

INDEPENDENT AUDITORS' REPORT

To

The Shareholders of

Saint-Gobain Ceramic Materials Bhutan Private Limited

Pasakha,

Bhutan

Report on the Audit of the Financial Statements

1. Opinion

We have audited the financial statements of **Saint-Gobain Ceramic Materials Bhutan Private Limited** ("the Company"), which comprise the Statement of Financial Position as at December 31, 2025, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a summary of Significant Accounting Policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance and cash flows for the year ended on that date in accordance with Bhutanese Accounting Standards (BAS).

2. Basis for Opinion

We conducted our audit in accordance with the provisions of the Companies Act of Bhutan, 2016 ("the Act") and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in The Kingdom of Bhutan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



3. 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 scrutinized the available papers and documents and relied on the statements and details made available to us, asked for further details/explanations and obtained clarifications from the Company. We have also relied on the management representation of the Company confirming various audit and regulatory issues, adequacy of internal control and other ethical requirements while framing our audit report. During the year under audit, we have not come across any issue which in our opinion requires mention under this head.

4. Other Information (or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon")

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

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

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



5. Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with BAS 1 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law and regulation preclude 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.

7. Report on Other Legal and Regulatory Requirements

- (i) As required by the section 266 of the Companies Act of Bhutan, 2016 (Minimum Audit Examination and Reporting Requirements) we enclose in the **Annexure-I** a statement on the matters specified therein to the extent applicable.
- (ii) As required by section 265 of the Act, we report that:
 - a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;




- c) the Statement of Financial Position, Statement of Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows dealt with in this report have been prepared in accordance with accounting principles generally accepted as well as Bhutanese Accounting Standards (BAS) and are in agreement with the books of account.
- d) in our opinion, the Statement of Financial Position, Statement of Comprehensive Income, the Statement of Changes in Equity and Statement Cash Flows comply with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of Bhutan 2016.

In our opinion and to the best of our information and according to the explanations given to us and after considering the limitations of audit mentioned in Para 5 and 6 above, we state that the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the Generally Accepted Accounting Principles, Bhutanese Accounting Standards and provisions of the Companies Act of Bhutan, 2016:

- I) In the case of Statement of Financial Position, of the state of affairs of the Company as at 31st December 2025;
- II) In case of Statement of Comprehensive Income, of the profit of the Company for the year ended on that date;
- III) In the case of Statement of Changes in Equity, of the movement of the Shareholders' Equity of the Company for the year ended on that date and;
- IV) In the case of Statement of Cash Flows of the movement of cash flows of the Company for the year ended on that date.

Place : Kolkata
Dated: 28.03.2026

For S. N. Mukherji & Co.
Chartered Accountants
Firm's Reg No. 301079E


Sudip Kumar Mukherji
Partner
(Membership No.13321)
UDIN : 26013321XWQQQV1661



Annexure-I

SAINT-GOBAIN CERAMIC MATERIALS BHUTAN PRIVATE LIMITED
Pasakha: Bhutan
2025

MINIMUM AUDIT EXAMINATION AND REPORTING REQUIREMENT

ANNEXURE REFERED TO IN OUR REPORT OF EVEN DATE

1. The Company is maintaining records showing full particulars of fixed assets. Physical verification of fixed assets has been carried out by the Company.
2. None of the fixed assets has been revalued during the year.
3. Physical verification of various stores items were carried out by the Company during the year.
4. In our opinion, the procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of Business.
5. Discrepancies found on physical verification of stock compared to books of record were not material and have been properly adjusted in the books of account.
6. On the basis of examination of stock record, we are of the opinion the valuation of stock is fair and proper, in accordance with the normally accepted accounting principles. The basis of valuation of stock is same as in the preceding year.
7. The Company has not availed any fresh loan from Bank.
8. The Company has not granted any loans secured or unsecured to any party other than the normal advances to suppliers/ staff, etc.
9. The advances granted to officers/staff are in keeping with the policy of the Company for procurement of material and execution of contract.
10. The Company has introduced internal control system to ensure completeness, accuracy, and reliability of accounting records, and to carry out the business in an orderly and efficient manner, to safeguard the assets of the company and adhere to the rules/regulations and system and procedures. We are of the view that the approved delegated authority structure should be reviewed from time to time to meet the operational and financial requirements of the company considering the essential components of internal control.



11. There is a system of obtaining competitive bidding commensurate with the size of the Company and nature of its business for the purchase of goods and services including stores, equipment and other assets.
12. As informed to us, there are transactions for purchase and sale of goods and services made in pursuance to contracts on arrangements entered into with the directors or any other parties related to directors or with the Company or firms in which the directors are directly or indirectly interested which are disclosed in the financial statements.
13. Unserviceable or damaged stores have been determined on the basis of verification conducted at periodical intervals. Necessary adjustments for such loss have been duly recorded in the books of account.
14. There is a reasonable system of ascertaining and identifying point of occurrence of damages of raw materials, packing materials and finished goods while such goods are in transit and during handling, storage, loading/unloading etc. so that responsibility could be fixed and compensation sought from those responsible.
15. The Company is maintaining reasonable records for production of finished goods and adequate physical safeguard exist to prevent unauthorized or irregular movement of goods from the Company.
16. The company has no saleable by products and is also maintaining reasonable records for sale and disposal of realizable value of scrap.
17. The Company has been regular in depositing rates and taxes, provident fund and other statutory dues with the appropriate authority.
18. Undisputed statutory dues that were outstanding as at 31st December, 2025 have been disclosed in the accounts as follows:

	<u>Nu.</u>
TDS	429,506
PF and Health contribution	<u>16,413</u>
Total	<u>445,919</u>

19. According to the information and explanations given to us, no personal expenses have been debited to the Statement of Comprehensive Income excepting those payable under contractual obligations/ service rules.



20. The Company maintains reasonable records for the issue and receipts of inventory commensurate with the nature and size of its business.
21. Quantitative reconciliation is carried out at the end of the accounted year in respect of all major items.
22. There exists a system of authorization at proper levels and reasonable system of internal control for issue of inventory commensurate with the size and nature of its business.
23. The company has a system of allocating man-hours to respective jobs.
24. The Company fixed the price of its product (Silicon Carbide) after taking into the account the cost of production and the prevalent market conditions in consultation with the Grindwell Norton Ltd, India (Holding Company).
25. Credit sales policy is reasonable and realizability of long outstanding receivables at the end of the year have been duly considered in preparation of the financial statements.
26. Sales are not made through commission agents.
27. The system of follow up with debtors and other parties for recovery of outstanding dues is reasonable and commensurate with the nature and size of the business.
28. In our opinion the management of cash and bank balance is reasonable.
29. According to the information and explanations given to us and on the basis of examination of books and records on test check basis, the activities carried out by the Company are in our opinion lawful and intra-vires to the Articles of Incorporation of the Company.
30. According to the information and explanations given to us, the company has a system of approval of competent authority for all capital expenditure.
31. The company has established an effective budgetary control system.
32. According to the information and explanations given to us, effective variance analysis is being carried out by the Company at periodic intervals and corrective action is being taken thereon.
33. The company has not paid salary to any Director but to the CEO which has been duly disclosed in the notes on accounts.



34. We were given to understand that no officials of the Company has transmitted any price sensitive information, which is not made publicly available to their relatives/friends/associates, or close persons, which would directly or indirectly benefit themselves.
35. The company has not given any machinery/equipment on lease.
36. Internal Audit has not been carried out during the year.

Computerized Accounting Environment

1. Company maintains the account in computerized accounting environment.
2. We have been informed that the Company has adequate back up facilities and safeguard measures.
3. We have been informed that back up files are kept in an external hard disk. However, back up facilities and disaster recovery measures do not include keeping the backup files in different and remote locations.
4. We have been informed that adequate operational control is there to ensure correctness and validity of input data and output information.
5. We have been informed that adequate safeguard measures to prevent unauthorized access, are implemented.



General

(1) Going Concern Problem

Based on the company's financial statements audited by us, for the year ended 31st December 2025, we have no reason to believe that the company is not a going concern.

(2) Ratio Analysis

Financial and operational ratio in respect of the Company is given in the statement of Ratio Analysis.

Ratio	Basis	2025
Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Income from Operation}}$	7.03 %
Operating Ratio	$\frac{\text{Operating expenses}}{\text{Income from Operation}}$	95.66%
Return on Investment	$\frac{\text{Net Profit After Tax}}{\text{Shareholders' Fund}}$	11.27 %
Fixed Assets Turnover Ratio	$\frac{\text{Income from Operation}}{\text{Net Block}}$	3.48times
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.56 :1
Debt Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	0.07 : 1



(3) Compliance of Companies Act of Bhutan 2016:

According to the information and explanations given to us and based on the records produced to us for verification, we are of the opinion that the Company has generally complied with the provisions of The Companies Act of Bhutan, 2016.

(4) Adherence of Laws Rules & Regulations:

Audit of the Company is governed by The Companies Act of Bhutan, 2016 and the scope of audit is limited to examination and review of the financial statement as produced to us by the management. In the course of audit, we have considered the compliance of provision of the said Companies Act and its Article of Incorporation.

The Company should consider having a comprehensive Compliance Reporting and Recording System as regards adherence to all laws, rules and regulations, systems, procedures and practices for review by the Board of Directors.

Place : Kolkata
Dated: 28.03.2026

For S. N. Mukherji & Co.
Chartered Accountants
Firm's Reg No. 301079E


Sudip Kumar Mukherji
Partner
(Membership No.13321)
UDIN : 26013321XWQQQV1661



Saint-Gobain Ceramic Materials Bhutan Private Limited
Statement of Financial Position as at 31st December, 2025

(Amount in Nu)

	Notes	As at 31st December, 2025	As at 31st December, 2024
I. ASSETS			
Non-current assets			
Property, plant and equipment	1A	22,66,99,943	23,60,25,525
Capital work-in-progress	1B	63,88,071	78,59,575
Other non-current assets	2	56,46,610	7,50,850
Deferred tax assets	3	2,15,18,960	2,20,54,382
Total non-current assets		26,02,53,584	26,66,90,332
Current assets			
Inventories	4	25,63,08,958	23,68,44,864
Trade receivables	5	7,76,73,881	8,07,06,432
Cash and cash equivalents	6	3,67,94,083	3,63,813
Loans and advances	7	1,24,14,717	1,22,73,346
Total current assets		38,31,91,639	33,01,88,455
TOTAL ASSETS		64,34,45,223	59,68,78,787
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	28,99,42,400	28,99,42,400
Other equity	9	20,24,25,416	14,71,08,426
Total equity		49,23,67,816	43,70,50,826
LIABILITIES			
Non-current liabilities			
Provisions	10	2,83,772	3,07,504
Total non-current liabilities		2,83,772	3,07,504
Current liabilities			
Short Term Borrowings	11	3,46,96,376	1,01,36,431
Trade and other payables	12	9,97,85,928	12,46,69,525
Other current liabilities	13	13,75,725	1,33,86,485
Provisions	14	9,09,746	5,77,600
Current tax liabilities (Net)	15	1,40,25,860	1,07,50,416
Total current liabilities		15,07,93,635	15,95,20,457
TOTAL LIABILITIES		15,10,77,407	15,98,27,961
TOTAL EQUITY AND LIABILITIES		64,34,45,223	59,68,78,787

Significant Accounting Policies & Notes to Accounts 23

The accompanying notes 1 to 23 are an integral part of the Financial Statements

In terms of our report attached
For S.N.Mukherji & Co.
Chartered Accountants
Firm Registration no. 301079E

Sudip Kumar Mukherji
Partner

Membership No: 013321

UDIN: 26013321XW0888V1661



For and on behalf of the Board

Venugopal Shanbhag
(Director)

Ugen Tsechup Dorji
(Vice Chairman)

Sreedhar Natarajan
(Chairman and Director)

Date : 28th March, 2026

Date : 28th March, 2026

Saint-Gobain Ceramic Materials Bhutan Private Limited**Statement of Comprehensive Income for the year ended 31st December, 2025**

(Amount in Nu)

	Notes	For the year ended 31st December, 2025	For the year ended 31st December, 2024
INCOME			
Revenue from operations	16	78,88,39,811	81,71,94,206
Other income	17	39,46,653	61,65,478
Total income		79,27,86,464	82,33,59,684
EXPENSES			
Raw material consumed	18	40,92,66,203	37,13,21,355
Changes in inventories of work-in-progress and finished goods	19	(5,94,61,560)	2,13,57,462
Employee benefits expense	20	3,39,74,436	2,81,34,030
Finance cost		35,49,446	61,56,455
Depreciation and amortization	1A	2,43,11,577	2,27,49,829
Other operating expenses	21	30,46,20,995	29,51,95,171
Total expenses		71,62,61,097	74,49,14,302
Profit/ (Loss) before tax		7,65,25,367	7,84,45,382
Tax expenses			
Prior year's tax		7,07,859	-
Current tax		1,98,13,204	1,08,01,417
Deferred tax		5,35,422	1,05,90,795
Total tax expense		2,10,56,485	2,13,92,212
Profit/ (Loss) after tax		5,54,68,882	5,70,53,171
Other comprehensive income/(loss)			
-Actuarial Gain/(loss) on post employment benefit obligations		(1,51,892)	1,96,378
-Income tax relating to component for other comprehensive income		-	-
Net other comprehensive income/(loss) for the year		(1,51,892)	1,96,378
Total comprehensive income/ (loss) for the year		5,53,16,990	5,72,49,549
Basic and Diluted Earnings per share	22	19.13	19.68
Significant Accounting Policies & Notes to Accounts	23		

The accompanying notes 1 to 23 are an integral part of the Financial Statements

In terms of our report attached

For S.N.Mukherji & Co.

Chartered Accountants

Firm Registration no. 301079E

Sudip Kumar Mukherji

Partner

Membership No: 013321

VDIN: 26013321XW000VI661



For and on behalf of the Board

Venugopal Shanbhag
(Director)Ugen Tsechup Dorji
(Vice Chairman)Sreedhar Natarajan
(Chairman and Director)

Date : 28th March, 2026

Date : 28th March, 2026

Saint-Gobain Ceramic Materials Bhutan Private Limited
Statement of Changes in Equity for the year ended 31st December, 2025

(Amount in Nu)

Statement of Changes in Equity	Share capital	Retained earnings	Total
Balance as at 1st January, 2024	28,99,42,400	8,98,58,878	37,98,01,278
Profit / (Loss) for the year	-	5,70,53,171	5,70,53,171
Other comprehensive Gain / (Loss)	-	1,96,377	1,96,377
Balance as at 31st December, 2024	<u>28,99,42,400</u>	<u>14,71,08,426</u>	<u>43,70,50,826</u>
Balance as at 1st January, 2025	28,99,42,400	14,71,08,426	43,70,50,826
Profit / (Loss) for the year	-	5,54,68,882	5,54,68,882
Other comprehensive Gain / (Loss)	-	(1,51,892)	(1,51,892)
Balance as at 31st December, 2025	<u>28,99,42,400</u>	<u>20,24,25,416</u>	<u>49,23,67,816</u>

This is the Statement of Changes in Equity signed in terms of our report of even date.

For S.N.Mukherji & Co.
Chartered Accountants
Firm Registration no. 301079E

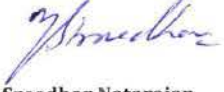

Sudip Kumar Mukherji
Partner
Membership No: 013321
UDIN: 26013321XWAB88V1661



For and on behalf of the Board


Venugopal Shanbhag
(Director)


Ugen Tsechup Dorji
(Vice Chairman)


Sreedhar Natarajan
(Chairman and Director)

Date : 28th March, 2026

Date : 28th March, 2026

Saint-Gobain Ceramic Materials Bhutan Private Limited
Statement of Cash Flows for the year ended 31st December, 2025

(Amount in Nu)

	For the year ended 31st December, 2025	For the year ended 31st December, 2024
Cash flow from operating activities		
Profit/ (Loss) before Tax	7,65,25,367	7,84,45,382
Adjustments for :		
Finance Cost	35,49,446	61,56,455
Depreciation and amortization	2,43,11,577	2,27,49,829
Changes in working capital		
(Increase)/Decrease in inventories	(1,94,64,095)	(2,77,80,682)
Decrease/(Increase) in trade receivables	30,32,551	(3,59,97,095)
Decrease/(Increase) in loans & advances	(1,41,371)	82,29,394
(Decrease)/Increase in trade and other payables	(2,48,83,585)	2,67,87,468
(Decrease)/Increase in provisions	3,08,414	(10,30,759)
(Decrease)/Increase in other current liabilities	(73,03,795.57)	43,50,310
(Decrease)/Increase in other non current asset	(33,13,577)	-
Cash generated from operations	5,26,20,931	8,19,10,302
Income taxes paid	(1,72,45,619)	29,247
Net cash inflow from/ (used in) operating activities	3,53,75,312	8,19,39,548
Cash flow from investing activities		
Purchase of property, plant and equipment (including Purchase of Capital work-in-progress)	(1,50,96,685)	(2,07,28,605)
Net cash used in investing activities	(1,50,96,685)	(2,07,28,605)
Cash flow from financing activities		
Dividend paid	(48,58,856)	-
Borrowings	2,45,59,945	(5,51,28,478)
Interest Paid	(35,49,446)	(61,56,455)
Net cash flow from financing activities	1,61,51,643	(6,12,84,933)
Net Increase/ (decrease) in cash and cash equivalents	3,64,30,270	(73,990)
Add: Cash and cash equivalents at the beginning of the year	3,63,813	4,37,803
Cash and cash equivalents at the end of the year	3,67,94,083	3,63,813

This is the Cash Flow Statement referred to our report of even date.

For S.N.Mukherji & Co.

Chartered Accountants
Firm Registration no. 301079E

Sudip Kumar Mukherji

Partner

Membership No: 013321

UDIN: 26013321XW888V1661



Date : 28th March, 2026

For and on behalf of the Board

Shanbhag

Venugopal Shanbhag

(Director)

Sreedhar Natarajan

Sreedhar Natarajan

(Chairman and Director)

Date : 28th March, 2026

Ugen Tsechup Dorji

Ugen Tsechup Dorji

(Vice Chairman)

Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes Forming Part of the Statement of Financial Position

(Amount in Nu)										
NOTE 1A : PROPERTY, PLANT AND EQUIPMENT										
Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.01.2025	Addition	Deletion	As at 31.12.2025	As at 01.01.2025	For the year	On Deletions	As at 31.12.2025	As at 31.12.2025	As at 31.12.2024
Building	32,44,84,486	76,16,919	-	33,21,01,405	11,14,91,419	1,76,12,443	-	12,91,03,862	20,29,97,543	21,29,93,067
Computer	10,43,180	6,42,832	75,000	16,11,012	7,74,540	1,06,540	75,000	8,06,080	8,04,932	2,68,641
Furniture & Fixtures	18,96,957	-	14,035	18,82,922	15,09,693	87,186	14,034	15,82,845	3,00,077	3,87,264
Vehicles	28,88,280	-	-	28,88,280	21,33,179	2,74,788	-	24,07,967	4,80,313	7,55,101
Equipment	59,48,095	-	97,789	58,50,306	53,13,321	2,47,060	97,789	54,62,592	3,87,714	6,34,774
Plant and Machinery	38,69,64,565	67,26,254	3,23,33,240	36,13,57,579	36,59,77,886	59,83,560	3,23,33,231	33,96,28,215	2,17,29,364	2,09,86,678
As at 31st December, 2025	72,32,25,563	1,49,86,005	3,25,20,064	70,56,91,504	48,72,00,038	2,43,11,577	3,25,20,054	47,89,91,561	22,66,99,943	23,60,25,525
As at 31st December, 2024	70,92,46,094	1,39,79,468	-	72,32,25,563	46,44,50,208	2,27,49,829	-	48,72,00,038	23,60,25,525	24,47,95,886

NOTE 1B : CAPITAL WORK-IN-PROGRESS				
As at 31st December, 2025	78,59,575	1,35,14,501	1,49,86,005	63,88,071
As at 31st December, 2024	29,676	2,18,09,373	1,39,79,475	78,59,575



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes Forming Part of the Statement of Financial Position

(Amount in Nu)

As at
31st December, 2025 **31st December, 2024**

NOTE 2 : OTHER NON-CURRENT ASSETS

Capital Advances	23,33,033	7,50,850
Deposit with Government Authorities	33,13,577	-
	<u>56,46,610</u>	<u>7,50,850</u>

NOTE 3 : Movement in Deferred Tax Assets and Liabilities

	As at 1st January, 2025	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st December, 2025
Deferred Tax Assets/ (Liabilities)				
WDV on Property, Plant and Equipment	2,20,54,382	(5,35,422)	-	2,15,18,960
Carry Forward Losses	-	-	-	-
Total	<u>2,20,54,382</u>	<u>(5,35,422)</u>	<u>-</u>	<u>2,15,18,960</u>

	As at 1st January, 2024	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st December, 2024
Deferred Tax Assets/ (Liabilities)				
WDV on Property, Plant and Equipment	2,27,56,500	(7,02,118)	-	2,20,54,382
Carry Forward Losses	98,88,679	(98,88,679)	-	-
Total	<u>3,26,45,179</u>	<u>(1,05,90,797)</u>	<u>-</u>	<u>2,20,54,382</u>

NOTE 4 : INVENTORIES

Raw Material	3,66,56,834	7,42,61,707
Work In Progress	18,11,32,553	11,76,60,293
Finished Goods	2,27,05,206	2,67,15,906
Stores & Spares	1,58,14,365	1,82,06,957
	<u>25,63,08,958</u>	<u>23,68,44,864</u>

Note: The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for slow and non moving Raw Material as on 31 December 2025 is Nu. 14,62,932 (P.Y. 12,34,065), Finished Goods is Nu. NIL (P.Y. Nu. NIL), Work in progress Nu 32,00,000 (P.Y. Nu. Nil) and Stores and Spares is Nu. 1,60,44,239 (Previous year - Nu. 1,41,61,424). There has been no reversal of such write down in current and previous year.

NOTE 5 : TRADE RECEIVABLES

Unsecured and considered good			
-Amounts due from Related Parties (refer note 23(ii)(h)(2) and note 23(ii)(e)(III))		2,73,95,970	2,08,33,629
-Amounts due from other parties (refer note 23(ii)(h)(2))		5,02,77,911	5,98,72,803
		<u>7,76,73,881</u>	<u>8,07,06,432</u>
Unsecured and considered doubtful			
-Amounts due from other parties (refer note 23(ii)(h)(2))		-	-
Less: Provision for Doubtful Debts		-	-
		<u>-</u>	<u>-</u>
		<u>7,76,73,881</u>	<u>8,07,06,432</u>

NOTE 6 : CASH AND CASH EQUIVALENTS

Balances with Banks		
- in Current Accounts	3,67,94,083	92,439
- in Foreign Currency Account	-	2,71,374
	<u>3,67,94,083</u>	<u>3,63,813</u>

NOTE 7 : LOANS AND ADVANCES

Security Deposit	19,90,270	18,86,270
Advance to Suppliers	1,01,68,529	96,51,432
Other Advances	2,55,918	7,35,644
	<u>1,24,14,717</u>	<u>1,22,73,346</u>



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes Forming Part of the Statement of Financial Position

(Amount in Nu)

As at
31st December, 2025 **31st December, 2024**

Note 8 : Equity Share Capital

SHARE CAPITAL

AUTHORISED

55,00,000 Equity Shares of Nu 100/- each

55,00,00,000

55,00,00,000

(Previous Year: 55,00,000 Equity Shares of Nu 100/- each)

ISSUED, SUBSCRIBED AND PAID-UP

28,99,424 Equity Shares of Nu 100/- each, fully paid-up

28,99,42,400

28,99,42,400

(Previous Year: 28,99,424 Equity Shares of Nu 100/- each)

Shareholders

Grindwell Norton Limited, India

20,29,59,700

20,29,59,700

Singye Group of Companies Private Limited, Bhutan

8,69,82,700

8,69,82,700

28,99,42,400 **28,99,42,400**

(a) Terms/ rights attached to Equity shares

The Company has only one class of equity shares having par value of Nu. 100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Ngultrum. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Shareholding of promoters

Promoter Name	As at 31st December, 2025		As at 31st December, 2024	
	Number of shares	% of Holding	Number of shares	% of Holding
Grindwell Norton Limited	20,29,597	70	20,29,597	70
Singye Group of Companies Private Limited	8,69,827	30	8,69,827	30

(c) Movement in Equity Share Capital

Authorised share capital

	Number of shares	Equity share capital (par value)
As at 1st January, 2024	55,00,000	55,00,00,000
Increased during the year	-	-
As at 1st January, 2025	55,00,000	55,00,00,000
Increased during the year	-	-
As at 31st December, 2025	55,00,000	55,00,00,000

Issued and paid-up share capital

	Number of shares	Equity share capital (par value)
As at 1st January, 2024	28,99,424	28,99,42,400
Increased during the year	-	-
As at 1st January, 2025	28,99,424	28,99,42,400
Increased during the year	-	-
As at 31st December, 2025	28,99,424	28,99,42,400

NOTE 9 : OTHER EQUITY

Opening Balance	14,71,08,426	8,98,58,878
Add :- Profit / (Loss) after tax for the year	5,54,68,882	5,70,53,171
Add :- Other comprehensive income/ (loss)	(1,51,892)	1,96,377
	20,24,25,416	14,71,08,426

Other equity are the profit that the company has earned till the reporting date, less dividends or other distribution made to shareholders.



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes Forming Part of the Statement of Financial Position

(Amount in Nu)

	As at 31st December, 2025	As at 31st December, 2024
NOTE 10 : NON-CURRENT PROVISIONS		
Compensated Absences	2,83,772	3,07,504
	2,83,772	3,07,504
NOTE 11 : BORROWINGS		
A. Loan Repayable on Demand		
From Bank - Secured (Refer note below)	3,46,96,376	1,01,36,431
	3,46,96,376	1,01,36,431
Note : Loan repayable on demand from banks are secured by hypothecation of all Assest of the Company.		
NOTE 12 : TRADE AND OTHER PAYABLES		
Trade Payable to Related Parties (Refer Note 23(ii)(e)(III))	1,62,97,958	2,80,82,542
Trade Payable to Other Suppliers	8,09,45,064	9,45,04,397
Employee Related Payables	25,42,906	20,82,586
	9,97,85,928	12,46,69,525
NOTE 13 : OTHER CURRENT LIABILITIES		
Advance Received from Customers	9,29,806	34,44,332
Unpaid Dividend (Refer Note 23(ii)(e)(III))	-	48,58,856
Tax Deducted at Source Liability	4,29,506	4,22,603
Provident Fund and Health Contribution	16,413	1,63,335
Trade / Security Deposits	-	44,97,359
	13,75,725	1,33,86,485
NOTE 14 : CURRENT PROVISIONS		
Gratuity (Net of fund) (Refer note 23(ii)(f)II)	8,54,757	5,30,534
Compensated Absences	54,989	47,066
	9,09,746	5,77,600
NOTE 15 : CURRENT TAX LIABILITIES (NET)		
Income tax [Net of advance tax of Nu. 1,72,96,620 (31 Dec 2024 -Nu. 51,000)]	1,40,25,860	1,07,50,416
	1,40,25,860	1,07,50,416



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes forming part of Statement of Comprehensive Income

(Amount in Nu)

As at
31st December, 2025 31st December, 2024

NOTE 16 : REVENUE FROM OPERATIONS

Sale of Products	78,88,39,811	81,71,94,206
	78,88,39,811	81,71,94,206

Note : The Company mainly sells to non-government customers without involving any intermediaries. The Company export goods to India as below:

Particulars	As at 31st December, 2025	As at 31st December, 2024
Exports	78,79,89,811	81,46,44,206
Domestic	8,50,000	25,50,000
Total	78,88,39,811	81,71,94,206

NOTE 17 : OTHER INCOME

Scrap Sales	38,21,729	60,06,791
Exchange Gain	1,20,383	7,334
Provision for earlier years no longer required written back	-	1,51,353
Interest on Loan to Employee	4,541	-
	39,46,653	61,65,478

NOTE 18 : RAW MATERIAL CONSUMED

Opening Inventory	7,42,61,707	2,30,91,066
Add: Purchase	37,16,61,330	42,24,91,995
	44,59,23,037	44,55,83,061
Less: Closing Inventory	3,66,56,834	7,42,61,707
	40,92,66,203	37,13,21,355

NOTE 19 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

Opening Inventory		
Work-in-progress	11,76,60,293	15,85,90,620
Finished Goods	2,67,15,906	71,43,041
	14,43,76,199	16,57,33,661
Closing Inventory		
Work-in-progress	18,11,32,553	11,76,60,293
Finished Goods	2,27,05,206	2,67,15,906
	20,38,37,759	14,43,76,199
	(5,94,61,560)	2,13,57,462

NOTE 20 : EMPLOYEE BENEFITS EXPENSE

Salary	2,60,79,599	2,10,63,138
Employer's Contribution to Provident Fund	8,45,446	8,07,407
Gratuity	7,02,865	7,26,912
Staff Welfare Expenses	63,46,526	55,36,573
	3,39,74,436	2,81,34,030



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes forming part of Statement of Comprehensive Income

(Amount in Nu)

As at
31st December, 2025 **31st December, 2024**

NOTE 21 : OTHER OPERATING EXPENSES

Consumption of Stores & Spares	2,93,42,353	2,01,20,009
Power Cost	17,34,28,679	17,25,89,491
Rent	47,16,544	44,55,504
Repairs & Maintenance - Building	51,000	41,986
Repairs & Maintenance - Plant & Machinery	1,00,57,723	90,89,346
Repairs & Maintenance - Others	-	35,34,024
Provision for slow/non-moving Stores & Spares	21,11,682	23,74,578
Travelling & Conveyance Expenses	36,35,391	31,18,728
Hire Charges	3,71,57,111	3,39,46,085
Insurance	39,14,642	55,76,815
Legal and professional fees	3,57,466	1,77,479
Audit Fees	5,11,844	5,02,250
Freight Expenses	2,35,97,709	2,89,47,012
SAP License cost	12,25,099	-
Miscellaneous Expenses	1,45,13,752	1,07,21,864
	30,46,20,995	29,51,95,171

NOTE 22 : EARNINGS PER SHARE

Net profit/ (loss) attributable to equity share holders	5,54,68,882	5,70,53,171
Weighted average number of equity shares outstanding	28,99,424	28,99,424
Basic and Diluted Earnings per share	19.13	19.68



Saint-Gobain Ceramic Materials Bhutan Private Limited

Notes to Financial Statements as at and for the year ended 31st December, 2025

Note 23: Significant Accounting Policies and Notes to Accounts

Preparation of Financial Statements in compliance with the Bhutanese Accounting Standards for Small & Medium Enterprises

Financial Statements have been prepared in compliance with the Bhutanese Accounting Standards (BAS) for Small & Medium Enterprises (SMEs).

(i) Significant Accounting Policies

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the historical cost convention and are based on assumptions of going concern, consistency and accrual basis (except for Cash Flow Statement). The financial statements have been prepared in compliance with BAS for SME's. The financial statements are presented in Nu.

(b) Basic Financial Instruments

Debt assets and liabilities that have no stated interest rate and are classified as current assets or current liabilities have been measured at an undiscounted amount minus any repayments of the principal. Financial liability on account of bank borrowing is booked based on the interest charged by the bank.

(c) Inventories

Inventories are valued at lower of cost (including costs directly related to the units of production as well as cost of conversion on the basis of the actual capacity of the production facilities) and estimated selling price less costs to complete and sell.

Raw materials, packing materials and stores & spare parts are valued at cost on weighted average basis. Cost includes direct expenses, freight, taxes & duties (where credit not availed).

Cost of finished goods and work-in-process includes material, direct labour, overheads, non-refundable duties & taxes wherever applicable.

Slow-moving, non-moving & defective inventories are identified and wherever necessary, provision is made for such inventories.

(d) Property, Plant and Equipment

Property, Plant and Equipment are valued at cost of acquisition / construction including inward freight, duties and taxes and incidental expenses relating to acquisition / construction. Depreciation on cost of assets is provided on straight line method in consideration of the estimated life of the assets. However, in order to arrive tax liability, due consideration has been given for depreciation rates as prescribed under Rules on the Income Tax Act of the Kingdom of Bhutan 2001.

Major spare parts and stand-by equipment with expected life expectancy exceeding 12 months have been classified as Property, Plant and Equipment. Similarly, machine specific spare parts and servicing equipment have been capitalized and considered as addition to Property, Plant and Equipment instead of accounting as revenue expenditure.

Sr. No.	Asset	Useful Life
(i)	Building	3 to 33 years
(ii)	Computer	3 to 4 years
(iii)	Furniture & Fixtures	4 to 10 years
(iv)	Vehicles	3 to 5 years
(v)	Equipment	3 to 7 years
(vi)	Plant and Machinery	3 to 15 years



Saint-Gobain Ceramic Materials Bhutan Private Limited

Notes to Financial Statements as at and for the year ended 31st December, 2025

(e) Leases

Lease payments for leasehold land held by the Company for its manufacturing unit is under operating lease which is recognized as expense and is subject to revision from time to time as and when notified by the Lessor.

(f) Provisions and Contingencies

Provision has been made based on the actual payment required to be made to settle the obligation at the reporting date. Contingent liability is provided for only in such cases where obligation on the reporting date is not recognized but there is possibility of transfer of economic benefits in future settlement.

(g) Revenue

Sales are recognized when goods are supplied and significant risks and rewards of ownership of goods are transferred to buyer. Revenue is recognized to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured after taking into account the amount of any trade discounts, prompt settlement discounts and volume rebates allowed. All amounts such as sales taxes, goods and services taxes and value added taxes etc. collected on behalf of third parties are excluded from sales.

(h) Impairment of Assets

The recoverable amount of cash generating units are compared against the carrying amount of such assets only in case where there is indication of any asset being impaired. Impairment of inventories is assessed by comparing the carrying amount with its selling price less costs to complete and sell.

(i) Employee Benefits

The Company recognizes the cost of all employee benefits to which its employees have become entitled as a result of service rendered to the Company during the financial year. The post-employment benefit is covered through investment of fund in a separate account on the basis of actuarial valuation done for gratuity liability at the end of the year. The said investment for gratuity liability is not market linked and comes under defined contribution plan.

Liability towards Long-term Compensated Absences are determined based on actuarial valuation by independent actuaries as at the date of the Balance Sheet.

(j) Income Tax

Tax liability is recognized on taxable profit for the current and past periods using the tax rates and laws that have been enacted by the reporting date. The tax paid in advance of the pending assessments are treated as advance tax. Temporary differences arising between the tax liability computed for taxable profit as well as tax liability for the assets and liabilities in the statement of financial position and the recognition of such tax liability by the tax authorities have been treated as deferred tax assets/liabilities.

(k) Foreign Currency Translation

Bank Balance in Foreign Currency Account has been converted at the close of the year into Ngultrum at the rates of exchange prevailing on the closing date as per balance confirmation from Company's Bankers and the foreign exchange difference is dealt with in the accounts accordingly.



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes to Financial Statements as at and for the year ended 31st December, 2025

(ii) **Notes to Accounts**

(a) Saint-Gobain Ceramic Materials Bhutan Private Limited is a foreign direct investment by Grindwell Norton Limited, India for manufacture of Silicon Carbide Crude and Grain in Pasakha Industrial Estate jointly with Singye Group of Companies Private Limited, Bhutan. It is a joint venture agreement between Grindwell Norton Limited, India and Singye Group of Companies Private Limited, Bhutan, who hold equity shares in the ratio of 7:3 respectively. Address of the registered office is L-14, Pasakha Industrial Estate, Pasakha, Bhutan.

(b) **Contingent Liability:**

During the year, the Company received an assessment order from the Income Tax Department for Assessment Year 2023–24, wherein a total disallowance of Nu 4,04,19,754 was made. Consequent to the assessment, brought forward losses were adjusted, resulting in a tax demand.

The Management has carefully examined the assessment order. Out of the total disallowance made, the Company has accepted disallowance to the extent of Nu 10,29,195 and TDS payment default of 4,50,560. Accordingly recognized a tax liability of Nu 7,07,859 in the books of account.

The balance additions/disallowances are being contested before the appropriate appellate authority. Based on detailed evaluation of the facts, the Management believes that the remaining demand is not sustainable and expects favourable relief in appeal.

Accordingly, provision has been made for Nu 7,07,859 as the accepted portion of the tax liability of prior year; and the balance disputed demand Nu.93,97,080 has not been provided since contingent in nature.

(c) Estimated amount of capital commitments (net of advance): Nu 12,52,349 (P.Y. Nu 13,03,614).

(d) **Audit Fees:**

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
As Auditors		
- Audit Fee	5,00,000	5,00,000
-Other Reimbursement*	11,844	2,250
Total	5,11,844	5,02,250



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes to Financial Statements as at and for the year ended 31st December, 2025

Related Party Disclosure:

(I) List of Related Parties:

Associate:

-Saint-Gobain India Private Limited

Co-venturers:

- Grindwell Norton Limited

- Singye Group of Companies Private Limited

Enterprises controlling through subsidiaries:

- Compagnie de Saint-Gobain, France

Key Management Personnel:

- B Santhanam, Chairman (Upto 31st March , 2025)

- Ugen Tsechup Dorji, Vice Chairman

- Aum Dechen Jamyang, Director

- Krishna Prasad Karunakaran Nair, Director (Upto 30th May, 2024)

- Deepak Chindarkar, Director (Upto 30th May, 2024)

- Lokesh Pai, Director

- Anwesa Sen, Director (Upto 31st March , 2025)

- Hari Singudasu, Director (wef 31st May, 2024)

- Venugopal Shanbhag, Director (wef 31st May, 2024)

- Bappaditya Roy, CEO

- Sreedhar Natarajan, Chairman (wef 01st April, 2025)

- Prakash Sabarad, Director (wef 01st April, 2025)

(II) Transaction with Related Parties during the year ended 31st December, 2025:

Amount in Nu.

Nature of Transaction	Associate	Co-ventures	Total
Reimbursement of Expenses :			
- Insurance	NIL (P.Y. NIL)	8,87,427 (P.Y. 20,79,041)	8,87,427 (P.Y. 20,79,041)
- SAP License Cost	NIL (P.Y. NIL)	12,25,099 (P.Y. NIL)	12,25,099 (P.Y. NIL)
- Miscellaneous expenses	10,69,736 (P.Y. 2,00,831)	19,50,914 (P.Y. 14,44,379)	30,20,650 (P.Y. 16,45,210)
Purchase of Goods	NIL (P.Y. NIL)	NIL (P.Y. 79,19,531)	NIL (P.Y. 79,19,531)
Purchase of Capital Goods	NIL (P.Y. NIL)	6,42,732 (P.Y. 12,86,578)	6,42,732 (P.Y. 12,86,578)
Sales	NIL (P.Y. NIL)	26,20,89,291 (P.Y. 16,58,94,533)	26,20,89,291 (P.Y. 16,58,94,533)
Selling Expense	NIL (P.Y. NIL)	35,46,867 (P.Y. 39,31,709)	35,46,867 (P.Y. 39,31,709)
Dividend paid	NIL (P.Y. NIL)	48,58,856 (P.Y. NIL)	48,58,856 (P.Y. NIL)
Remuneration to CEO :			
- Bappaditya Roy			39,26,596 (P.Y. 32,61,930)



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes to Financial Statements as at and for the year ended 31st December, 2025

(III) Outstanding Balance as at 31st December 2025:

Nature of Transaction	Amount in Nu.		
	Associate	Co-ventures	Total
Dividend Payable	NIL	NIL	NIL
	(P.Y. NIL)	(P.Y. 48,58,856)	(P.Y. 48,58,856)
Receivable	NIL	2,73,95,970	2,73,95,970
	(P.Y. NIL)	(P.Y. 2,08,33,629)	(P.Y. 2,08,33,629)
Payable	10,69,736	1,52,28,222	1,62,97,958
	(P.Y. 19,81,837)	(P.Y. 2,61,00,705)	(P.Y. 2,80,82,542)

(e) Disclosure as required under BAS 19 - Employee Benefits

(I) Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year are as under:

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Employer's Contribution to Provident Fund	8,45,446	8,04,871

(II) Defined Benefit Plans:

Contribution to Gratuity Fund :

The Company makes annual contributions to the Employees' Gratuity Scheme of the Royal Insurance Corporation of Bhutan Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy, whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st December, 2025:

(i) Change in present value of defined benefit obligation

Particulars	Amount in Nu.	
	31 st December, 2025	31 st December, 2024
Present Value of defined benefit obligation at the beginning of the year	47,02,848	40,72,214
Interest Cost	3,33,902	3,02,973
Current service cost	6,65,197	6,01,127
Benefits paid	(12,86,134)	(2,38,072)
Remeasurements		
Actuarial changes arising from changes in demographic assumptions	(29,921)	(3,538)
Actuarial changes arising from changes in financial assumptions	(21,415)	(67,201)
Actuarial changes arising from experience assumptions	1,81,379	35,345
Present Value of defined benefit obligation at the end of the year	45,45,856	47,02,848



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes to Financial Statements as at and for the year ended 31st December, 2025

(ii) Change in fair value of plan assets

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Fair Value of plan assets at the beginning of the year	41,72,314	23,81,563
Interest Income	2,96,234	1,77,188
Contributions paid by the employer	5,30,534	16,90,651
Benefits paid from the fund	(12,86,134)	(2,38,072)
Return on plan assets, excluding interest income	(21,849)	1,60,984
Fair Value of plan assets at the end of the year	36,91,099	41,72,314

(iii) Net asset / (liability) recognised in the Balance Sheet

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Present Value of defined benefit obligation at the end of the year	(45,45,856)	(47,02,848)
Fair Value of plan assets at the end of the year	36,91,099	41,72,314
Amount recognised in the balance sheet	(8,54,757)	(5,30,534)
Net Asset / (Liability) recognised – current	(8,54,757)	(5,30,534)
Net Asset / (Liability) recognised - non current	-	-

(iv) Expense recognised in the statement of profit and loss for the year

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Current service cost	6,65,197	6,01,127
Interest cost on defined benefit obligation	37,668	1,25,785
Total expenses included in statement of profit and loss	7,02,865	7,26,912

(v) Recognised in Other Comprehensive Income for the year

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Actuarial changes arising from changes in demographic changes	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from experience assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial Losses/(Gains) on Obligation for the period	1,30,043	(35,394)
Return on plan assets, excluding interest income	21,849	(1,60,984)
Recognised in other comprehensive expenses/ (income)	1,51,892	(1,96,378)



Saint-Gobain Ceramic Materials Bhutan Private Limited
Notes to Financial Statements as at and for the year ended 31st December, 2025

(vi) Actuarial Assumptions

Expected return on plan assets	6.66%	7.10%
Rate of Discounting	6.66%	7.10%
Rate of Salary Increase	8.00%	8.50%
Rate of Employee Turnover	For service 4 years and below 19.80% p.a. For service 5 years and above 7.80% p.a.	For service 4 years and below 20.58% p.a. For service 5 years and above 6.68% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

(vii) Sensitivity Analysis

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Projected Benefit Obligation on Current Assumptions	45,45,856	47,02,848
Delta Effect of +0.5% Change in Rate of Discounting	(1,92,355)	(2,09,882)
Delta Effect of -0.5% Change in Rate of Discounting	2,06,454	2,25,462
Delta Effect of +0.5% Change in Rate of Salary Increase	2,02,828	2,21,391
Delta Effect of -0.5% Change in Rate of Salary Increase	(1,90,904)	(2,08,193)
Delta Effect of +0.5% Change in Rate of Employee Turnover	(30,940)	(32,724)
Delta Effect of -0.5% Change in Rate of Employee Turnover	32,218	34,192
Methodology Adopted for Asset Liability Management (ALM)	Projected Unit Credit Method	Projected Unit Credit Method

Usefulness and Methodology adopted for Sensitivity analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.



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Notes to Financial Statements as at and for the year ended 31st December, 2025

(viii) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 10 years (31st December, 2024 - 11 years). The expected maturity analysis of gratuity on undiscounted basis is as follows:

Projected Benefits Payable in Future Years From the Date of Reporting,

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
1st Following Year	2,30,031	2,34,503
2nd Following Year	3,04,035	2,53,297
3rd Following Year	3,16,759	2,88,129
4th Following Year	3,28,539	2,99,000
5th Following Year	3,32,057	3,10,398
Sum of Years 6 To 10	16,39,283	16,14,550
Sum of Years 11 and above	60,47,154	73,90,985

(ix) Major categories of plan assets are as follows:

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Insurer managed funds	36,91,099	41,72,314

(x) Risk exposure:

The Company's Defined Benefit Plan is Funded with Royal Insurance Corporation of Bhutan Limited. Company's Benefit Plan is exposed to risk such as investment risk, interest rate risk, salary escalation risk and demographic risk. Any change in these factors would impact the contribution to the fund.

(xi) Expected contribution

The Company expects to make a contribution of Nu 8,59,372 (31st December, 2024: Nu 9,02,105) to the defined benefit plans during the next financial year.

(g) Inventory:

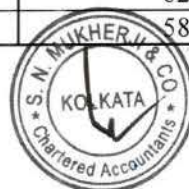
The quantitative detail of production and sales are as under :-

Major Production Quantity

particulars	Unit	Current Year	Previous Year
N1 Crude	MT	7,137	5,993
Grain	MT	4,849	5,224
MET Crude	MT	1,663	2,234
SIC - M	MT	654	487

Major Sales Quantity

particulars	Unit	Current Year	Previous Year
Grain	MT	4,822	5,058
MET Crude	MT	1,768	2,129
SIC - M	MT	624	487
N1 Crude	MT	586	300



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Notes to Financial Statements as at and for the year ended 31st December, 2025

- (h) (1) All financial instruments held are basic financial instruments. No financial asset or liability is being held that requires amortization against maturity amount. None of the financial asset has been considered as requiring impairment.

(2) Trade Receivables :

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Due for more than 6 months	18,491	27,79,863
Others	7,76,55,390	7,79,26,569
Total	7,76,73,881	8,07,06,432

- (i) The total future minimum lease payments under non-cancellable operating lease is as below:-

Remaining tenor of the lease (Year)	Amount in Nu.		
	1	2 to 5	Later than 5
Minimum Lease Payments (Nu.)	43,41,460	24,56,980	-

The Lease has been made with Ministry of Industry, Commerce and Employment (MoICE), for a period of 2 years 3 months 24 days with effect from 04th April 2025. The rent and the penal interest (imposed on failure to pay the rent and other dues on time) as specified in the lease agreement is subject to revision from time to time and shall be applicable as and when notified by the Lessor.

- (j) **Dividends (Gross)**

Particulars	Amount in Nu.	
	31st December, 2025	31st December, 2024
Dividend paid during the year	48,58,856	NIL
Dividend declared during the year and remaining unpaid	NIL	NIL

The total amount of gross dividend declared by the FE in respect of the financial year ended December 31, 2019, which was due and payable to the Indian Entity, Grindwell Norton Limited, amounted to Nu. 3,85,62,339 (representing 70% of the equity share holding). The amount repatriable to India was Nu. 3,47,06,109 being net of 10% TDS as per the TDS Guidelines issued by Department of Revenue and Customs (Ministry of Finance), Bhutan. The amount of dividend repatriated to India in FY 2022 amounted to Nu. 2,98,47,253 and the balance amounting to Nu. 48,58,856 was repatriated in September 2025, after approval being received from Royal Monetary Authority of Bhutan.

- (k) Corporate Social Responsibility Fund amounting to Nu. 5,70,532 has been set up in the name of "Saint-Gobain Ceramic Materials Bhutan Private Limited. – Corporate Social Responsibility Fund" with Bank of Bhutan, Singi Phuntsholing Throm NA, Nhuentsholing Main Branch, Bhutan during the FY 2025.
- (l) The Company has completed the assessment for evaluating the useful life of the all the fixed assets in the year 2025. There is no change in the useful life of the asset as compared to what was followed in the previous year.



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Notes to Financial Statements as at and for the year ended 31st December, 2025

(m) Previous year figures have been regrouped or reclassified wherever necessary.

For and on behalf of the Board



Venugopal Shanbhag
(Director)



Ugen Tshechup Dorji
(Vice Chairman)



Sreedhar Natarajan
(Chairman and Director)

Date : 28th March, 2026

