transportation & Loading & Unloading / Insurance	18.99	17.84
	Total - Other operating revenues	45.20	27.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 19. Other income

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a)	Interest income	28.32	20.94
(b)	Dividend income:		
	Associates	29.79	29.79
(c)	Other Operative Income	419.32	350.00
(d)	Other non-operating income (net of expenses directly attributable to such income)	13.11	43.66
	Total	490.53	444.39
(i)	Interest income comprises:		
	Interest from banks on:		
	Deposits	28.32	20.37
	Income Tax Refund	-	0.57
	Total - Interest income	28.32	20.94
Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(ii)	Other non-operating income comprises:		
	Other Income	-	-
	Insurance Claim Received	9.16	17.26
	Profit on sale of fixed assets [net of expenses directly attributable]	0.65	17.99
	Prior period items (net) (Refer Note (iii) below)	-	-
	Miscellaneous income [net of expenses directly attributable]	1.49	-
	Foreign Exchange Gain/loss	1.81	1.88
	Rent Received	-	6.53
	Total - Other non-operating income	13.11	43.66
(iii)	Details of Prior period items (net)		
	Prior period income - VAT Refund	-	-
	Prior period expenses	-	-
	Total	-	-

NOTE 20. Cost of materials consumed

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Opening stock	2,786.47	4,098.79
Add: Purchases	3,579.39	3,202.91
	6,365.87	7,301.70
Less: Closing stock	1,989.78	2,786.47
Cost of material consumed	4,376.09	4,515.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

Material consumed comprises:		
Clay	2,431.10	2,608.93
Glaze & Pigments	1,462.78	1,472.74
Packing Material	480.18	432.42
Other items	2.03	1.14
Total	4,376.09	4,515.23
Purchase of traded goods		
Traded goods	1,057.07	822.73
Total	1,057.07	822.73

NOTE 21. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Inventories at the end of the year:		
Finished goods	6,425.75	6,081.59
Work in progress	687.33	931.46
Stock-in-trade	-	-
	7,113.08	7,013.05
Inventories at the beginning of the year:		
Finished goods	6,081.58	4,045.59
Work-in-progress	931.46	2,061.08
Stock-in-trade	-	-
	7,013.04	6,106.67
Net (increase) / decrease	(100.04)	(906.38)

NOTE 22. Employee benefits expense

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salaries and wages	2,174.58	2,035.65
Contributions to provident and other funds	70.94	64.23
Staff welfare expenses	681.48	614.69
Defined Benefit Obligation - Gratuity	22.69	18.78
Defined Benefit Obligation - Leave Encashment	11.61	10.32
Other Employee Benefit Expenses	-	-
Total	2,961.30	2,743.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 23. Finance costs

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a) Interest expense on:		
(i) Borrowings TL & CC	1,001.73	860.32
(ii) Trade payables	46.47	71.14
(iii) Others		
Interest on Lease Liabilities	37.27	25.65
Int on Security deposits	6.62	4.07
Int on Income Tax	-	-
(b) Other borrowing costs	213.84	142.64
Total	1,305.94	1,103.82

NOTE 24. Other expenses

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Consumption of stores and spare parts	970.29	1,151.70
Subcontracting	38.28	-
Power and fuel	4,918.92	4,966.59
Rent	25.54	25.00
Repairs and maintenance - Buildings	100.19	13.47
Repairs and maintenance - Machinery	28.93	36.72
Repairs and maintenance - Others	180.96	164.31
Insurance	343.35	192.00
Rates and taxes	251.84	206.75
Communication	16.69	13.43
Travelling and conveyance	381.59	363.21
Printing and stationery	23.27	25.37
Freight and forwarding	666.75	650.05
Sales commission	33.12	21.25
Sales discount	114.97	213.48
Export Expenses	13.88	19.95
Business promotion	21.74	8.14
Donations and contributions	1.22	1.19
Legal and professional	165.14	162.48
Payments to auditors	7.20	7.20
Directors Sitting Fees	5.85	5.55
Advertisement & Publicity	2.83	1.34
Sales Promotion Expenses	17.02	2.15
Selling & Distr.expenses-Others	137.31	115.26
Security Charges	18.85	21.39
CSR payments	16.65	-
Loss on fixed assets sold / scrapped	-	37.58
Miscellaneous expenses	29.62	21.67
Total	8,532.00	8,447.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(i) Payments to the auditors comprises:		
As auditors - statutory audit	3.60	3.60
For taxation matters	0.60	0.60
For management services	0.60	0.60
Reimbursement of expenses	2.40	2.40
Total	7.20	7.20

NOTE 25. Disclosures under Accounting Standards

25.1	Employee benefit plans
25.1.a	DEFINED CONTRIBUTION PLANS The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 41,09,480 (Year ended 31st March, 2024 Rs. 38,22,381) for Provident Fund contributions and Rs. 24,93,261 (Year ended 31st March, 2024 Rs. 19,20,551) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of schemes.
25.1.b	DEFINED BENEFIT PLANS The Company offers the following employee benefit schemes to its employees : i. Gratuity : The following tables sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

	Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
		Gratuity	Gratuity
A	Change in Defined Benefit Obligations (DBO) during the year		
	Defined Benefit Obligation at the beginning of the year	356.07	295.56
	Current service cost	20.96	19.21
	Interest Expense	24.95	21.87
	Benefit Payment from Plan Assets	(12.29)	(3.89)
	Remeasurement - Due to Financial Assumptions	10.23	5.53
	Remeasurement - Due to Experience Adjustments	9.92	17.79
	Present value of DBO at the end of the year	409.84	356.09
B	Change in Fair Value of Plan Assets during the year:		
	Fair Value of Plan Assets at the beginning of the year	347.34	326.52
	Interest Income	24.33	24.08
	Actual company contributions	2.86	1.75
	Employers Contribution	1.88	(1.12)
	Benefit Payments from Plan Assets	(12.29)	(3.89)
	Plan assets at the end of the year	364.11	347.34
	Actual return on plan assets	20.96	19.21
C	Components of Defined Benefit Cost		
	Current service cost	20.96	19.21
	Interest Expenses on DBO	24.95	21.87
	Interest (Income) on Plan Assets	(24.33)	(24.08)
	Total Net Interest Cost	0.62	(2.21)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

	Defined Benefit Cost included in P & L	21.58	17.00
	Remeasurement - Due to Financial Assumptions	10.23	5.53
	Remeasurement - Due to Experience Adjustments	9.92	17.79
	(Return) on Plan Assets (Excluding Interest Income)	(1.88)	1.12
	Total Remeasurements in OCI	18.27	24.43
	Total Defined Benefit Cost recognised in P & L and OCI	39.85	41.44
D	Amount Recognised in the Statement of Financial Position		
	Defined Benefit Obligation	409.84	356.07
	Fair Value of Plan Assets	364.11	347.34
	Fund Status	45.73	8.73
	Effect of Assets Ceiling / Onerous Liability	-	-
	Net Defined Benefit Liability / (Assets)	45.73	8.73
E	Net Defined Benefit Liability / (Assets) Reconciliation		
	Net Defined Benefit Liability / (Assets) at Beginning of the year	8.73	(30.96)
	Defined Benefit Cost included in P & L	21.58	17.00
	Total Remeasurements included in OCI	18.27	24.43
	Employers Contributions	(2.86)	(1.75)
	Net Defined Benefit Liability/(Assets) at end of year	45.73	8.73
F	Weighted Average Asset Allocations at the year end		
	Government Bonds	-	-
	PSU bonds	-	-
	Equity Mutual funds	-	-
	Insurance Policies	100%	100%
G	Actuarial assumptions		
	Discount rate	6.55%	7.10%
	Salary escalation	6.00%	6.00%

NOTE 26. Additional information to the financial statements

	Particulars	As at 31 March, 2025	As at 31 March, 2024
26.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt (give details)	-	-
	(b) Guarantees	213.43	213.43
	(c) Letters of Credit Established with Banks	1,076.77	788.22
(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	619.81	414.80
		619.81	414.80
26.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	169.17	123.88
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

26.3	Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges		
	Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:		
	Name of the party	Relationship	Amount outstanding as at 31.03.2025
	Murudeshwar Power Corporation Pvt. Ltd	Associates	-
	RNS Power Ltd	Associates	481.12
	Maximum balance outstanding during the year		
			481.12
	Note: Figures in bracket relate to the previous year.		

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:				
	As at 31 March, 2025		As at 31 March, 2024	
	Payable	Payable in Foreign currency	Payable	Payable in Foreign currency
	(Rs. in lakhs)	(indicate amount with currency)	(Rs. in lakhs)	(indicate amount with currency)
	37.41	US\$ 43,716.52	-	-

26.4	Value of imports calculated on CIF basis:		
	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Raw materials	-	-
	Components	149.01	221.52
	Spare parts	85.71	222.50
	Total Components and spare parts	234.72	444.02
	Capital goods	1,424.59	107.10
26.5	Expenditure in foreign currency :	As at 31 March, 2025	As at 31 March, 2024
	Travel	10.35	19.18
26.6	Details of consumption of imported and indigenous items *		
		For the year ended 31 March, 2025	
		(In lakhs)	%
	Imported		
	Raw materials	106.04	25.53%
		(14.51)	2.99%
	Components	164.15	39.53%
		(213.96)	44.05%
	Spare parts	145.10	34.94%
		(257.26)	52.96%
	Total	415.29	100.00%
		(485.73)	100.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

Indigenous Raw materials	4,270.05 (4,500.72)	86.59% 86.87%
Components	125.95 (125.80)	2.55% 2.43%
Spare parts	535.09 (554.68)	10.85% 10.71%
Total	4,931.09 (5,181.20)	100.00% 100.00%

Note: Figures / percentages in brackets relates to the previous year

27. Disclosures under Accounting Standards
27.1 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Ceramic Tiles and Vitrified Tiles. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are Americas (including Canada and South American countries), Europe, India and Others.

Business Segments			
Particulars	Sale of Product	Sales of Services	Total
Revenue	13,855.66	6,430.71	20,286.37
Inter-segment revenue	-	-	-
Total	13,855.66	6,430.71	20,286.37
Less: Central Excise	-	-	-
Net Revenue	13,855.66	6,430.71	20,286.37
Segment result	422.16	312.07	734.22
Unallocable expenses (net)			-
Operating income			-
Other income (net)			460.72
Profit before taxes			1,194.95
Tax expense			193.18
Net profit for the year			1,001.77
27.2 Segment assets	51,994.23	3,138.45	55,132.68
Unallocable assets	-	-	1,789.02
Total assets	51,994.23	3,138.45	56,921.70
Segment liabilities	14,914.40	1,834.97	16,749.37
Unallocable liabilities	-	-	40,172.33
Total liabilities	14,914.40	1,834.97	56,921.70
Other information			
Capital expenditure (allocable)	37,079.83	1,303.48	38,383.31
Capital expenditure (unallocable)		-	-
Depreciation and amortisation (allocable)	1,156.45	293.14	1,449.59

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

27.3	Related party transactions		
	Details of related parties:		
	Description of relationship		
	Associates	M/s. RNS Infrastructure Ltd M/s. Murudeshwar Power Corp. Pvt. Ltd M/s. Naveen Hotels Pvt. Ltd RNS Motors Pvt. Ltd RNS Power Ltd. R N Shetty Trust R N S Trust	
	Key Management Personnel (KMP)	Shri Satish R Shetty Shri Sunil R Shetty Shri Naveen R Shetty Shri Karan S Shetty	
	Relatives of KMP	Satish R Shetty, Sunil R Shetty, Naveen R Shetty are brothers	
	Company in which KMP / Relatives of KMP can exercise significant influence in the above mentioned Associate Companies.	Karan S Shetty is the son of Satish R Shetty	
	Note: Related parties have been identified by the Management.		
	Details of related party transactions during the year ended 31 March, 2025 and balances outstanding as at 31 March, 2025:		
	Associates	Total	
Purchase of goods	501.51 (414.16)	501.51 (414.16)	
Sale of goods	463.86 (80.67)	463.86 (80.67)	
Sale of Fixed Assets	-	-	
Purchase of Fixed Assets	- (4.00)	- (4.00)	
Rendering of services :			
RNS Infrastructure Ltd	7,459.62 (7,435.07)	7,459.62 (7,435.07)	
Investment in Shares	-	-	
Commission	481.16 (395.50)	481.16 (395.50)	
Receiving of services	14.65 (17.10)	14.65 (17.10)	
Dividend Received	29.79 (29.79)	29.79 (29.79)	
Issues of Equity	- (937.65)	- (937.65)	
Issues of Share Warrant	- (-)	- (-)	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

Balances outstanding at the end of the year			
Trade receivables		2,521.74	2,521.74
		(401.85)	(401.85)
Trade payables		10.82	10.82
		(147.09)	(147.09)
Note: Figures in bracket relates to the previous year			

NOTE 28. Disclosures under Accounting Standards

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
28.1	Earnings per share		
	Basic		
28.1.a	Continuing operations		
	Net profit / (loss) for the year from continuing operations	968.73	486.07
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	968.73	486.07
	Weighted average number of equity shares	6,05,45,260	5,80,62,246
	Par value per share	10	10
	Earnings per share from continuing operations - Basic	1.60	0.84
28.2	Income Tax Expenses in Profit & Loss Account		
	Consist of following:		
	Current Tax	206.89	192.04
	Prior Period Tax	-	-
	Deferred Tax	195.10	344.07
	MAT Credit Entitlement	207.83	201.41
	Total Tax Expenses	194.17	626.77
	Reconciliation of taxes to the amount computed by applying the statutory income tax rates to the income before taxes is summarised below:		
28.3	Profit before taxes:	1,194.95	1,148.90
	Applicable rate	27.82%	27.82%
	Computed tax charges	206.89	192.04
	Less : Tax effected due to difference in tax rates	-	-
	Less : Reversal of Excess provision for previous year	-	-
	Add: (Increase) Decrease in Deferred tax liability	195.10	344.07
	Less : Increase (Decrease) in Deferred Tax Asset		
	Less: Mat credit entitlement	207.83	201.41
	Total Tax Expenses	194.17	626.77
	Less : Total Tax Expenses as per P & L	194.17	626.77
	Balance	Nil	Nil

Independent Auditor's Report

To the Members of Murudeshwar Ceramics Limited

Report on the Audit of Consolidated Ind AS Financial Statement

Opinion

We have audited the Consolidated Ind AS financial statements of **Murudeshwar Ceramics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 Consolidated Ind AS financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

we have determined the matters described below to be the Key Audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>1. Inventory</p> <p>The Value of inventory as at 31.03.2025 is 10,868.23 lakhs which is 19.09% of total asset value. given the size of the inventory balance relative to the total asset size of the company, the valuation of inventory required significant audit attention</p> <p>As disclosed in the notes forming part of statement of accounts inventories are held at the lower of cost or net realisable value determined using weighted average cost</p> <p>The determination of valuation of inventory requires management to exercise qualitative judgments and apply assumptions</p>	<p>We have performed the following procedures w.r.t valuation of the inventory and assessment of procedures of physical verification of inventory during the period to ensure accuracy of inventory reporting</p> <p>On a sample basis, we tested the net realisable value of inventory to recent selling prices.</p> <p>We have also considered the stock audit report by Account Special Monitoring (ASM) auditors stock auditors engaged by the lending bank to ensure that there are no inconsistencies in reporting.</p> <p>At the year-end the valuation of inventory is reviewed by management and cost of inventory is revalued where inventory is forecast to be sold below cost.</p> <p>In the view of the management, basic raw material used is clay for manufacturing of tiles and the same being a natural resource, does not have any depletion in value over the passage of time.</p>

2. Property, Plant and Equipment

Additions to Fixed assets during the year were 2,933.87 lakhs(including CWIP of the previous year). Inappropriate timing of capitalization of project/inappropriate classification of categories of the items of PPE could result in material misstatement of CWIP/PPE with consequent impact on depreciation charge and results for the year

Our audit procedures included testing the design, implementation and operating effectiveness of controls in respect of review of capitalization of assets, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of cut-off date considered for project capitalization.

We tested the source documentation to determine whether the expenditure is of capital nature and has been approved and segregated into appropriate categories. We reviewed operating expenses to determine the appropriateness of accounting.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Consolidated Ind AS financial statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, Including Indian Accounting Standard (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

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

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

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

Materiality

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

Communication with those charged with governance

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

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

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

Other Matters

The consolidated financial statements include the Group's share of net loss of 8.49 lakhs for the year ended 31st March, 2025, as considered in the consolidated financial statements, in respect of associate, whose financial statements have not been audited by us. These financial statements of associate have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Ind AS financial statements;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.
- (e) On the basis of the written representations received from the Directors of the Company as on 31 March 2025 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in “Annexure A”, which is based on the auditors’ report of the company.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Company’s Management and the Board of Directors have represented that, to the best of their knowledge and belief, 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 or entity, including foreign entity (“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.
 - (b) The Company’s Management and the Board of Directors have represented, that, to the best of their knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

- v. The company has declared and paid any dividend during the financial year under audit and is in accordance with Sec.123 of the Companies Act,2013.
 - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally the audit trial has been preseved by the company as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(1) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its associates as at and for the year ended March 31, 2025, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we have reported qualifications or adverse remarks. In respect of the following company included in the consolidated financial statements of the Company, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of this associate is not available.

Name of the Company	CIN	Relationship
RNS Power Limited	U40105KA2012PLC066773	Associate

For K G Rao & Co.
Chartered Accountants
Firm Registration Number - 010463S

Sd/-
Krishnaraj K
 Partner
 (Membership Number - 217422)
UDIN – 25217422BMNWUX7428

Place: Bengaluru
 Date: 29.05.2025

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirement' of our report to the members of Murudeshwar Ceramics Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Murudeshwar Ceramics Limited

We have audited the internal financial controls over financial reporting of **Murudeshwar Ceramics Limited** ("the Company") as of 31 March 2025 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 with reference to the consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, 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 ICAI.

For K G Rao & Co.
Chartered Accountants
Firm Registration Number - 010463S

Sd/-
Krishnaraj K
Partner
(Membership Number - 217422)
UDIN – 25217422BMNWUX7428

Place: Bengaluru
Date: 29.05.2025

Audited Financial Statement From 01st April 2024 to 31st March 2025
Consolidated Balance Sheet as at 31st March, 2025
(Rs. In Lakhs)

Particulars	Notes	March 31, 2025	March 31, 2024
ASSETS			
1 - Non Current Assets			
(a) Property, plant and equipment	3	34,789.40	36,013.97
(b) Capital work-in-progress		3,753.42	1,044.58
(c) Investment Property		115.35	115.35
(d) Goodwill		-	-
(e) Other Intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets Other than bearer plants		-	-
(h) Financial assets		-	-
(i) Investments	4	993.58	1,002.06
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(i) Deferred tax Assets (Net)		-	-
(j) Other non-current assets	5	274.03	269.65
Total non - current Assets (A)		39,925.78	38,445.61
2 - Current Assets			
(a) Inventories	6	10,868.23	11,581.49
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	7	4,056.85	1,643.16
(iii) Cash and cash equivalents	8	67.87	124.86
(iv) Bank balances other than (iii) above	8A	176.39	1,314.15
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	9	1,896.63	1,737.97
Total current assets (B)		17,065.97	16,401.63
Total Assets (A+B)		56,991.75	54,847.24
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	6,054.53	6,054.53
(b) Other equity		31,153.01	30,495.50
Total equity (C)		37,207.54	36,550.03

LIABILITIES			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	3,961.88	4,190.64
(ia) Lease Liabilities	13	317.17	310.70
(ii) Trade payables	13	856.61	-
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	12	1,922.63	1,935.36
(d) Other Non Current Liabilities			
Total non-current liabilities (D)		7,058.29	6,436.69
2 - Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	6,483.62	6,529.37
(ia) Lease Liabilities		-	-
(ii) Trade payables	14	3,064.65	2,495.27
(A) total outstanding dues of micro enterprises and small enterprises		169.17	123.88
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,895.48	2,371.39
(iii) Other financial liabilities		-	-
(b) Other current liabilities	16	2,894.85	2,562.93
(c) Provisions	17	282.79	272.94
(d) Current Tax Liabilities (Net)		-	-
Total current Liabilities (E)		12,725.92	11,860.52
Total equity and liabilities (C+D+E)		56,991.75	54,847.24

In terms of our report attached
For K.G. RAO & Co.
Chartered Accountants
ICAI FIRM REGN. No.: 010463S

**Sd-
KRISHNARAJ K**
Partner
Membership No.:217422
Place : Bengaluru
Date : 29.05.2025
UDIN: 25217422BMNWUX7428

For and on behalf of the Board of Directors
MURUDESHWAR CERAMICS LIMITED

**Sd-
SATISH R SHETTY**
Chairman & Managing Director
(DIN 00037526)

**Sd-
N M HEGDE**
Vice President(Finance) & CFO

**Sd-
NAVEEN R SHETTY**
Director
(DIN 00058779)

**Sd-
ASHOK KUMAR**
Company Secretary

Audited Financial Statement From 01st April 2024 To 31st March 2025
Consolidated Statement of Profit and Loss for the year ended 31st March, 2025 (Rs. In Lakhs)

Particulars	Notes	March 31, 2025	March 31, 2024
I. REVENUES:			
Revenue from operations	18	20,286.37	18,630.82
Other Income	19	490.53	444.39
Total Income		20,776.90	19,075.22
II. EXPENSES:			
Cost of materials consumed	20	4,376.09	4,515.23
Purchase of Stock in Trade		1,057.07	822.73
Changes in inventory of finished goods and work-in progress	21	(100.04)	(906.38)
Employee benefit expenses	22	2,961.30	2,743.67
Finance costs	23	1,305.94	1,103.82
Depreciation and amortisation expense	3	1,449.59	1,200.02
Other expenses	24	8,532.00	8,447.22
Total Expenses		19,581.96	17,926.31
III. Profit/(loss) before exceptional items and tax (I-II)		1,194.95	1,148.90
IV. Tax Expense			
Current Tax		215.23	201.41
Deferred tax		195.10	344.07
Deferred Tax Provision for Earlier years Reversed		-	-
Less : MAT Credit Entitlement		215.23	201.41
Add : MAT Credit Reversed		7.40	292.07
Total tax expense		202.50	636.14
V. Profit/(loss) for the period from continuing operations		992.44	512.76
VI. Other comprehensive income			
(a) (i) Items that will not be reclassified to profit or loss			
-Remeasurement of Defined benefit plans		(32.06)	(36.06)
-Others		-	-
(ii) Income tax relating to items that will not be reclassified to profit and loss		8.34	9.37
(b) (i) Items that may be reclassified to profit or loss		-	-
-Exchange differences in translating financial statements of a foreign operation		-	-
-Debt instruments through other comprehensive income		-	-
Total other comprehensive income		(23.72)	(26.69)
VII. Total comprehensive income for the period (V+VI)		968.73	486.07
(Comprising Profit(Loss) and Other Comprehensive Income for the year)			
VIII. Profit/(Loss) for the year attributable to :			
- Associate (RNS Power Limited)		(8.49)	11.01
IX. Total comprehensive income for the period (VII+VIII)		960.24	497.08
(Comprising Profit(Loss) and Other Comprehensive Income for the year)			
X. Earnings per equity share (for discontinued & continuing operation):			
Basic Rs.		1.59	0.86
Diluted Rs.		1.59	0.82

In terms of our report attached
For K.G.RAO & Co.
Chartered Accountants
ICAI FIRM REGN. No.: 010463S

Sd-
KRISHNARAJ K
Partner
Membership No.:217422
Place : Bengaluru
Date : 29.05.2025
UDIN: 25217422BMNWUX7428

For and on behalf of the Board of Directors
MURUDESHWAR CERAMICS LIMITED

Sd-
SATISH R SHETTY
Chairman & Managing Director
(DIN 00037526)

Sd-
N M HEGDE
Vice President (Finance) & CFO

Sd-
NAVEEN R SHETTY
Director
(DIN 00058779)

Sd-
ASHOK KUMAR
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET
FOR THE PERIOD FROM APRIL 2024 TO MARCH- 2025**

(Rs. in lakhs)

	2024-25	2023-24
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax & extra - ordinary items	1,194.95	1,148.90
Adjustments for:		
Net Profit/(Loss) of the Associate	(8.49)	11.01
Depreciation	1,449.59	1,200.02
Interest Paid	1,039.00	885.97
Rent Received	-	(6.53)
Loss on Sale of Fixed Assets	-	37.58
Profit on Sale of Assets	(0.65)	(17.99)
Interest Income on Investments	(28.32)	(20.94)
Dividend received	(29.79)	(29.79)
Other Income	(419.32)	(350.00)
Provision for taxation	(194.17)	(555.56)
Remeasurement of defined benefit plans	(32.06)	(36.06)
Operating profit before working capital changes	2,970.75	2,266.61
Adjustments for:		
Increase/(Decrease) in Long Term Liability	850.36	517.83
Decrease / (Increase) in Inventories	713.26	218.27
Decrease / (Increase) in Trade receivables	(2,413.69)	3.03
Increase / (decrease) in Trade Payables	569.38	(259.26)
Decrease/(Increase) in Short term loans & advances	-	-
Decrease/(Increase) in Other Current Assets	(310.80)	145.72
Decrease/(Increase) in Long Term Loans & Advances	(4.37)	(3.45)
Increase / (decrease) in Other Current Liabilities	331.92	349.89
Increase / (decrease) in Short Term Provisions	9.85	12.72
Cash generated from operations	2,716.65	3,251.36
Taxes paid	152.14	(155.53)
Cash flow before extra - ordinary item	-	-
Net Cash from Operating Activities	2,868.80	3,095.83
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,933.87)	(957.04)
Sale of fixed assets	0.65	57.12
Interest received	28.32	20.94
Dividend received	29.79	29.79
Rent received	-	6.53
Other Income	419.32	350.00
Investments	8.49	(11.01)
Net cash flow from investing activities	(2,447.30)	(503.68)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long term Borrowings repaid	(228.76)	(1,257.80)
Short Term Borrowings repaid	(45.75)	167.66
Proceeds from Issue of Share Capital	-	1,339.50
Issue of Share Warrants	-	(401.85)
IND AS Transition Reserve	-	-

	2024-25	2023-24
Dividend Paid	(302.73)	(288.48)
Change in reserve	-	-
Interest paid	(1,001.73)	(860.32)
Interest on Lease Liabilities	(37.27)	(25.65)
Net cash used in Financial activities	(1,616.24)	(1,326.93)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,194.75)	1,265.22
CASH AND CASH EQUIVALENTS AS ON 31.03.2024	1,439.01	173.79
CASH AND CASH EQUIVALENTS AS ON 31.03.2025	244.26	1,439.01

NOTES TO THE CASH FLOW STATEMENT
CASH AND CASH EQUIVALENT:

Cash and cash equivalents consists of cash on hand and balances with Banks and Investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following Consolidated Balance Sheet amounts.

	2024-25	2023-24
Cash on hand and balances with banks	244.26	1,439.01
Short Term investments	-	-
Cash and cash equivalents effect of changes in Exchange rates	-	-
Cash and cash equivalents as restated	244.26	1,439.01

In terms of our report attached
For K.G.RAO & Co.
Chartered Accountants
ICAI FIRM REGN. No.: 010463S

For and on behalf of the Board of Directors
MURUDESHWAR CERAMICS LIMITED

Sd/-
KRISHNARAJ K
Partner
Membership No.:217422
Place : Bengaluru
Date : 29.05.2025
UDIN: 25217422BMNWUX7428

Sd/-
SATISH R SHETTY
Chairman & Managing Director
(DIN 00037526)

Sd/-
NAVEEN R SHETTY
Director
(DIN 00058779)

Sd/-
N M HEGDE
Vice President(Finance) & CFO

Sd/-
ASHOK KUMAR
Company Secretary

CERTIFICATE

We have examined the above Consolidated Cash Flow Statement of Murudeshwar Ceramics Ltd.,for the year ended 31.03.2025 and certify that the said statement has been prepared by the Company in accordance with IND AS-7 issued by the Institute of Chartered Accountants of India and as per requirement of Listing Agreements with Stock Exchanges and is based on and is in agreement with Profit & Loss Account and Balance Sheet of the Company for the year ended on 31.03.2025.

For K.G.RAO & Co.
Chartered Accountants
ICAI FIRM REGN. No.: 010463S

Place : Bengaluru
Date : 29.05.2025

Sd/-
KRISHNARAJ K
Partner
Membership No.:217422

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Note: 1 Corporate Information

Murudeshwar Ceramics Limited (the Company) was established in the year 1983. The Company is manufacturing and trading Ceramic and Vitrified floor & wall Tiles. The Registered Office of the Company is at 604/B, Murudeshwar Bhavan, Gokul Road, Hubli – 580 030 and the Corporate Office is at Naveen Complex, 7th Floor, 14, M.G.Road, Bengaluru – 560 001. The Company is having 2 manufacturing plants at Sira, Dist. Tumkur and Karaikal, Pondicherry. The Company trading Vitrified Tiles and Ceramic Tiles sourced through other manufacturers as well. The Company's products are branded as "Naveen Ceramic Tiles" and "Naveen Diamontile". The Company is having well established marketing network all over the country.

Note: 2 Significant Accounting Policies

i. Basis of Preparation

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the 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 as amended from time to time.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

Basis of measurement

The financial statements have been prepared on the historical cost basis except certain financial assets and liabilities which are required to be measured at fair value as per Ind AS.

ii. Use of estimates and judgment

In the application of the Company's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Current / Non-Current Classification

The Company recognizes any asset or liability as current if it satisfies any of the following conditions:

Asset/Liability is expected to be realized/settled during the company's normal operating cycle.

- Asset/Liability is expected to be realized/settled during the company's normal operating cycle.
- The asset is intended for sale or consumption.
- The Asset/Liability is held primarily for the purpose of trading.
- The Asset/Liability is expected to be realized/settled within 12 months after the reporting period.
- The Asset is cash/cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- In the case of the liability, the company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

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

3. Revenue

- i) Disclosure as per Ind AS 115 "Revenue from contract with Customers - Revenue from contract from customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the company is expected to be entitled to in exchange for those goods or services. The Transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by company as part of the contract. Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.
- ii) Sale of Products - Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time that is, when the material is shipped to the customer or on delivery to the customer as may be specified in the contract.
- iii) Rendering of Services - The Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligations for the services rendered. The company uses output method for measurement of revenue from services.
- iv) Interest - Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- v) Dividend - Revenue is recognized when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholders approve the dividend.
- vi) Rental Income - Rental income from the properties given on lease (net of any incentives given to the lessees) is recognized on accrual basis over the lease term.

4. Expenses

All expenditures are accounted on accrual basis after reducing any specific income attributable to such expenditure.

5. Property, plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken to improve the economic benefits expected to arise from the asset.

Capital Work in Progress

The cost of assets not ready for intended use, as on the balance sheet date, is shown as Capital Work in Progress.

Depreciation commences when the assets are ready for their intended use

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Plant and Machinery and Factory building, in those case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is provided on estimated useful lives of the assets as per Schedule – II of the Companies Act, 2013 except for the following assets where the useful life has been estimated based on the technical estimate.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Assets	Estimated Life	Life as per Schedule-II
Plant & Machinery	25-30 Years	20 Years
Building/Factory	50 Years	60 Years

Amounts spent on Site preparation at Quarry for mining of Clay have been capitalized under the head Building-Others and Depreciation provided accordingly.

No depreciation is charged on capital work in progress and free hold land.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition

The carrying amount of an item of property, plant and equipment, is de-recognized on disposal or when no future economic effects are expected from its use or disposal. The Gain or Loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

6. Inventories

Raw Materials, Work in progress, finished goods, packing materials, stores, spares, components, consumables and stock in trade are carried at the lower of cost and net realizable value. However, the materials and other items held for use in production of inventories are not written down below cost If the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis. Net realizable value is the estimated selling price in the ordinary course of the business less estimated cost of completion and estimated costs necessary to make the sale.

In determining the cost of raw materials, packing materials, stock in trade, stores, spares, components and consumables weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities) and all the other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work in progress, includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

7. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain

'The Company's lease asset classes primarily consist of leases for shops. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

8. Investments in associate company

The company has elected to recognize its investments in associate company at cost in accordance with the option available in IND AS 27 "Separate financial statements".

While preparing the consolidated financial statements, the company has followed Equity Method as per IND AS 28 "Investment in Associates & Joint Ventures".

9. Taxes on Income

Current Tax

The current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Indian Income Tax Act, 1961.

Deferred Tax

Deferred income tax is provided using the liability method on all timing differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the tax rates and tax laws substantively enacted at the balance sheet date. In assessing the reliability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

10. Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are considered as cost on initial recognition.

The Disclosure as per IND AS is given as under –

As on 31.03.2025 (Rs. In Lakhs)

Cash and cash equivalents including other bank balances	Note	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial Assets:						
Trade receivables	7	-	-	4,056.85	4,056.85	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Cash and cash equivalents including other bank balances	8	-	-	244.26	244.26	-
Investments	4	-	-	993.58	993.58	-
Other financial assets	5	-	-	-	-	-
Total Financial Assets		-	-	5,294.69	5,294.69	-
Financial Liabilities:						
Trade payables	14	-	-	3,921.26	3,921.26	-
Lease Liabilities	13	-	-	317.17	317.17	-
Other financial liabilities	15	-	-	6,483.62	6,483.62	-
Total Financial Liabilities		-	-	10,722.06	10,722.06	-

As on 31.03.2024 (Rs. In Lakhs)

Cash and cash equivalents including other bank balances	Note	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial Assets:						
Trade receivables	7	-	-	1,643.16	1,643.16	-
Cash and cash equivalents including other bank balances	8	-	-	1,439.01	1,439.01	-
Investments	4	-	-	1,002.06	1,002.06	-
Other financial assets	5	-	-	-	-	-
Total Financial Assets		-	-	4,084.23	4,084.23	-
Financial Liabilities:						
Trade payables	14	-	-	2,495.27	2,495.27	-
Lease Liabilities	13	-	-	310.70	310.70	-
Other financial liabilities	15	-	-	6,529.37	6,529.37	-
Total Financial Liabilities		-	-	9,335.34	9,335.34	-

Other Financial Instruments and Cash & Cash Equivalents

The Company held cash and cash equivalents of Rs.67.87 Lakhs (31st March 2024 - Rs. 124.86 Lakhs). The cash and cash equivalents are held with banks with high rating. The Company held deposits with banks and financial institutions of Rs.176.39 Lakhs (31st March 2024 - Rs. 1314.15 Lakhs), In order to manage the risk, Company places deposits with only high rated banks/ institutions..

(Rs. in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL).		
Non-current Investment	993.58	1,002.06
Non-current Loans & Advances	200.50	200.50
Other Non-Current Financial Assets	73.53	69.15
Cash & Cash Equivalent	67.87	124.86
Bank balances other than cash and cash equivalents	176.39	1,314.15
Current Loans & Advances	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

Other Current Financial Assets	1,896.63	1,737.97
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)	-	-
Trade Receivables	4,056.85	1,643.16
Total	7,460.77	6,091.85

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair Value Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: Inputs for the assets or liabilities that are not based on the observable marked data (unobservable inputs).

Measurement of fair value of financial instruments

The fair value measurement is not applicable since there were no financial assets and liabilities are measured at fair value.

Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, other balances with banks, loans and deposits that derive directly from its operations.

Company is exposed to following risk from the use of its financial instrument:

1. Market Risk
2. Credit Risk
3. Liquidity Risk

1. **Market Risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risk comprises three types of risk:

Interest rate risk, foreign currency risk and another price risk.

- a) Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of market interest risk. The Company's exposure to risk of changes in market interest rates is minimal. The company has not used any interest rate derivatives.
- b) Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company has not entered into any forward exchange contracts/derivative contracts.
- c) Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The company has not invested in any traded equity instruments or bonds.

2. **Credit risk**

The credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the company. Credit risk arises from financial assets such as trade receivables, other balances with banks, loans and other receivables. The Company has adopted a policy of only dealing with the counterparties that have sufficiently high credit ratings. The exposure and credit ratings of the counterparties are continuously monitored, and aggregate value of transactions

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

is reasonably spread amongst the counterparties. There are no cases of historical defaults and hence no provision for expected credit loss is necessary.

3. Liquidity risk

The liquidity risk is the risk that the company will encounter difficulty in raising funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. The company has established liquidity risk management framework for managing its short term, medium term and long term and liquidity management requirements. The company has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

11. Borrowings and Borrowing Cost

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

12. Provision and contingencies

The company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resource embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The details of contingent liabilities as on balance sheet are as under;

Particulars	Amount (Rs. In lacs)
i. Indirect tax demands -	
GST – FY 2019-20	35.00
GST – FY 2020-21	11.04
ii. Corporate Guarantee given by the Co.-(a) RNS Infrastructure Limited	45,000.00

13. Cash and cash equivalents

Cash and cash equivalent for the purpose of balance sheet comprises of cash and banks balances.

14. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events of bonus issue and share split.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

15. Employee benefits

(i) **Short term Employee benefits:** Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance – linked rewards falling due wholly within the twelve months or rendering the service are classified as short-term employee benefits and are expensed in the period in which employee renders the related service.

(ii) **Post-employment benefits**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

A. Defined contribution plans: The company's superannuation scheme, the state governed provident fund scheme, employee insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under such schemes is recognized during the period in which the employee renders the related service.

B. Defined benefit plans: The present value of obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to weighted average maturity profile of defined benefit obligations at the balance sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amount included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other comprehensive income and is reflected in Retained earnings and the same is not eligible to be reclassified to profit and loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognized in the Statement of Profit and loss as employee benefits expense, interest cost implicit in the defined benefit employee cost is recognized in the Statement of Profit and Loss under finance cost.

Gains or losses on settlement on any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the company recognized related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

(iii) Long term employee benefits : The obligation recognized in respect of long term benefits such as compensated absences, long service award is measured at present value of estimated future cash flows expected to be made by company and is recognized in similar manner as in the case of defined benefit plans as above.

Gratuity - The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. Gratuity has been paid through an approved gratuity fund managed by the LIC of India. Premium paid thereon is accounted as expenditure. The Company has also provided for gratuity as per actuarial valuation performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk

Leave Encashment - Leave encashment has been determined based on the actuarial valuation, available leave entitlement at the end of each calendar year. The incremental amount so calculated each year is debited to Salaries and Wages - leave encashment.

16. Investment Property:

The disclosure as per IND AS is as under –

- Accounting policy for measurement of investment
The entity is following cost model for recognition & measurement of investment.
- The investment property is valued and recognised at Cost, therefore no such valuation is carried out by any professional/valuers.
- Amounts recognised in the Profit & Loss Account

Rental income from Investment Property	-
Direct Operating Expenses arising from Investment Property generating rental income	
Municipal Tax/Property Tax	31,545
Flat Maintenance Charges	2,07,144
Direct Operating Expenses arising from Investment Property not generating rental income	NA

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

4. The existence and amounts of restrictions on the realisability of the Investment Property or remittance of income and proceeds of disposals – Nil
5. Contractual obligation to purchase, construct or develop investment property or for repair and maintenance or enhancements - Nil.
6. Asset Value and Depreciation Disclosure:
 - Depreciation method used: Straight Line Method
 - Useful life of Depreciation: 50 Years
 - Asset Schedule

Property	Opening as on 01.04.2024 [A]	Addition [B]	Deletion [C]	Depreciation for the year [D]	Closing value as on 31.03.2025 E=[A+B-C-D]
FLAT AT BANGALORE - JUNGFRAU BLOCK NO. 306	38,44,972	-	-	81,375	37,63,597
FLAT AT BANGALORE - JULIAN BLOCK NO. 307	38,44,972	-	-	81,375	37,63,597
FLAT AT BANGALORE - ARONIA BLOCK NO. 501	38,44,972	-	-	81,375	37,63,597
TOTAL					1,12,90,791

7. Fair Value of Investment Property

Since the Investment property is valued following the cost model, no fair valuation is carried out.

17. Segment reporting policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

18. Events after the reporting date

Where events occurring after the balance sheet date provide evidence of the conditions that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of the material size of the nature are only disclosed.

19. Government Grants/Subsidy

The Company has not received subsidy of any kind from the government during the year.

20. The Company has been maintaining its books of accounts in the Odoo 16 which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021.

21. Recent Pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its financial statements.

22. Additional Reporting requirement as per amendment in Schedule III of the Company's Act 2013:

1. **Details of Benami Property held:**

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)
2. Title deeds of immovable properties not held in name of the company:

There are no immovable properties which are not held in name of the company. In case of leasehold property lease deeds are duly executed in favour of company.

3. Valuation of Property, Plant & Equipment, intangible asset and investment property:

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

4. The fair value of Investment Property is based on prevailing Government prescribed value of the property which is not based on valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
5. The details of Loans or Advances in the nature of loans granted to promoters, directors, KMPs and other related parties are as below:

(Rs. in Lakhs)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
KMPs	-	-
Related Parties	-	-
NIL		

6. Borrowings from Banks or Financial institution on the basis of Security of Current Assets:

The company has availed short term loans/working capital facilities from banks or financial institution on the basis of security of Current Assets. The quarterly details submitted to the banker are not in agreement with books of accounts, the variances as detailed under –

(Rs. in Lakhs)

Quarter Ending	Value of Current assets as per books of accounts (Stock+WIP+Debtors-Creditors) (a)	Total Value of stocks and book debts as per statement given to bank (b)	Difference (c = a-b)
Jun-24	10,506.84	9,347.82	1,159.02
Sep-24	11,478.65	9,552.29	1,926.36
Dec-24	11,105.49	9,082.00	2,023.49
Mar-25	11,546.53	9,183.14	2,363.39

Reason for variance:

* Receivables/inventories outstanding for more than 6 months are not considered for Drawing Power calculation for working capital. As a result, total value of stocks and book debts submitted to the banker is less than the value appearing in the books of accounts.

7. Wilful Defaulter:

The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

8. Relationship with struck off Companies:

The Company has no transactions with the companies struck off under the Companies Act, 2013.

9. Compliance with approved scheme(s) of arrangements:

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

10. Undisclosed Income:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account

11. Details of crypto currency of virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

12. Utilisation of Borrowed funds and share premium:

The Company has utilised borrowed fund for the purpose as specified in the terms of sanctions.

13. Registration of charges or satisfaction with Registrar of Companies:

No charges or satisfaction are pending to be registered with Registrar of Companies except the following –

For the following loans, the satisfaction of charge is yet to be registered with RoC

Sl. No.	Charge ID	Loan Amount (Charge Created for) (Rs)	Bank/Financial Institution	Reason for delay
1	100228171	28,75,920/-	Sundaram finance limited	The loan closure & clearance related documents are yet to be received from the lender.
2	100359329	1,05,00,000/-	Bank of Baroda	The loan closure & clearance related documents are yet to be received from the lender.

14. Corporate Social Responsibility:

The details of Contribution to Corporate Social Responsibility are as follows:

Amount Required to be spent	Amount of Expenditure Incurred	Shortfall at 31.03.2025	Total of Previous Years Shortfall	Reasons for Shortfall	Nature of CSR Activities	Remark
15,05,366	16,64,722	-	-	-	1. Contribution for Medical Relief.	Contribution made to RNS Trust.

15. Financial ratios are separately enclosed.

For and on behalf of
K G Rao & Co.,
Chartered Accountants
FRN: 010463S

Sd/-
Krishnaraj K.
Partner
M. No. 217422

By Order of the Board
For Murudeshwar Ceramics Limited

Sd/-
Satish R Shetty
Chairman & Managing Director
(DIN 00037526)

Sd/-
Naveen R Shetty
Director
(DIN 00058779)

Place: Bengaluru
Date: 29.05.2025

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd..)
In Consolidated Financial Statement - additional information
(Rs. in Lakhs)

Name of the entity in the Group	Net Asset i.e.total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent	---							
Subsidiaries Indian								
1								
Non-Controlling Interest in all subsidiaries								
Associates (Investment as per the equity method)								
Indian								
1. RNS Power Limited	26.10	721.76	26.10	25.46	26.10	0	26.10	25.46
Foreign	---							
1								
Joint Venture (Investment as per the equity method)	-	-	-	-	-	-	-	-
Indian	----							
1								
Foreign								
1								
Total								

3.All subsidiaries, associates and joint venture (whether Indian or Foreign) will be covered under consolidated financial statement.

Particulars	FY 2024-25	FY 2023-24	Variation (Increase/ Decrease as a % of last year ratio)	REMARKS - (If variation is more than 25%)
1. Current Ratio				
Current assets	17,065.98	16,401.63		
Current liabilities	12,725.92	11,860.52		
	1.34	1.38	(3.03)	N A
2. Debt Equity Ratio				
Total Debts	3,961.88	4,190.64		
Shareholders Equity	37,207.54	36,550.03		
	0.11	0.11	-	N A
3. Debt Service Coverage Ratio				
Earnings available for debt service	3,747.33	2,836.19		
Debt Service	2,623.15	2,147.49		
	1.43	1.32	8.33	N A
4. Return on Equity				
Net Profits after taxes – Preference Dividend (if any)	960.24	497.09		

Particulars	FY 2024-25	FY 2023-24	Variation (Increase/ Decrease as a % of last year ratio)	REMARKS - (If variation is more than 25%)
Average Shareholder's Equity	37,207.54 0.03	36,550.03 0.01	(200.00)	There is an increase in profitability for the current year.
5. Inventory Turnover Ratio				
Sales	20,286.37	18,630.82		
Average Inventory	11,224.86	11,690.62		
Average inventory is (Opening + Closing balance / 2)	1.81	1.59	13.84	N A
6. Trade receivables turnover ratio				
Net Credit Sales	20,286.37	18,630.82		
Avg. Accounts Receivable	2,850.01	1,644.68		
Average trade debtors = (Opening + Closing balance/2)	7.12	11.33	(37.16)	The receivable is increase in receivables for the year.
7. Trade Payables turnover ratio				
Net Credit Purchases	10,856.70	10,529.46		
Average Trade Payables	2,779.96	2,624.90		
	3.91	4.01	(2.49)	N A
8. Net capital turnover ratio				
Net Sales	20,286.37	18,630.82		
Working Capital	4,340.06	4,541.12		
Working capital shall be calculated as current assets minus current liabilities	4.67	4.10	13.90	N A
9. Net Profit Ratio				
Net Profit	960.24	497.09		
Net Sales	20,286.37	18,630.82		
	0.05	0.03	(66.67)	Increase in profitability.
10. Return on Capital Employed				
Earning before interest and taxes	2,500.89	2,252.72		
Capital Employed	43,092.05	42,676.03		
Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.06	0.05	(20.00)	N A
11. Return on Investment				
$\frac{MV(T1) - MV(T0) - \text{Sum } [C(t)]}{MV(T0) + \text{Sum } [W(t) * C(t)]}$	5.48%	-0.59%		
T1 = End of time period, T0 = Beginning of time period				
t = Specific date falling between T1 and T0				
MV(T1) = Market Value at T1, MV(T0) = Market Value at T0				
C(t) = Cash inflow, cash outflow on specific date				
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$				

Notes forming part of the financial statements
Note 03: Property, Plant & Equipment and Other Intangible Assets
Changes in the carrying value of property, plant and equipment for the period ended March, 2025:

Particulars	Property, Plant and Equipment								Other Intangible Assets						
	Leasehold improvements	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Right to use Assets	Total	Investment Property	Goodwill	Other Intangible Assets	Intangible Assets in Development	Bio-logical Assets Other than bearer plants	Total
Gross carrying value as of April 1, 2023	8,084.56	10,137.21	23,690.25	55.90	129.67	120.25	970.01	599.90	43,787.74	134.27	-	-	-	-	43,922.01
Additions	10.68	-	75.13	8.48	25.25	9.76	-	95.73	225.03	-	-	-	-	-	225.03
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2024	8,095.24	10,137.21	23,765.38	64.38	154.92	130.02	970.01	695.63	44,012.77	134.27	-	-	-	-	44,147.04
Accumulated depreciation as of April 1, 2024	-	1,530.65	5,475.34	50.11	54.23	71.75	276.69	315.01	7,773.78	18.92	-	-	-	-	7,792.70
Depreciation	-	218.49	972.91	5.27	25.47	9.47	117.72	100.25	1,449.59	-	-	-	-	-	1,449.59
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2025	-	1,749.14	6,448.25	55.38	79.71	81.23	394.42	415.26	9,223.38	18.92	-	-	-	-	9,242.30
Carrying value as of March 31, 2025	8,095.24	8,388.07	17,317.13	9.00	75.21	48.79	575.59	280.37	34,789.40	115.35	-	-	-	-	34,904.74
Carrying value as of March 31, 2024	8,084.56	8,606.55	18,214.91	5.79	75.44	48.50	693.31	284.89	36,013.96	115.35	-	-	-	-	36,129.31

CWIP aging schedule					Total
CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	27,08.83	1,045.59	-	-	3,753.42
Advance for purchase of Land	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 4. Investments

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	Equity Instruments	Govt & Trust Securities	Debenture & Bonds	Total	Equity Instruments	Govt & Trust Securities	Debenture & Bonds	Total
Investments in								
a) Subsidiaries								
b) Associates	978.08	-	-	978.08	986.57	-	-	986.57
c) Joint Ventures	-	-	-	-	-	-	-	-
d) Structured Entities	2.00	0.49	13.00	15.49	2.00	0.49	13.00	15.49
Total	980.08	0.49	13.00	993.58	988.57	0.49	13.00	1,002.06
of Above								
Quoted Investments	-	-	-	-	-	-	-	-
Market Value	-	-	-	-	-	-	-	-
Unquoted	980.08	0.49	13.00	993.58	988.57	0.49	13.00	1,002.06
Investments								
Impairment	-	-	-	-	-	-	-	-

Other Financial Assets

Bank Deposits with more than 12 month Maturity

NOTE 5. Other Non Current Assets	As at 31 March, 2025	As at 31 March, 2024
(i) Capital Advances/Prepaid Rent	15.66	16.13
(ii) Prepaid Interest - IND AS	4.30	4.30
(iii) Advances against purchase of shares	-	-
(IV) Security Deposits	53.57	48.72
	73.53	69.16
NOTE 5. Non-Financial Assets :		
(i) PLA & Cenvet Credit	-	-
(ii) VAT credit receivable	19.66	19.66
(iii) Service Tax credit receivable	-	-
(iv) Income Tax Refund Receivable	180.83	180.83
	200.50	200.50
Total	274.03	269.65

NOTE 6. Inventories

	As at 31 March, 2025	As at 31 March, 2024
Raw Materials	1,999.57	2,786.47
Work In Progress	687.33	931.46
Finished Goods	6,444.24	6,099.35
Stock in Trade	135.38	113.20
Stores and Spares	1,601.71	1,651.01
Loose Tools	-	-
Others	-	-
Total	10,868.23	11,581.49
Goods in Transit	-	-
Method of Valuations	Weighted Average	Weighted Average

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
Note 7. Trade Receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	559.02	474.40
Doubtful	-	-
	559.02	474.40
Less: Provision for doubtful trade receivables	-	-
	559.02	474.40
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	3,497.83	1,168.77
Doubtful	-	-
	3,497.83	1,168.77
Less: Provision for doubtful trade receivables	-	-
	3,497.83	1,168.77
Total	4,056.85	1,643.16

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Private companies in which any director is a director or member		
RNS Infrastructure Limited	1,936.46	-
Murudeshwar Power Corporation Pvt. Ltd	-	-
Naveen Hotels Pvt. Ltd	94.26	-
TOTAL	2,030.72	-

Particulars	Outstanding for following periods from due date of payment As at 31 March, 2025				
	Less than 6 months	6 months -1 year	1-2 YEARS	2-3 years	Total
(i) Undisputed Trade Receivables - considered good	3,497.83	76.92	411.81		3,986.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	70.29	-	70.29
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-

NOTE 8. Cash and Cash equivalents	As at 31 March, 2025	As at 31 March, 2024
Balances with bank(of nature cash and Cash Equivalents)		
- Current Accounts	52.51	114.59
Cash on hand	15.36	10.27
Total	67.87	124.86

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

NOTE 8A. Bank balances other than cash and cash equivalents	As at 31 March, 2025	As at 31 March, 2024
Earmarked Funds- unpaid dividends*	7.25	2.85
Margin Money	169.14	1,311.29
Total	176.39	1,314.15
* These balances are not available for use by the Company and not due for deposit in the Investor Education and Protection Fund.		
NOTE 9. OTHER CURRENT ASSETS	As at 31 March, 2025	As at 31 March, 2024
(i) Capital Advances	-	-
(ii) Advances other than Capital Advances		
Security Deposits	571.85	563.52
Advances to Related Parties	-	-
Other Advances	-	-
Advances to :		
Directors	-	-
Officers	-	-
Firms (Related party)	-	-
Private Companies (Related party)	-	-
Interest Accrued on Deposits	64.56	72.97
Total	636.41	636.49
(iii) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	361.66	359.19
Doubtful	-	-
Total	361.66	359.19
iv) Balances with government authorities		
Unsecured, considered good		
(i) GST Credit	1.40	(0.32)
(ii) PLA & Cenvet Credit	-	-
(iii) VAT credit receivable	-	-
(iv) Service Tax credit receivable	-	-
(v) Income Tax Refund Receivable	-	-
Total	1.40	(0.32)
v) Prepaid expenses - Unsecured, considered good	66.79	61.06
vi) Others - Advances		
Secured, considered good		
For supply of goods and rendering services	678.23	525.57
Advance Payment of Income Tax	152.14	155.98
	830.37	681.55
Less: Provision for other doubtful loans and advances	-	-
Total	830.37	681.55
Total	1,896.63	1,737.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 10. Statement of changes in Equity

Particulars	Equity share capital	Other Equity Reserve & Surplus					Total equity attributable to equity holders of the Company	
		Money Received Against Share warrant	Securities Premium	Retained Earnings	General Reserve	Capital/ Capital Redemption Reserve		IND AS Transition Reserve
Restated Balance as on April 1, 2023	5,769.53	401.85	13,549.04	1,070.75	12,795.85	1,706.80	109.97	35,403.76
Changes in equity share capital	285.00	(401.85)	1,054.50	-	-	-	-	937.65
Additional Provision	-	-	-	-	-	-	-	-
Remeasurement of Deferred Tax liability for the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	497.08	-	-	-	497.08
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	-
Dividends (including Corporate Dividend Tax)	-	-	-	288.48	-	-	-	288.48
Restated Balance as on April 1, 2024	6,054.53	-	14,603.54	1,291.35	12,795.85	1,706.80	109.97	36,550.03
Changes in equity share capital	-	-	-	-	-	-	-	-
Fresh Share Warrant issued during the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	960.24	-	-	-	960.24
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
Interim Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-
Final Dividends (Including Corporate Dividend Tax)	-	-	-	302.73	-	-	-	302.73
Balance as of Mar 31, 2025	6,054.53	-	14,603.54	1,936.86	12,795.85	1,706.80	109.97	37,207.54

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

I. Equity Share Capital:		Number of Equity Shares	Amount Rs. In lakhs
(a) The number of shares authorised;		7,16,20,000	7,162.00
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;			
Issued		6,05,45,260	6,054.53
subscribed and fully paid		6,05,45,260	6,054.53
subscribed but not fully paid (Shares are forfeited and the amount received are disclosed under Capital reserve)		24,857	0.78
(c) par value per Share;	Rs.		10
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;			
at the beginning fully paid up		6,05,45,260	
at the end fully paid up		6,05,45,260	
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;		Not Applicable	
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;		Not Applicable	
(g) shares in the company held by each shareholder holding more than five per cent. Shares specifying the number of shares held;			
RNS INFRASTRUCTURE LIMITED		1,28,52,966	21.23%
MURUDESHWAR POWER CORPORATION PRIVATE LIMITED		2,31,62,172	38.26%
(h) shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts;		Not applicable	
(i) for the period of five years immediately preceding the date at which the Balance Sheet is prepared			
• number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;		Not applicable	
• aggregate number and class of shares allotted as fully paid up by way of bonus shares; and		Not applicable	
• aggregate number and class of shares bought back;		Not applicable	
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;			
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);		Not applicable	
(l) forfeited shares (amount originally paid up).	No. of Shares 24,857	Rs. In Lakhs 0.78	
(m) A company shall disclose Shareholding of Promoters as under:			
Shares held by promoters at the end of the year			
RNS Infrastructure Limited	1,28,52,966	21.23	P.Y
Murudeshwar Power Corporation Private Limited	2,31,62,172	38.26	% Change during the year
Others	87,49,987	14.45	
Total	4,47,65,125	73.94	73.94
			0.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

NOTE 11. Borrowings	As at 31 March 2025	As at 31 March 2024
Bonds and Debentures	-	-
Term Loans		
From Banks :		
Secured	3,107.73	3,876.27
Unsecured	-	-
From Others	854.14	314.36
Deposits		
Loans from Related parties	-	-
Long term maturities of Finance lease obligations	-	-
Liability component of Compound Finance Instruments	-	-
Other loans	-	-
	3,961.88	4,190.64

The Term Loans from Banks are repayable in monthly instalments. Interest is payable on monthly basis. The Term Loans from HDFC Bank is secured by exclusive first charge created on immovable property and Plant and machinery at Sira Plant. The Working Capital Loans from banks namely Canara Bank, Punjab National Bank and HDFC Bank are secured by first charge created on the immovable properties, Stock and Book Debts and second charge created on movable Plant & Machinery except the exclusive charge created in favour of HDFC Bank for availing Term Loan and Assets hypothecated to concerned institutions/Bankers against specific finance for the same. The WCTL under Gaurenteed Emergency Credit Line (GECL 2.0) and GECL 2.0 - Extended availed from consortium banks namely Canara Bank, Punjab National Bank are secured by second charge created/to be created on the immovable assets of the Company. Loans from Sundaram Finance Limited and Kotak Mahindra Bank for specific assets are secure against hypothecation of specific items of assets financed for Loans from LIC of India is against pledge of Key Man Policy. All the secured loans have been further secured by way of Personal Guarantees by two Promoter Directors of the Company to the extent applicable.

NOTE 12. Non-Current Liabilities	As at 31 March 2025	As at 31 March 2024
Deferred Tax Liability		
Opening balance as on 01-04-2024	2,799.65	2,455.58
ADD: Provision for the year	195.10	344.07
Closing Balance as on 31.03.2025	2,994.75	2,799.65
Less: Defferred Tax Asset- MAT Credit		
Opening Balance as on 01.04.2024	864.29	954.95
Add: Provided for the year	215.23	201.41
Less: MAT Credit Reversed	7.40	292.07
Closing Balance as on 31.03.2025	1,072.12	864.29
Deferred Tax Liability (Net)	1,922.63	1,935.36

The Company had calculated Deferred tax asset/liability using the rate at which the normal income taxes would be payable by the company as per IND AS 12

NOTE 13. Other long-term liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Trade Payables:		
(i) Acceptances	856.61	-
(ii) Other than Acceptances	-	-
(b) Lease Liabilities	317.17	310.70
Total	1,173.78	310.70
Employee Benefits	-	-
Others	-	-
Total	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 14. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables:		
Acceptances	531.41	158.92
Other than Acceptances	2,533.24	2,336.35
Total	3,064.65	2,495.27

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	134.62	34.55	-	-	169.17
(ii) Others	2,631.94	263.54	-	-	2,895.48
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTE 15. Borrowings	As at 31 March 2025	As at 31 March 2024
Bonds and Debentures	-	-
Loans repayable on demand from Banks:		
From Banks		
Secured	6,483.62	6,529.37
Unsecured	-	-
Total	6,483.62	6,529.37

The Cash Credit and other working capital facilities from the consortium of Bankers namely, Canara Bank, Punjab National Bank and HDFC Bank are secured by way of hypothecation of Raw Material, Stock in Process, Finished Goods, Book Debts and Goods meant for export on pari-passu basis and further secured by way of first charge on immovable assets of the company and second & subsequent charge on the whole of the movable/Fixed Assets of the Company except exclusive charge created in favour of HDFC Bank for availing Term Loan. These borrowings are further secured by way of Personal Guarantees by two Promoter Directors of the Company to the extent applicable.

NOTE 16. Other Current Liabilities		
Particulars	As at 31 March, 2025	As at 31 March, 2024
Advances from Customers	298.35	198.54
Term Loan Instalments payable within one year	1,144.47	1,298.88
Deposits - DLR	118.47	93.37
Statutory remittances :		
(i) Contributions to PF and ESIC, Withholding Taxes, Excise Duty, GST, Service Tax, etc.	733.07	505.46
(ii) Contractually reimbursable expenses	9.34	11.42
(iii) Salary & Wages Payable	368.47	290.88
(iv) Outstanding Liabilities for Expenses	215.49	161.58
(v) Interest accrued on borrowings	-	-
(vi) Dividend Payable	7.19	2.80
Total	2,894.85	2,562.93

NOTE 17. Provisions		
Particulars	As at 31 March, 2025	As at 31 March, 2024
Employee Benefits	88.67	84.30
Current Tax Provision	(12.77)	188.64
Total	75.90	272.94

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 18. Revenue from operations

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a)	Sale of products	13,810.46	12,193.48
(b)	Sale of services	6,430.71	6,409.54
(c)	Other operating revenues	45.20	27.80
	Total	20,286.37	18,630.82
(i)	Sale of products comprises		
	Manufactured goods	12,443.08	11,118.10
	Traded goods	1,367.39	1,075.38
	Total - Sale of products	13,810.46	12,193.48
(ii)	Sale of services comprises		
	Service - Earth Work	6,430.71	6,409.54
	Service - Road Work	-	-
	Total - Sale of services	6,430.71	6,409.54
(iii)	Other operating revenues comprise:		
	Sale of Scraps	26.22	9.97
	Trasportation & Loading & Unloading / Insurance	18.99	17.84
	Total - Other operating revenues	45.20	27.80

NOTE 19. Other income

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a)	Interest income	28.32	20.94
(b)	Dividend income:		
	Associates	29.79	29.79
(c)	Other Operative Income	419.32	350.00
(d)	Other non-operating income (net of expenses directly attributable to such income)	13.11	43.66
	Total	490.53	444.39
(i)	Interest income comprises:		
	Interest from banks on:		
	Deposits	28.32	20.37
	Income Tax Refund	-	0.57
	Total - Interest income	28.32	20.94
(ii)	Other non-operating income comprises:		
	Other Income	-	-
	Insurance Claim Received	9.16	17.26
	Profit on sale of fixed assets [net of expenses directly attributable]	0.65	17.99
	Prior period items (net) (Refer Note (iii) below)	-	-
	Miscellaneous income [net of expenses directly attributable]	1.49	-
	Foreign Exchange Gain/loss	1.81	1.88
	Rent Received	-	6.53
	Total - Other non-operating income	13.11	43.66
(iii)	Details of Prior period items (net)		
	Prior period income - VAT Refund	-	-
	Prior period expenses	-	-
	Total	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

NOTE 20. Cost of materials consumed		
Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Opening stock	2,786.47	3,663.11
Add: Purchases	3,579.39	3,638.58
	6,365.87	7,301.70
Less: Closing stock	1,989.78	2,786.47
Cost of material consumed	4,376.09	4,515.23
Material consumed comprises:		
Clay	2,431.10	2,608.93
Glaze & Pigments	1,462.78	1,472.74
Packing Material	480.18	432.42
Other items	2.03	1.14
Total	4,376.09	4,515.23
Purchase of traded goods		
Traded goods	1,057.07	822.73
Total	1,057.07	822.73

NOTE 21. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Inventories at the end of the year:		
Finished goods	6,425.75	6,081.58
Work in progress	687.33	931.46
Stock-in-trade	-	-
	7,113.08	7,013.04
Inventories at the beginning of the year:		
Finished goods	6,081.58	4,045.58
Work-in-progress	931.46	2,061.08
Stock-in-trade	-	-
	7,013.04	6,106.67
Net (increase) / decrease	(100.04)	(906.38)

NOTE 22. Employee benefits expense		
Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salaries and wages	2,174.58	2,035.65
Contributions to provident and other funds	70.94	64.23
Staff welfare expenses	681.48	614.69
Defined Benefit Obligation - Gratuity	22.69	18.78
Defined Benefit Obligation - Leave Encashment	11.61	10.32
Other Employee Benefit Expenses	-	-
Total	2,961.30	2,743.68

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
NOTE 23. Finance costs

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a) Interest expense on:		
(i) Borrowings TL & CC	1,001.73	860.32
(ii) Trade payables	46.47	71.14
(iii) Others		
Interest on Lease Liabilities	37.27	25.65
Int on Security deposits	6.62	4.07
Int on Income Tax	-	-
(b) Other borrowing costs	213.84	142.64
Total	1,305.94	1,103.82

24 .Other expenses

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Consumption of stores and spare parts	970.29	1,151.70
Subcontracting	38.28	-
Power and fuel	4,918.92	4,966.59
Rent	25.54	25.00
Repairs and maintenance - Buildings	100.19	13.47
Repairs and maintenance - Machinery	28.93	36.72
Repairs and maintenance - Others	180.96	164.31
Insurance	343.35	192.00
Rates and taxes	251.84	206.75
Communication	16.69	13.43
Travelling and conveyance	381.59	363.21
Printing and stationery	23.27	25.37
Freight and forwarding	666.75	650.05
Sales commission	33.12	21.25
Sales discount	114.97	213.48
Export Expenses	13.88	19.95
Business promotion	21.74	8.14
Donations and contributions	1.22	1.19
Legal and professional	165.14	162.88
Payments to auditors	7.20	6.80
Directors Sitting Fees	5.85	5.55
Advertisement & Publicity	2.83	1.34
Sales Promotion Expenses	17.02	2.15
Selling & Distr.expenses-Others	137.31	115.26
Security Charges	18.85	21.39
CSR payments	16.65	-
Loss on fixed assets sold / scrapped	-	37.58
Miscellaneous expenses	29.62	21.67
Total	8,532.00	8,447.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(i) Payments to the auditors comprises:		
As auditors - statutory audit	3.60	3.60
For taxation matters	0.60	0.60
For management services	0.60	0.60
Reimbursement of expenses	2.40	2.40
Total	7.20	7.20

25 Disclosures under Accounting Standards

25.1	Employee benefit plans
25.1.a	DEFINED CONTRIBUTION PLANS
	The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 41,09,480 (Year ended 31st March, 2024 Rs. 38,22,381) for Provident Fund contributions and Rs. 24,93,261 (Year ended 31st March, 2024 Rs. 19,20,551) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of schemes.
25.1.b	DEFINED BENEFIT PLANS
	The Company offers the following employee benefit schemes to its employees :
	i. Gratuity : The following tables sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

(Rs. in lakhs)

	Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
		Gratuity	Gratuity
A	Change in Defined Benefit Obligations (DBO) during the year		
	Defined Benefit Obligation at the beginning of the year	356.07	295.56
	Current service cost	20.96	19.21
	Interest Expense	24.95	21.87
	Benefit Payment from Plan Assets	(12.29)	(3.89)
	Remeasurement - Due to Financial Assumptions	10.23	5.53
	Remeasurement - Due to Experience Adjustments	9.92	17.79
	Present value of DBO at the end of the year	409.84	356.09
B	Change in Fair Value of Plan Assets during the year:		
	Fair Value of Plan Assets at the beginning of the year	347.34	326.52
	Interest Income	24.33	24.08
	Actual company contributions	2.86	1.75
	Employers Contribution	1.88	(1.12)
	Benefit Payments from Plan Assets	(12.29)	(3.89)
	Plan assets at the end of the year	364.11	347.34
	Actual return on plan assets	20.96	19.21
C	Components of Defined Benefit Cost		
	Current service cost	20.96	19.21
	Interest Expenses on DBO	24.95	21.87
	Interest (Income) on Plan Assets	(24.33)	(24.08)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

	Total Net Interest Cost	0.62	(2.21)
	Defined Benefit Cost included in P & L	21.58	17.00
	Remeasurement - Due to Financial Assumptions	10.23	5.53
	Remeasurement - Due to Experience Adjustments	9.92	17.79
	(Return) on Plan Assets (Excluding Interest Income)	(1.88)	1.12
	Total Remeasurements in OCI	18.27	24.43
	Total Defined Benefit Cost recognised in P & L and OCI	39.85	41.44
D	Amount Recognised in the Statement of Financial Position		
	Defined Benefit Obligation	409.84	356.07
	Fair Value of Plan Assets	364.11	347.34
	Fund Status	45.73	8.73
	Effect of Assets Ceiling/Onerous Liability	-	-
	Net Defined Benefit Liability/(Assets)	45.73	8.73
E	Net Defined Benefit Liability/(Assets) Reconciliation		
	Net Defined Benefit Liability/(Assets) at Beginning of the year	8.73	(30.96)
	Defined Benefit Cost included in P & L	21.58	17.00
	Total Remeasurements included in OCI	18.27	24.43
	Employers Contributions	(2.86)	(1.75)
	Net Defined Benefit Liability/(Assets) at end of year	45.73	8.73
F	Weighted Average Asset Allocations at the year end		
	Government Bonds	-	-
	PSU bonds	-	-
	Equity Mutual funds	-	-
	Insurance Policies	100%	100%
G	Actuarial assumptions		
	Discount rate	6.55%	7.10%
	Salary escalation	6.00%	6.00%

26. Additional information to the financial statements

	Particulars	As at 31 March, 2025	As at 31 March, 2024
26.1 Contingent liabilities and commitments (to the extent not provided for)			
(i)	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt (give details)	-	-
	(b) Guarantees	213.43	213.43
	(c) Letters of Credit Established with Banks	1,076.77	788.22
(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	619.81	414.80
		619.81	414.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
26.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	169.17	123.88
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

26.3 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31.03.2025	Maximum balance outstanding during the year
Murudeshwar Power Corporation Pvt. Ltd	Associates	-	-
RNS Power Ltd	Associates	481.12	481.12

Note: Figures in bracket relate to the previous year.

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2025		As at 31 March, 2024	
Payable	Payable in Foreigncurrency	Payable	Payable in Foreign currency
(Rs. in lakhs)	(indicate amount with currency)	(Rs. in lakhs)	(indicate amount with currency)
37.41	US\$ 43716.52	-	-

26.4 Value of imports calculated on CIF basis:

	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Raw materials	-	-
	Components	149.01	221.52
	Spare parts	85.71	222.50
	Total Components and spare parts	234.72	444.02
	Capital goods	1,424.59	107.10

26.5	Expenditure in foreign currency :	As at 31 March, 2025	As at 31 March, 2024
	Travel	10.35	19.18

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

26.6	Details of consumption of imported and indigenous items	For the year ended 31 March, 2025	
		(Rs. In Lakhs)	%
	Imported		
	Raw materials	106.04	25.53%
		(14.51)	2.99%
	Components	164.15	39.53%
		(213.96)	44.05%
	Spare parts	145.10	34.94%
		(257.26)	52.96%
	Total	415.29	100.00%
		(485.73)	100.00%
	Indigenous		
	Raw materials	4,270.05	86.59%
		(4,500.72)	86.87%
	Components	125.95	2.55%
		(125.80)	2.43%
	Spare parts	535.09	10.85%
		(554.68)	10.71%
	Total	4,931.09	100.00%
		(5,181.20)	100.00%
Note: Figures / percentages in brackets relates to the previous year			

27. Disclosures under Accounting Standards

Segment information				
27.1	The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Ceramic Tiles and Vitrified Tiles. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are Americas (including Canada and South American countries), Europe, India and Others.			
	Business Segments			
	Particulars	Sale of Product	Sales of Services	Total
	Revenue	13,855.66	6,430.71	20,286.37
	Inter-segment revenue	-	-	-
	Total	13,855.66	6,430.71	20,286.37
	Less: Central Excise	-	-	-
	Net Revenue	13,855.66	6,430.71	20,286.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

	Segment result	422.16	312.07	734.22
	Unallocable expenses (net)			-
	Operating income			-
	Other income (net)			460.72
	Profit before taxes			1,194.95
	Tax expense			193.18
	Net profit for the year			1,001.77
27.2	Segment assets	51,994.23	3,138.45	55,132.68
	Unallocable assets	-	-	1,859.07
	Total assets	51,994.23	3,138.45	56,991.75
		14,914.40	1,834.97	16,749.37
	Segment liabilities	-	-	40,242.38
	Unallocable liabilities	14,914.40	1,834.97	56,991.75
	Total liabilities			
	Other information			
	Capital expenditure (allocable)	37,079.83	1,303.48	38,383.31
	Capital expenditure (unallocable)	-	-	-
	Depreciation and amortisation (allocable)	1,156.45	293.14	1,449.59

27.3	Related party transactions	
	Details of related parties:	
	Description of relationship	
	Associates	M/s. RNS Infrastructure Ltd M/s. Murudeshwar Power Corp. Pvt. Ltd M/s. Naveen Hotels Pvt. Ltd RNS Motors Pvt. Ltd RNS Power Ltd. R N Shetty Trust R N S Trust
	Key Management Personnel (KMP)	Shri Satish R Shetty Shri Sunil R Shetty Shri Naveen R Shetty Shri Karan S Shetty
	Relatives of KMP	Satish R Shetty, Sunil R Shetty and Naveen R Shetty are brothers Karan Shetty is son of Satish R Shetty Above mentioned Associate Companies
Company in which KMP / Relatives of KMP can exercise significant influence in the above mentioned Associate Companies. Note: Related parties have been identified by the Management.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)
Details of related party transactions during the year ended 31 March, 2025 and balances outstanding as at 31 March, 2025:

	Associates	Total
Purchase of goods	501.51 (414.16)	501.51 (414.16)
Sale of goods	463.86 (80.67)	463.86 (80.67)
Sale of fixed assets	-	-
Purchase of Fixed Assets	- (4.00)	- (4.00)
Rendering of services: RNS Infrastructure Ltd	7,459.62 (7,435.07)	7,459.62 (7,435.07)
Investment in Shares	-	-
Commission	481.16 (395.50)	481.16 (395.50)
Receiving of services	14.65 (17.10)	14.65 (17.10)
Dividend Received	29.79 (29.79)	29.79 (29.79)
Issues of Equity	- (937.65)	- (937.65)
Issues of Share Warrant	- (-)	- (-)
Balances outstanding at the end of the year		
Trade receivables	2,521.74 (401.85)	2,521.74 (401.85)
Trade payables	10.82 (147.09)	10.82 (147.09)
Note: Figures in bracket relates to the previous year		

28. Disclosures under Accounting Standards

	Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
28.1	Earnings per share		
	Basic		
28.1.a	Continuing operations		
	Net profit / (loss) for the year from continuing operations	960.24	497.09
	Less: Preference dividend and tax thereon	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)
(Rs. in Lakhs)

	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	960.24	497.09
	Weighted average number of equity shares	6,05,45,260	5,80,62,246
	Par value per share	10	10
	Earnings per share from continuing operations - Basic	1.59	0.86
28.2	Income Tax Expenses in Profit & Loss Account		
	Consist of following:		
	Current Tax	206.89	192.04
	Prior Period Tax	-	-
	Deferred Tax	195.10	344.07
	MAT Credit Entitlement	207.83	(90.66)
	Total Tax Expenses	194.17	626.77
	Reconciliation of taxes to the amount computed by applying the statutory income tax rates to the income before taxes is summarised below:		
28.3	Profit before taxes:	1,194.95	1,148.90
	Applicable rate	27.82%	27.82%
	Computed tax charges	206.89	192.04
	Less : Tax effected due to diffierence in tax rates	-	-
	Less : Reversal of Excess provision for previous year	-	-
	Add: (Increase) Decrease in Deferred tax liability	195.10	344.07
	Less : Increase (Decrease) in Deferred Tax Asset		-
	Less: Mat credit entitlement	207.83	(90.66)
	Total Tax Expenses	194.17	626.77
	Less : Total Tax Expenses as per P & L	194.17	626.77
	Balance	Nil	Nil

MURUDESHWAR CERAMICS LIMITED

Regd. Office: 604/B, Murudeshwar Bhavan, Gokul Road, Hubballi - 580 030

CIN: L26914KA1983PLC005401

42ND ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Regd. Folio No/Client ID

Name & Address of First/Sole Shareholder

E-mail ID

No. of Shares

I hereby record my presence at the Annual General Meeting of the Company to be held on Monday, 25th day of August, 2025 at 3.00 P.M. IST at Hotel Naveen, Unkal Lake, Hubli - Dharwad Highway, Bairidevarkoppa, Hubballi – 580025, Karnataka.

Signature of the Member / Proxy

Members are requested to fill up the attendance slip and hand it over at the venue.

Members are requested to bring their copy of Annual Report to the meeting as no copies will be distributed at the venue.

MURUDESHWAR CERAMICS LIMITED

Regd. Office: 604/B, Murudeshwar Bhavan, Gokul Road, Hubballi - 580 030

CIN: L26914KA1983PLC005401
42ND ANNUAL GENERAL MEETING
FORM NO. MGT-12
POLLING PAPER

[pusruant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the First Named Shareholder (In block letters)	
Postal address	
Registered folio No. /Client ID No.	
Class of Share	EQUITY
No. of Shares held	

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s)/ Special Resolution(s) as specified in the Notice dated May 29, 2025 to be passed through Poll for the businesses stated in the said notice of the 42nd Annual General Meeting on 25th day of August, 2025 by conveying my/our assent or dissent to the said Resolution in the relevant box below:

Sl. No.	Resolutions	Type of resolution	I/We assent to the resolution (For)✓	I/We dissent to the resolution (Against)✓
1.	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon.	Ordinary		
2.	To appoint a director in place of Shri Naveen Rama Shetty (DIN 00058779), who retires by rotation and being eligible, offers himself for reappointment.	Ordinary		
3	To declare a dividend on equity shares for the financial year ended March 31, 2025	Ordinary		
4	To appoint CS Shivappa Athani (M. No. 67536 and COP: 25196) as the Secretarial Auditor of the Company for a period of five consecutive years from the FY 2025-26 to 2029-30.	Ordinary		
5	Re-appointment of Shri Satish Rama Shetty (DIN: 00037526) as the Chairman and Managing Director of the Company for a further period of five consecutive years w.e.f. June 26, 2025 to June 25, 2030.	Special		
6	Approval for overall limits under section 180 (1) of the companies act, 2013.	Special		
7	Approval for overall limits under section 185 of the Companies Act, 2013.	Special		
8	Approval for overall limits to make investments, to give loans, to provide guarantees and security under section 186 of the Companies Act, 2013.	Special		
9	To approve existing and new Material Related Party Transaction(s) with RNS Infrastructure Limited (RNSIL) in terms of Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013.	Ordinary		

Place: Hubballi

Date : 29.05.2025

Signature of Member /Proxy / Authorised Representative

Note : Please see overleaf for instruction on voting

GENERAL INSTRUCTIONS TO SHAREHOLDERS FOR FILLING THE POLL PAPER

Regarding Putting √ (Tick) Mark

- Please cast your vote by putting a mark in either of the boxes provided in the poll paper.
- If you want to cast your vote in favour of the resolution, you have to put a √ mark in the box “**I assent to the resolution**”.
- If you want to cast your vote against the resolution, you have to put a X mark in the box “**I dissent to the resolution**”.
- If you put a √ mark in both the boxes, your vote will be treated as **invalid**.
- If you do not put √/X mark in either of the boxes, the poll paper will be treated as **invalid**.
- If you put a mark other than a √ mark, says **X (Cross)** etc... your vote will be treated as **invalid**.
- If you are voting separately as a **Shareholder / Proxy/Authorised Representative**, you should use separate Polling Paper to vote as **Shareholder / Proxy/Authorised Representative** respectively.

Reading Folio No./DP Id & Client ID No's

- In case you hold shares in physical form, please write your Folio No. at the place provided for in the poll Paper.
- In case you hold shares in dematerialised form, please write your DP Id & Client ID at the place provided for in the poll paper.

Regarding Signing and Deposit of Poll Paper

- This form should be completed and signed by the member (as per the specimen signature registered with the Company). Unsigned and incomplete Forms will be **rejected**.
- In case you are **voting in person**, you must sign as per the **specimen signature** registered with the Company. In such case please strike out the words “**Proxy/Authorised Representative**”.
- In case you are **voting as a Proxy**, then, after signing strike out the words “**Shareholder / Authorised Representative**”.
- In case you are voting as **Authorised Representative**, then after signing strike out the words “**Shareholders / Proxy**”. If you do not sign the Poll Paper, your vote will be **invalid**. After filling in the poll paper, please **deposit** the same in the **Ballot Box**.

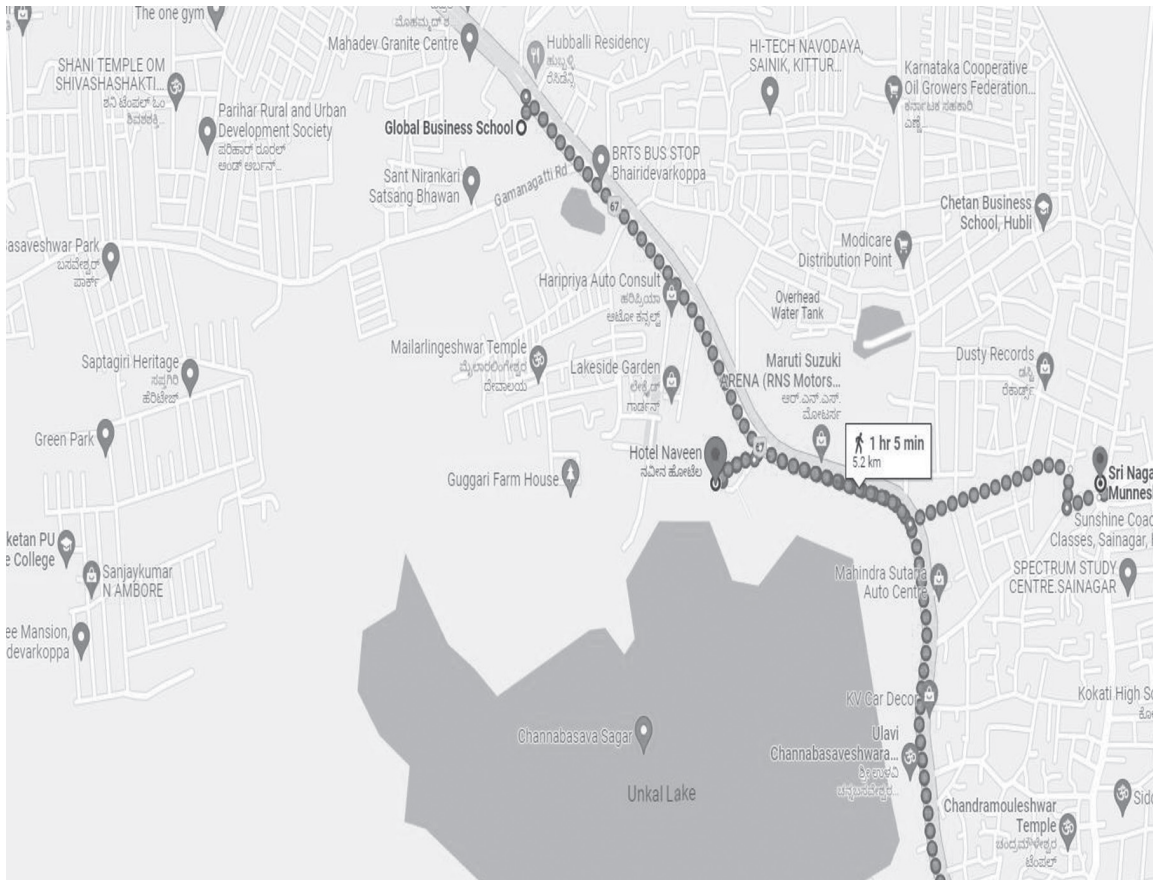
Joint Holder

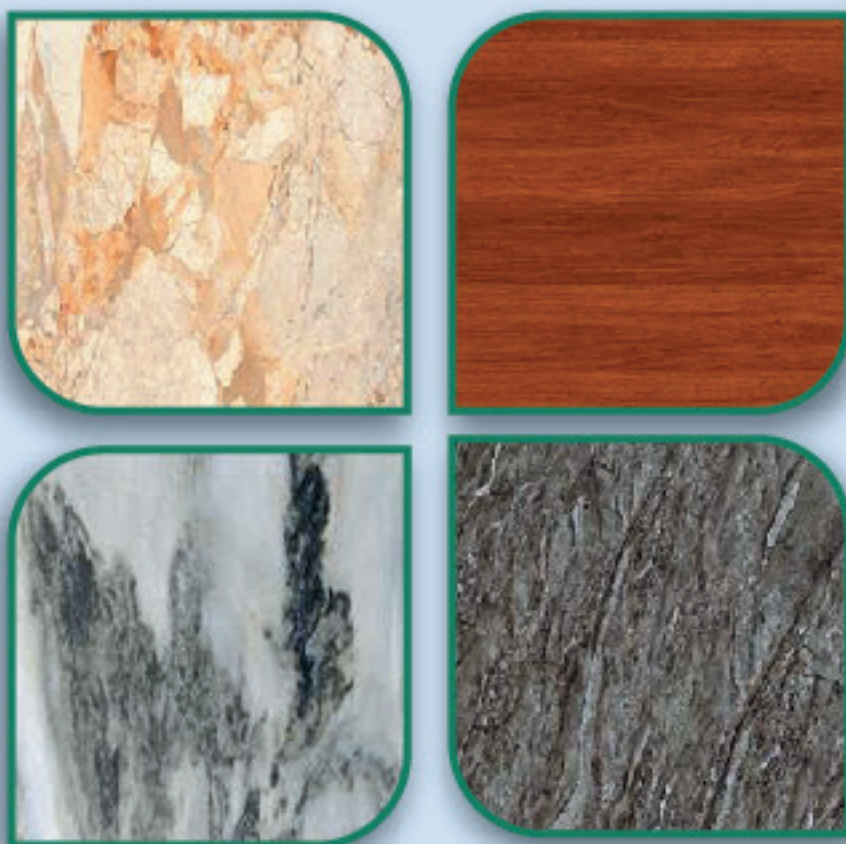
- Any of the joint holders is entitled to vote. However, if two or more joint holders are personally present at the meeting, then the shareholders whose name stands first or higher (as the case may be) is alone entitled to vote.
- Joint holders attending the meeting should write the name of the first holder as also his name in serial No.1 of the poll paper.

E-voting /Poll

- A member can opt for only one mode of voting i.e. either through e-voting or by poll.
- If a member cast his vote through e-Voting, then the voting done through e-Voting shall prevail and his vote through Poll shall be treated as invalid.
- Mr. Sunil J Shah, Practicing Company Secretary has been appointed as the Scrutinizer and his decision on the validity of the vote shall be final. However, in case of ambiguity about the validity of a proxy, the Scrutinizers shall decide the validity in consultation with the chairman.
- Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing mediums like pencil.

ROUTE MAP OF AGM VENUE:





**MURUDESHWAR
CERAMICS LTD.**

Regd. Office : 604/B, Murudeshwar Bhavan, Gokul Road, Hubballi - 580030.

Phone : 0836 - 2331615 / 18

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