



annual report 2012-2013

lead the  
*change*





Asian Granito:

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Change to Learn,

Learn to Grow,

Grow to Lead,

Lead the Change...

## Chairman Mr. Kamlesh Patel Explains The Company's Growth Strategy

### DEAR SHAREHOLDERS,

Each year, it gives me enormous pleasure to share with you the achievements & milestones of Asian Granito India Limited which, with your continued & tremendous support has grown strength to strength. At Asian Granito India limited, we have always thrived to ensure that through each activity we undertake, we create more value for you and deliver satisfaction for the products and services for our customers. It has been a year with many rewarding moments, as well as some challenges. Though a year of transition, we made solid progress on many fronts, including building out strategic platforms.

The Company has always been ahead of times & leads the change by being the first & the only Indian Tile Company to open a mega showroom in tie-up in Johannesburg, South Africa. The Company has been awarded with National Energy conservation award in appreciation of the achievements in energy conservation in the ceramics sector for the year 2012 and for the series of mega launches of “Hi-Tech Tuffguard Digital”.

Last year was an extremely special year for us as we unveiled our new Corporate Logo. The new Logo mark and brand components are set to create a more contemporary image of the Company and corporate style in a consistent manner and a much more modern outlook that capture's the Company's Future Direction & Vision.

The attribute of constantly innovating and “Leading the Change” has made Asian Granito India Limited a conglomerate; diversified into multi dimensional business sectors with turnover of 796 Crore in 2012-13 and is one of the fastest growing ceramic companies in the space decor industry.

This legacy of leadership is a tribute to the success and stability of Asian Granito India Limited, and to the belief in the importance of our purpose held in common with us by our shareholders over so many decades. Personally, I am truly humbled to lead the incredibly talented and dedicated people who work for Asian Granito India Limited.

# Chairman's Message

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## **Indian Industry**

Tiles Industry has brought a major improvement in life style across the world. Asian Granito aims to be the leading manufacturer of best quality tiles and pledges to provide its customers with latest designs, varieties and innovative products in line with the internationally changing trends. Through achievement of our aim we will enhance the wealth and well being of our stakeholders, employees and communities, whom we serve and in which we operate.

Ceramic tiles as a product segment have grown to a sizeable chunk today at 340 Millions Square meters production per annum. However, the potential seems to be great, particularly as the housing sector, retail, IT & BPO sectors have been witnessing an unprecedented boom in recent times. The ceramic tiles sector has a persistent growth of 12-15% over the last few years. Today, India figures in the top 5 countries in the world manufacturing ceramic tiles.

## **Capitalization on the Market**

With continuous research and development our Company has come out with its new innovation of High Abrasive Resistance Tiles under a Brand name of "Hi-Tech Tuffguard Digital". The product has an advantage of strong distribution network at all the Company's showroom across the World.

Company holds a large range of Tiles which are available in many forms which vary by strength, color, intensity and designs. Currently, Company deals in segment of Vitrified tiles, Ceramic tiles, Wall tiles and Marble

Company's Vitrified Tiles contain a far superior properties compared to its other segment. Being a manufactured product, their quality can be controlled, whereas it is naturally occurring in marble and granite. Hence good quality is just a coincidence. Vitrified tiles possess much better mechanical strength, scratch resistance, resistance to acids, alkalis and chemicals, resistance to staining etc compared to marble or natural granite.

## **Financial Outlook**

The result of the Company has been affected by the increasing competition and the depression in Indian Rupees against Dollars, Pounds and other Foreign Currency and the industry has been affected by the transition of Commercial, retail space, IT, Housing demand sectors of India. The revenue of the Company extended to 13.48%, while the Indian ceramic tile industry grew at around 8-9%.

The financial result of the Company has been affected due to the above factors. Overcoming to the above factors we have added our best effort to raise the financial position of the Company and to bring out the good result. The company financial result ended up with the growth in its turnover compare to last year turnover. Net Sales are Rs. 70748.84, up 13.42% over in the previous year. Net Profit after Tax is Rs 1710.86. (Rs. In Lacs)

Finally, I must express my profound gratitude to all of you, dear shareholders, for the steadfast confidence you have reposed in our Company and the Team Asian Granito through thick and thin and thank you for your patient hearing of my thoughts today.

With Regards,

Kamlesh Patel  
(Chairman & Managing Director)



## NOTICE

NOTICE is hereby given that the 18<sup>th</sup> Annual General Meeting of the Members of **ASIAN GRANITO INDIA LIMITED** will be held on **Monday, 19<sup>th</sup> day of August, 2013** at **AMA Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015** at **4.30 p.m.** to transact the following business:

### ORDINARY BUSINESS:

- (1) To receive, consider and adopt the audited balance sheet as at 31<sup>st</sup> March, 2013 and the audited Profit and Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
- (2) To appoint a Director in place of Shri Bhaveshbhai Patel, who retires by rotation and being eligible offers himself for re - appointment
- (3) To appoint a Director in place of Shri Kanubhai Patel, who retires by rotation and being eligible offers himself for re - appointment
- (4) To appoint a Director in place of Shri Bhogibhai Patel, who retires by rotation and being eligible offers himself for re - appointment
- (5) To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution:

**RESOLVED THAT** pursuant to the provision of Section 224 and other applicable provisions, if any, of the Companies act, 1956, M/s. A. L. Thakkar & Co., Chartered Accountants, be and are hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the Conclusion of the next Annual General Meeting on such remuneration (including terms of payment) as may be determined by the Board of Directors, based on recommendation of the Audit Committee, in connection with the audit of accounts of the Company for the year ending on 31<sup>st</sup> March 2014.

### Registered Office & Corporate Office:

202, Dev Arc, Opp. Iskon Temple,  
Sarkhej Gandhinagar Highway,  
Ahmedabad 380015  
Date : 8<sup>th</sup> July, 2013

### By Order of the Board of Directors

**RENUKA A. UPADHYAY**  
Company Secretary

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE APPOINTING ORGANISATION.
2. Members should bring the duly filled attendance slip sent herewith for attending the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 12<sup>th</sup> August, 2013 to Monday, 19<sup>th</sup> August, 2013 (both days inclusive). Members are requested to intimate, indicating their Folio Number, the changes, if any, in their registered address, either to the Company or to the Registrar and Share Transfer Agent, viz, Link Intime India Pvt. Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai- 400 078.
4. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, nominations, power of attorney, change of name/address among others to their respective Depository Participants ('DP') only and to the Company or its Registrar and Share Transfer Agent. Any such changes effected by the DP will automatically reflect in the Company's subsequent records.
5. Pursuant to the provision of Section 205C of the Companies Act, 1956 the amount of dividend remaining unclaimed for a period of seven years from the date it became due for payment are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and, thereafter no payments shall be made by the



Company or by IEPF in respect of such amounts. Therefore, members those who have not yet encashed their dividend warrant(s) for the financial year ended 31<sup>st</sup> March 2008, 2010, 2011 and 2012 are requested to submit their claims to the Registrar and Transfer Agent of the Company without any delay.

6. As an austerity measure copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
7. As required under Clause 49(IV) (G) of the Listing Agreement of the Stock Exchanges, the relevant details of the persons seeking appointment/reappointment as directors are furnished in the Corporate Governance Section of this Annual Report.
8. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of meeting to enable the Company to keep the information ready at the meeting.

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**Date : 8<sup>th</sup> July, 2013**

**By Order of the Board of Directors**

**RENUKA A. UPADHYAY**  
Company Secretary





## DIRECTORS' REPORT

To,  
The Members,

Your Directors are pleased to present the 18<sup>th</sup> Annual Report and Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS:

The summarised financial results of the Company have been given below: (Rs. in lacs)

Particulars	Current year (2012-2013)	Previous year (2011-2012)
Sales and other income	70984.16	62548.50
Increased / Decreased in Stock	2606.03	2488.54
Wind Power Plant Electricity Generation Income	95.32	83.26
Expenditure	66463.01	58324.61
<b>Profit/(Loss) Before Interest and Depreciation</b>	<b>7222.50</b>	<b>6795.69</b>
Less: Interest & Financial Expenses	2521.00	2034.97
Less: Depreciation	2163.18	2059.30
<b>Profit Before Tax</b>	<b>2538.32</b>	<b>2701.42</b>
Less: Provision for current tax	870.00	885.00
Provision for deferred tax	(42.54)	11.03
<b>Profit after tax</b>	<b>1710.86</b>	<b>1805.39</b>
Add: Balance Brought Forward	14257.81	12697.20
<b>Amount available for appropriation</b>		
Balance carried to Balance Sheet	15968.67	14502.59
<b>Appropriation:</b>	<b>15968.67</b>	<b>14502.59</b>
Proposed Dividend on Equity Shares ( Dividend on Equity share)	10.60	210.61
Corporate Tax on Dividend on Equity Shares ( Tax on dividend)	1.73	34.17
Balance Carried To Balance Sheet	15956.34	14257.81

### Industrial Scenario and Future Outlook:

The construction industry in India, which is having major linkages with building materials segments, has been growing at 15% to 20% year on year, mainly on the strength of increased manufacturing activities, industrial growth, and heightened investments, especially by the government in

infrastructure and real estate. Tiles segment, being one of the building materials segment linked mainly to the instruction landscape has been growing at 25% to 30% per annum.

While the demand for Tiles is driven by the developments and growth in construction, realty, housing and infrastructure sectors, it is expected that expanding construction activities in the largely untapped rural areas are also expected to provide a huge thrust to the construction building materials market. Besides, in view of rising disposable income, rapidly growing middle class and increased urbanization, etc, it is expected that India's per capita consumption of ceramic tiles will have a healthy growth in the periods ahead. While India growth story continues in spite of inflationary pressures, indications are that the long term scenario for the ceramic industry in general and the tiles segment in particular will remain healthy.

### Results of Operations:

The sales and other income of the Company increased to Rs. 70,748.84 lacs as compared to Rs. 62,379.50 Lacs in last year, registering a growth of 13.41%. The Profit for the year amounted to Rs. 1,710.86 lacs as compared to Rs. 1,805.39 lacs in last year.

Your Directors are trying to achieve better results in time to come and to keep the position of market leader in the coming years.

### Management's Discussion & Analysis Report:

A detailed review of the progress of the Company and the future outlook of the Company and its business as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate forming part of Annual Report.

### Fixed Deposits:

The Company has not accepted any deposit from public falling under section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975. All deposit lying with the Company has been duly paid during the year.



**Particulars of Conservation of Energy among others:**

The statement of particulars with respect to conservation of energy, technology absorption and Foreign Exchange earning and outgo pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed herewith as Annexure – 'A' which forms part of this report.

**Particulars of Employees:**

Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, since none of the employees of the Company was in receipt of total remuneration of Rs. 60,00,000/- p.a. or Rs.5,00,000/- p.m. during the financial year under review.

**Board of Directors:**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Bhaveshbhai Patel, Mr. Kanubhai Patel and Mr. Bhogibhai Patel, Directors of the Company, retire by rotation and being eligible, offers them for reappointment at the ensuing Annual General Meeting.

**Corporate Governance:**

A separate section on Corporate Governance forming part of the Directors' Report and the Certificate from the Company's Auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is included in the Annual Report.

**Cost Auditors:**

We are in process of appointment of M/s. N.D. Birla & Co., Cost Accountants, Ahmedabad, as the Cost Auditors of the Company for Financial Year 2013-14 for conducting Cost Audit under the provision of Section 223B of the Companies Act, 1956.

**Directors' Responsibility Statement:**

Pursuant to Section 217(2AA) of Companies Act, 1956 you're Directors confirm that:-

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts of the Company on the 'going concern' basis.

**Auditors and Their Report:**

M/s. A.L. Thakkar & Co., Chartered Accountants, Auditors, of the Company hold office upto the date of the ensuing Annual General Meeting. The Company has received Certificate under Section 224(1) (B) of the Companies Act, 1956 from them confirming that the appointment if made, at the ensuing Annual General Meeting, will be within the limits specified. Your Directors recommend their reappointment and fixing the remuneration of them.

**Industrial Relations:**

The industrial relations with employees remained cordial through out the year. Your Directors wish to place on record their appreciation of the devoted services rendered by the workers, staff and employees of the Company.

**Acknowledgement**

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from the Company's valued customers, members, various department of Central and State Government, Local Authorities, and Banks during the year under review and looking to their continued support in the future to the Company's growth. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company.

**Registered Office & Corporate Office:**

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Ahmedabad – 380 015

**Date: 8<sup>th</sup> July, 2013**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**KAMLESHBHAI B. PATEL**  
**Chairman & Managing Director**



**ANNEXURE TO THE DIRECTORS REPORT**

Particulars pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Directors' Report) Rules, 1988:

**1. CONSERVATION OF ENERGY:**

1) Energy Conservation measures taken

The Company has formed a strong technical department headed by senior personnel to continuously monitor energy consumption and plan and execute energy conservation schemes. Effective measures are being taken for overall technological up gradation of plant and machinery.

2) Total energy consumption and energy consumption per unit of production:

**FORM 'A'**

A. POWER AND FUEL CONSUMPTION	Financial Year	
	2012-13	2011-12
<b>I) Electricity</b>		
a) Purchased Unit (in H.P. / K.W.H.)	399.96	459.84
Total Amount (Rs. in Lacs)*	3065.19	2975.59
Rate per unit (Amount/Units) (Rs.)	7.66	6.47
b) Own Generation		
<b>(i) Through D.G. Set</b>		
Units (In H.P. / K.W.H.)	2.10	2.01
Total Amount (Rs. in Lacs)	38.44	36.88
Rate per unit (Amount/Units) Rs.	18.30	18.35
<b>(ii) Through Other (specify)</b>		
Units (In H.P. / K.W.H.)	Nil	Nil
Total Amount (Rs. in Lacs)	Nil	Nil
Rate per unit (Amount/Units) (Rs.)	Nil	Nil
<b>II) Fuel Consumption</b>		
<b>1. Light Diesel Oil (L.D.O.)</b>		
Quantity in Liters	0.79	1.67
Total Amount (Rs. in Lacs)**	38.44	74.95
Cost Per Unit (Total Amount/Quantity)	48.58	44.90
<b>2. L.P.G. / Natural Gas</b>		
Quantity in SCM	220.93	231.14
Total Amount (Rs. in Lacs)	6903.01	5637.43
Cost Per Unit (Total Amount/Quantity)	31.25	24.39
<b>3. Gas Generator, Coal among others</b>		
Quantity in LKgs.	452.58	496.18
Total Amount (Rs. in Lacs)	2283.97	2352.06
Cost Per Unit (Total Amount/Quantity)	5.05	4.74



**ANNEXURE TO THE DIRECTORS REPORT**

B. CONSUMPTION PER UNIT OF PRODUCTION	Financial Year	
	2012-13	2011-12
1. Electricity (Units per Sq. Mtrs. Production)	3.18	3.51
Electricity (Rupees per Sq. Mtr. Production)	24.40	22.71
2. Diesel / L.D.O. (Units per Sq. Mtr. Production)	3.22	3.55
Diesel / L.D.O. (Rupees per Sq. Mtr. Production)	58.88	56.49
3. L.P.G./ Natural Gas(Qty. Per Sq. Mtr. Production)	1.86	1.85
L.P.G./ Natural Gas(Rupees Per Sq. Mtr. Production)	58.06	45.08
4. Other	Nil	Nil

\* It Excludes electricity consumed of Rs. 16.76 lacs in Agro Tech Division (i.e. not for production activities)

2) **TECHNOLOGY ABSORPTION:**

a) **Research and Development:**

The Company is fully equipped and further updating with the latest technology for producing its quality products. Company's has continuous ongoing R & D Program which during the period under review introduced larger format and various designs of tiles. In addition to development of new products, the R & D Department also instituted a comprehensive quality control of all units to ensure that all the Company's products meet or exceed international standards.

b) **Benefits derived as a result of the above R & D:**

The Company is continuously updating itself to standardize and install required machinery when manufacturing. Improved quality also gives the Company a better image in the market therefore improving the marketability of its products.

c) **Technology Absorption and Innovation:**

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available. It has resulted in a better quality of product, which has been brought to the International Standard, besides improving the productivity and reducing the wastages. The Company has sent its Plant Operators to China for getting themselves trained for better manufacturing process.

3) **FOREIGN EXCHANGE EARNINGS / OUTGO**

Particulars	(Rs. in lacs)	
	2012-13	2011-12
<b>Foreign Exchange Earned:</b>		
Export of Goods on FOB Basis	2337.47	1417.60
<b>Foreign Exchange Used:</b>		
Foreign Traveling	20.94	15.66
Exhibition Expenses	1.24	8.34
Purchase of Capital Goods	529.23	913.43
Stores and Spares	717.65	847.53
Raw Materials	1080.58	709.33
Finished Goods	2487.54	3123.85
Other Design Materials	29.16	11.91
Sales Commission	42.82	35.30
Other	0.00	0.49

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Date: 8<sup>th</sup> July, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**KAMLESHBHAI B. PATEL**  
Chairman & Managing Director



## MANAGEMENT DISCUSSION AND ANALYSIS

### *Industry Structure and Development*

#### *Indian Market*

The Indian tile industry, despite an overall slowdown of the economy continues to grow at a healthy 15% per annum. Ceramics tiles as a product segment has grown to a sizable chunk today at approximately 600 millions square meters production per annum. Investments in the last 5 years have aggregated over Rs. 5000 Crores. The overall size of the Indian ceramic tile industry is approximately Rs 18,000 Crores (FY12). However, the potential seems to be great, particularly as the housing sector, retail, IT, & BPO sectors have been witnessing an unprecedented boom in recent times. The main product segments are the Wall tile, Floor tile, Vitrified tile and Industrial tile segments. The market shares (in value terms) are 20%, 23% 50%, and 7% respectively for Wall, Floor, Vitrified, and Industrial tiles.

The Indian tile industry is divided into organized and unorganized sector. The organized sector comprises of approximately 14 players. The current size of the organized sector is about Rs 7,200 Crores. The unorganized sector accounts for nearly 60% of the total industry bearing testimony of the growth potential of this sector.

#### *International Market*

The Indian Industry has developed an international market although at the lower end. In volume it constitutes less than half a percent of the global market. (Presently India does not figure in the list of major exporting countries). But this reality could change as Indian Companies are reaching to the international market with its new technologies and continuous research and development, due to which the product is achieving the attention of international dealers, with these efforts the exports are raising at an accelerating growth annually. The top-end of the global export market is presently dominated by China (36.8%) and Italy (15.1%).

#### *HI-TECH TUFFGUARD DIGITAL*

Company has introduced an advanced range of tiles powered with scratch-shield technology under the brand name of Hi-Tech Tuffguard Digital Tiles. This series of tiles are incredibly strong and robust with an extremely hard surface and are processed for an attractive appearance with low porosity. This high-end technology gives tiles an astonishing endurance, and makes them highly resistant to abrasion, stain, tarnish, scratches and rough handling. Hi-Tech Tuffguard Digital tiles let the floor retain its natural and elegant look that last for a long time.

#### *Segment – wise / Production wise performance*

Asian Granito is having an ultra modern plant in the ceramic zone of Idar and Himmatnagar, spread over an area of 32,000 Sq. mtr., and production capacity of four plants is 81,000 Sq. mtr., per day (installed capacity including outsourcing).

#### *Future Outlook*

Considering the threats, opportunities and the strengths of your company, the key task at hand will be to make the most of the category growth across all price segments and maintain margins to the best possible degree without affecting volume growth. The Company is making strong efforts for the market shares and has also achieved a good brand name. But still there is long way to go and company is trying its level best to achieve its targets and have a profitable growth in the coming years.

As Ceramic Industries is one of the vast Industry, there is no end till the demand goes on and on. With the growth of real estate and infrastructure industry, the Company's product will have demand and will capture the bigger market share.

#### *Risks and Concern*

- Industry Risk : A slowdown in demand could impact the Company's business prospects.
- Competition Risk : Growing competition can affect profitability.
- Branding Risk : Weak brand management can affect sales and profitability.
- Geographic Concentration Risk : Decrease in demand from a particular region might impact the Company's growth prospects.
- Technology Obsolescence Risk : Technology obsolescence may result in compromise of quality standards.

#### *Internal Audit Report*

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has an internal audit department and has also appointed internal auditors, to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.



**Discussion on Financial Performance with respect to Operational Performance:**

(Rs. In Lakhs)

Net Sales from Operation:	70,612.04
Total Expenditure:	66,847.62
Net Profit:	1,710.861

**Opportunities and Threats:**

**Opportunities:**

In the Short run, the expansion of ceramic tile industry hinges upon the development of real estate sector. With a number of high-end luxury residential complexes lined up for development, the industry is poised to grow by 15%-20% in the next five years, with the last year seeing a growth of almost 25%.

Sustainability and style factors have continued to influence ceramic tile industry. For instance, most manufacture from Italy and other countries from Western Europe have demonstrated significant interest and major investments in sustainable production of ceramic tiles to meet the ever tightening environmental standards and regulations.

**CRITICAL FACTORS:**

- Market Knowledge : Indian Markets have a unique characteristic which has to be studied aptly by any new player entering the market and making it a success.
- Partnership : Co-operative partnership between suppliers, dealers, distributors, employees and the major customers must become a priority.
- Logistical Competence : Logistics is it inbound or outbound is very big challenge. This is critical for success in Indian Markets where high value is attached to time & quality.
- Technological Competence : Use of world-class technology for production and creative designs will help an overseas supplier gain an upper hand over competition.
- Product Range : A foreign supplier should be competent enough to understand the cultural diversity and satisfy their demand of varying designs, price points, quality and style effectively in order to attain success.
- Timing of Entry : The domestic Indian Ceramic Industry is expected to witness an above average growth rate in the years to come and also the export market is booming. This lends a very good opportunity for foreign supplier's entry in the Indian markets.
- Housing Demand : Total number of household would be estimated to be 331 million out of which 62% are rural and 38% urban house.

As per the recent study no new entities are coming for the next two years. Setting up of a vitrified tiles plant normally takes more than 2 years. This would help to correct the supply and demand scenarios for ceramic products which include vitrified tiles also.

**THREATS**

Imports and the unorganized tile sector are the major threat to the Indian Market. Freight, power and gas are the key cost related issues impacting the industry.

Copying of Tile design is also a threat for the business resulting in undue loss to the Company.

The slowdown in allied industries cardinaly forestalls the growth of the ceramic industry. The competition offered by the unorganized players, who comprises of 50% of the total industry, is a major impediment as well.

Lack of natural gas facility and arrangements for natural gas facilities as well as rising cost of the gas facilities keeping profitability low.

The ceramic industry has been modernizing continuously by newer innovations in product, design, quality, etc. However in order to make the ceramic industry domestically and internationally competitive, initiatives in the level for technology and quality up gradations must emerge.

**Human Resource Development and Industrial Relations:**

The Company believes that Human Resource is the most important asset of the organization. During the year under review, your Company continued its efforts to improve HR related processes, practices and systems to align these to the organizational objectives. A positive work environment and exciting career prospects have helped keep attrition under control in spite of aggressive external market factors.

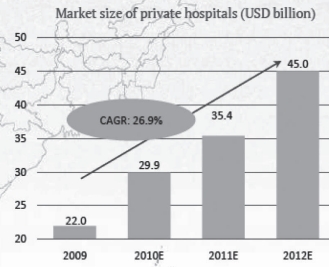
The employee strength (including Contractors) as on 31<sup>st</sup> March, 2013 was 2208.

**Growth Drivers:**

**1. Healthcare:**

Private players have been key contributors to growth in hospitals

- The hospital market in India is expected to reach USD54.7 billion by end - 2012, with the private sector accounting for 82 per cent
- Over 2009-12, the market size of private hospitals is likely to rise at a CAGR of 26.9 per cent
- Private sector growth has been fuelled by increase in the number of hospitals in Tier II and Tier III cities



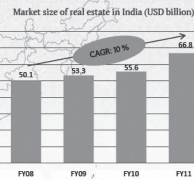
Source: WHO Statistical Information System, Yes Bank, Aranca Research  
Note: E - Estimates

**2. Real Estate with Significant growth:**

Indian real estate is a large, growing market ...

- Real estate contributes about 5 per cent to India's GDP
- The total revenue generated in FY11 stood at USD66.8 billion

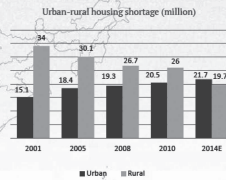
Note: CAGR stands for Compounded Annual Growth Rate



Source: BMI, Aranca Research

... with significant room for further growth

- The housing shortage in urban India stood at 20.5 million as of 2010
- The housing shortage in rural India stood at 26 million as of 2010
- The housing shortage in urban and rural India will be around 21.7 and 19.7 million units respectively in 2014
- Significant increase in real estate activity in cities like Indore, Raipur, Ahmadabad, Jaipur and other two-tier cities; this has opened new avenues of growth for the sector



Source: BMI, CRISIL, Aranca Research  
Note: E - Estimates

**3. Retail Space:**

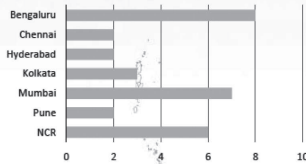
Retail space likely to see strong growth

<b>Scenario</b>	<ul style="list-style-type: none"> <li>Currently, retail accounts for a small portion of the Indian real estate market</li> <li>Organised retailers are few, and the organised retail space is mostly developed by residential/office space developers</li> </ul>
<b>Key drivers</b>	<ul style="list-style-type: none"> <li>Booming consumerism in India</li> <li>Organised retail sector growing 25-30 per cent annually</li> <li>Entry of MNC retailers</li> </ul>
<b>Notable trends</b>	<ul style="list-style-type: none"> <li>The NCR accounts for about 30 per cent of the total mall supply in India</li> <li>About 53 per cent of demand for total mall space in India expected to come from top seven cities</li> <li>Besides malls, demand for retail space on high streets is quite high</li> <li>International retail brands are collaborating with Indian partners</li> <li>Increase in FDI limit for multi-brand retail will lead to significant rise in demand for retail space</li> </ul>

Demand projections across top 7 cities (million sq ft)

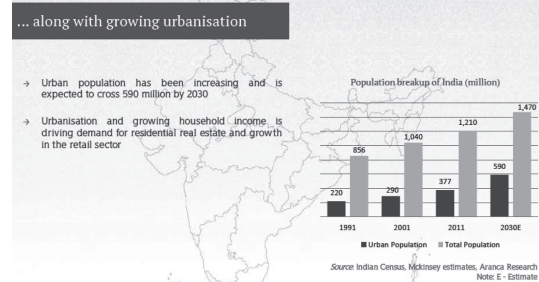
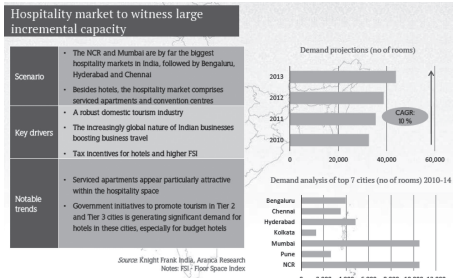


Demand analysis of top 7 cities (million sq ft) 2010-14

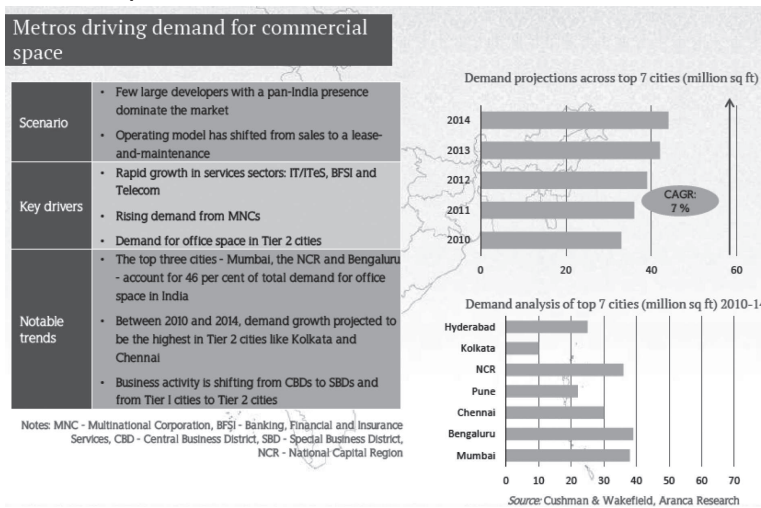


Source: Cushman & Wakefield, Aranca Research

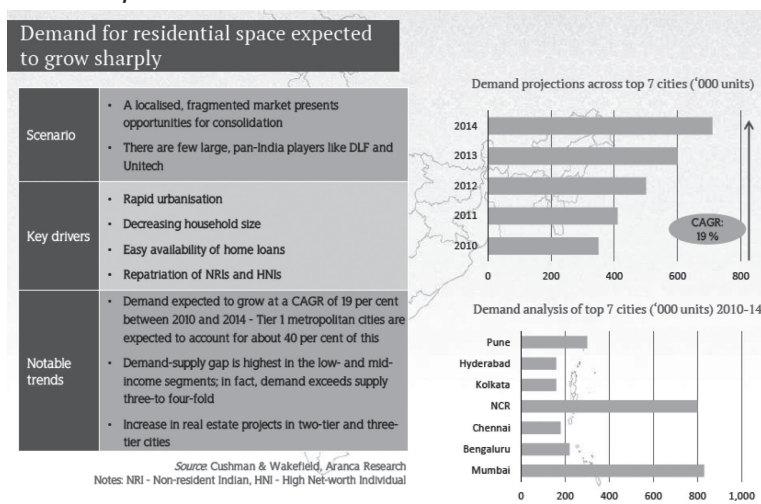
#### 4. Hospitality:



#### 5. Commercial Space:



#### 6. Residential Space:



#### Cautionary Statement:

Statement in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "Forward looking statements" within the meaning of applicable securities law or regulations. These statements are based on certain assumptions and expectations of future events. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations.





## REPORT ON CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

The Securities and Exchange Board of India (SEBI) has introduced a code of Corporate Governance for listed companies which are implemented through the Listing Agreement with the Stock Exchanges with which the Company is listed. The Company has complied with the requirements set out in Clause 49 of the Listing Agreement.

### 1. Philosophy:

*"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."*

Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy, Transparency, Accountability, Fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders. The Company is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliance.

The Company firmly believes and has consistently practiced good corporate governance. The Company's policy is reflected by the very values of transparency, professionalism and accountability.

We have tried to blend growth and efficiency with governance and ethics. Our Board of Directors, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large.

### 2. Board of Directors:

#### (i) Composition/ Category of Directors / Attendance at Meetings/ Directorships and Committee Memberships in other Companies as on March 31, 2013:

The Board consists of twelve members. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairperson is as under:

Name of Director	Category	Designation	Attendance of Meetings during 2012-13			Other Directorships/ Board Committees (Numbers)	
			Board Meeting	Last AGM	Directorships in Other Cos.	Committee membership	Committee Chairmanship
Mr. Kamleshbhai Patel	Promoter Executive Director	Chairman cum Managing Director	11	Yes	2	0	0
Mr. Mukeshbhai Patel	Promoter Executive Director	Managing Director	11	Yes	1	2	0
Mr. Bhaveshbhai Patel	Executive Director	Director	11	No	0	0	0
Mr. Sureshbhai Patel	Executive Director	Director	11	Yes	1	0	0
Mr. Bhogilal Patel	Executive Director	Director	11	Yes	0	0	0
Mr. Kanubhai Patel	Executive Director	Director	11	No	0	0	0
Mr. Maganlal Prajapati	Independent and Non-Executive Director	Director	04	Yes	0	3	3
Mr. Mahesh Chander Julka	Independent and Non- Executive Director	Director	04	No	2	3	0
Mr. Shankerlal Patel	Independent and Non-Executive Director	Director	04	No	0	1	0
Mr. Ajendrabhai Patel	Independent and Non-Executive Director	Director	04	No	0	0	0
Mr. Premjibhai Chaudhary	Independent and Non-Executive Director	Director	03	No	1	0	0
Mr. Amrutbhai Patel	Independent and Non-Executive Director	Director	04	No	1	0	0

None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company.



The Board has held 11 Meetings during the Financial Year 2012-13 are as under:

DATES OF BOARD MEETING			
May 14, 2012	July 18, 2012	August 13, 2012	September 3, 2012
November 9, 2012	November 23, 2012	January 5, 2013	January 7, 2013
January 23, 2013	February 4, 2013	March 4, 2013	_____

**3. Audit Committee:**

**(i) Terms of reference**

The terms of reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement.

**(ii) Composition, name of members and Chairman, meetings held during the year and attendance at meetings**

The Company has complied with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 as regards composition of Audit Committee.

The Committee has held Four Meetings during the financial year 2012-13 i.e. May 14, 2012, August 13, 2012, November 9, 2012 and February 4, 2013. The composition of the Audit Committee as on March 31, 2013 and the attendance of the members at the meeting of the Audit Committee held during the financial year 2012-13 were as follows:

Members of Audit Committee	No. of Meetings Attended
Mr. Maganlal Prajapati (Chairman)	Four
Mr. Maheshchander Julka	Four
Mr. Kamlesh B. Patel	Four

**4. Remuneration Committee:**

**(i) Terms of reference**

The role of the Remuneration Committee is to recommend to the Board, the remuneration package for the Managing/ Executive Directors and senior officials just one level below the Board.

**(ii) Composition, name of members and Chairman, meetings held during the year and attendance at meetings**

The Remuneration Committee presently consists of three Independent Directors. The Committee has held four meetings during the financial year 2012-13 i.e., on May 14, 2012, August 13, 2012, November 9, 2012 and February 4, 2013. The Composition of the Remuneration Committee as on March 31, 2013 and the attendance of the members at the meeting of the Remuneration Committee held during the financial year 2012-13 were as follows:

Members of Remuneration Committee	No. of Meetings Attended
Mr. Maganlal Prajapati (Chairman)	Four
Mr. Maheshchander Julka	Four
Mr. Shankarlal Patel	Four

**Remuneration Policy/ Criteria of payments to Non-executive Directors:**

The Company pays remuneration to its Managing Director/ Whole Time Director by way of salary, perquisites and allowances. Their remuneration is governed by the external competitive environment; track record, potential, individual performance and performance of the Company as well as industrial standard. Further the remuneration being paid is within the ceiling prescribed under the applicable provisions of the Companies Act, 1956 and is subject to the approval of the Remuneration Committee of the Board of Directors and the members of the Company.

The Non-Executive Independent Directors are paid sitting fee for their attendance and willingly to take in the Board Meetings.

The Details of remuneration paid during the Financial Year 2012-13 are as under:

Name if Director	Sitting fees (Rs.)	Salary & Perquisites(Rs.)	Stock Option	Pension	Total(Rs.)
Mr. Kamleshbhai Patel	-	2,400,000	-	-	2,400,000
Mr. Mukeshbhai Patel	-	1,920,000	-	-	1,920,000
Mr. Sureshbhai Patel	-	1,920,000	-	-	1,920,000
Mr. Bhaveshbhai Patel	-	1,800,000	-	-	1,800,000
Mr. Kanubhai Patel	-	1,500,000	-	-	1,500,000
Mr. Bhogilal Patel	-	1,200,000	-	-	1,200,000
Mr. Maganlal Prajapati	20,000	-	-	-	20,000
Mr. Maheshchander Julka	20,000	-	-	-	20,000
Mr. Shankarlal Patel	20,000	-	-	-	20,000
Mr. Ajendrabhai Patel	20,000	-	-	-	20,000
Mr. Premjibhai Chaudhary	15,000	-	-	-	15,000
Mr. Amrutbhai Patel	20,000	-	-	-	20,000

**5. Shareholders/Investors Grievance Committee:**

The Board of Directors of the Company had set up a Shareholders/ Investors Grievances Committee, which has been authorized to oversee and review all matters connected with the investor services in connection with rematerialisation and dematerialization of shares and transfer/ transmission/ transposition of shares. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Board has delegated the authority to approve the transfer of shares to the officers of the Company and the registrar and share transfer agent.

The Committee has held four meeting during the financial year 2012-13 i.e. on May 14, 2012, August 13, 2012, November 9, 2012 and February 4, 2013. The composition of the Shareholders Committee as on March 31, 2013 and the attendance of the members at the meeting of the Shareholders Committee held during the financial year 2012-13 were as follows:

Members of Shareholders Committee	No. of Meetings Attended
Mr. Maganlal Prajapati (Chairman)	Four
Mr. Maheshchander Julka	Four
Mr. Kamleshbhai B. Patel	Four

The Details of investors complaints received and resolved during the financial year 2012-13 is as under:

No. of investors complaints received during the year	No. of investors complaints resolved during the year	Investors complaints pending at the end of the year
Two	Two	Nil

During the year ended 31<sup>st</sup> March, 2013, the Company received two complaints and there are no complaints outstanding as on 31<sup>st</sup> March, 2013. Normally all the complaints are disposed of within 30 days.

**6. Details of General Body Meetings:**

**(i) Location and time where last three Annual General Meetings (AGMs) held:**

Financial Year	Location	Date & Time
2009-10	AMA Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380015 (Gujarat)	September 25, 2010 11.00 a.m.
2010-11	AMA Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380015 (Gujarat)	September 29, 2011 10.30 a.m.
2011-12	AMA Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380015 (Gujarat)	September 20, 2012 11.00 a.m.

**(ii) Special Resolution passed in the previous three Annual General Meetings**

In last three AGM the Company has passed special resolutions regarding (1) Special Resolution passed for appointment of Mr. Saunakbhai M. Patel as Marketing Manager, Mr. Hirenbhai S. Patel as Marketing Manager and Mr. Bhagubhai P. Patel as Medical Officer of the Company. (2) Special Resolution passed for Mr. Jagdishkumar Patel, Mr. Vipulbhai Patel, Mr. Vinodbhai Patel, Mr. Sureshbhai Patel and Mr. Rameshbhai Patel under Section 314 to hold office or place of profit. (3) Special Resolution passed for appointing of Mr. Mukeshbhai Patel as a Managing Director along with change in terms of appointment under Section 198 read with Schedule XIII. (4) Special Resolution passed for preferential issue under Section 81(1A). (5) Special Resolution passed for appointment of AL Reyami Walls & Floors LLC as the sole selling agent of the Company for the sale and distribution of products in United Arab Emirates and its territory under section 294AA and other applicable provisions of the Companies Act, 1956. Except that there was no special resolution passed by the Company at the previous three Annual General Meetings.

**(iii) Postal Ballot**

No Postal ballot was conducted in the year 2012-13. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

**7. Disclosures:**

**a. Disclosures on materially significant related party transactions:**

*Transactions with the related parties are set out in Significant Accounting Policies and Notes on Accounts – Note No.1 forming part of the Annual Report.*

- a. None of the transactions with any of the related parties were in conflict with the interest of the Company.
- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory, on any matter related to capital markets, during the last three years:  

The Company has complied with the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines of SEBI. Neither any penalty nor any stricture has been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets, in the last three years.
- c. Whistleblower Policy and affirmation that no personnel have been denied access to the Audit Committee:  

The Company has adopted Whistleblower Policy. The employees of the Company have access to approach the Management on any issues relating to the Code of Conduct / business ethics.

**8. Means of Communication:**

**Quarterly Financial Results:**

The quarterly/ half yearly annual financial results are published in *Business Standard* and *Jansatta*, (English daily and Gujarati daily respectively). The financial results are also placed on the Company's website namely [www.aglasiangranito.com](http://www.aglasiangranito.com).

**Official News Releases**

The Company holds press analyst meets and makes necessary presentations, to appraise and published the information relating to Company's working and future outlook.

**9. General Shareholder Information:**

**I. Annual General Meeting**

Date and Time : 19<sup>th</sup> August, 2013 at 4.30 p.m.

Venue : AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015

**II. Profile of Directors seeking reappointment.**

The profile of Directors who are seeking reappointment/ appointment at the Annual General Meeting is furnished below:

**Mr. Bhaveshbhai V. Patel:**

Mr. Bhaveshbhai V. Patel, aged 34 years, is a graduate in Computer Applications. He is having experience of 11 Years in ceramic industry. He is Director in our Company.

**Directorships in other Companies:** Nil

**Committee Memberships in other Companies:** Nil

**Shareholding in Asian Granito India Limited:** 182340 Equity Shares



**Mr. Kanubhai B. Patel:**

Mr. Kanubhai B. Patel, aged 35 years, is in the line of ceramic industries from more than 13 years. He is graduate in Commerce faculty. He is the Director of our Company.

**Directorships in other Companies:** Nil

**Committee Memberships in other Companies:** Nil

**Shareholding in Asian Granito India Limited:** 153299 Equity Shares

**Mr. Bhogibhai B. Patel:**

Mr. Bhogibhai B. Patel, aged 45 years, is in the line of ceramic industry from more than 10 years. He is B.Tech and Bachelor of Science and has vast experience in ceramic industry.

**Directorships in other Companies:** Nil

**Committee Memberships in other Companies:** Nil

**Shareholding in Asian Granito India Limited:** 242299 Equity Shares

**III. Financial Calendar (tentative)**

Results for first quarter ending June 30, 2013. : On or before August 14, 2013

Results for second quarter ending September 30, 2013 : On or before November 14, 2013

Results for third quarter ending December 31, 2013 : On or before February 14, 2014

Results for fourth quarter ending March 31, 2014 : On or before May 15, 2014

**IV. Book Closure Date:**

The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 12<sup>th</sup> August, 2013 to Monday, 19<sup>th</sup> August, 2013 (both days inclusive).

**V. Registered Office:**

Asian Granito India Limited

202, Dev Arc, Opp. Iskon Temple, Sarkhej Gandhinagar Highway, Ahmedabad – 380015

**VI. Listing of Equity Shares on Stock Exchange:**

The Equity Shares of the Company are currently listed at National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company has paid till date, appropriate listing fees to both the stock exchanges where the Company's equity shares are listed.

**National Stock Exchange of India Limited**

Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051

**Bombay Stock Exchange Limited**

P. J. Towers, Dalal Street, Fort, Mumbai – 400 001

**Location of the Depositories:**

**National Securities Depository Ltd.**

Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parle, Mumbai- 400013

**Central Depository Services (India) Ltd.**

Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai-400 001

**VII. Stock Code:**

Bombay Stock Exchange (Scrip Code) : **532888**

National Stock Exchange (Trading Symbol) : **ASIANILES**

ISIN Number for Equity Shares : **INE022I01019**

**VIII. Stock Market Data:**

Stock market price data and share price performance in comparison to broad based indices:

Month	NATIONAL STOCK EXCHANGE OF INDIA LIMITED			BOMBAY STOCK EXCHANGE LIMITED		
	High(Rs.)	Low(Rs.)	Total numbers of shares traded	High(Rs.)	Low(Rs.)	Total numbers of shares traded
April	52.75	42.00	9888	52.55	43.65	23967
May	49.00	45.00	211543	51.90	42.20	264093
June	44.95	38.70	8297	47.00	40.00	6563
July	47.50	41.00	114775	48.40	41.25	233655
August	49.50	43.35	12109	49.80	42.40	20729
September	47.00	41.00	7962	49.00	41.30	9144
October	50.35	41.05	18374	50.00	41.00	20296
November	48.00	41.65	7888	49.00	42.00	15514
December	49.95	42.65	48764	50.50	41.50	20739
January	55.80	40.50	842225	52.75	35.60	960209
February	53.60	35.30	971315	51.20	35.65	980005
March	45.05	33.00	489046	46.00	31.35	2392680

(Source: NSE and BSE websites)

**IX. Registrar and Share Transfer Agents:**

Link Intime India Pvt. Limited,

C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078

E-mail Address: mumbai@linkintime.co.in

**X. Share transfer System**

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from investors and other miscellaneous correspondences on change of address mandates among others are processed by the Registrar within 30 days.

**XI. Distribution of Shareholding:**

No. of EquityShares held	As on 31 March, 2013			
	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Shareholding
1 – 500	4622	87.85	591088	2.67
501 – 1000	220	4.18	180567	0.81
1001 – 2000	141	2.68	221258	1.00
2001 – 3000	40	0.76	102963	0.46
3001 – 4000	15	0.29	52002	0.23
4001 – 5000	25	0.47	121963	0.55
5001 – 10000	46	0.87	352115	1.59
10001 andAbove	152	2.89	20539335	92.68
<b>TOTAL</b>	<b>5261</b>	<b>100.00</b>	<b>22161291</b>	<b>100.00</b>



**Categories of Shareholding (as on 31 March, 2013):**

Category of Holder	No. of Shares	% of Equity
Other bodies corporate	3812011	17.2012
Clearing member	281089	1.2684
Directors	5350469	24.1433
Non-resident Indians	10001	0.0451
Non-resident (Non-repatriable)	2216	0.0100
Public	9596363	43.3024
Promoters	619284	2.7944
Relatives of Directors	2489848	11.2351
<b>TOTAL</b>	<b>22161291</b>	<b>100.00</b>

**XII. Dematerialization of Shares and Liquidity:**

The equity shares of the Company are available under dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares are compulsorily traded in dematerialized form. The ISIN No. of the Company is INE022I01019.

As on March 31, 2013, 22,161,278 equity shares of the Company have been dematerialised representing 99.99 % of the total shares.

**XIII. Code of Conduct:**

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and that the same has been posted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct.

**XIV. Outstanding GDR / ADRs / Warrants or any convertible instrument, conversion date and likely impact on the equity:**

As on date, the Company has not issued GDRs, ADRs, or any other convertible instruments and as such there is no impact on the equity share capital of the Company.

**XV. Plant Locations:**

- |  |   |
|--|---|
| (1) Asian Granito India Limited<br>Ceramic Zone, Katwad Road,<br>At & Po. Dalpur, Taluka Prantij 383 120, Dist. Sabarkantha. | (2) Asian Granito India Limited<br>B/h. Sardar Plant, Idar -383430<br>Dist. Sabarkantha |
|--|---|

**XVI. Investor Correspondence:**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address and any other query relating to shares of the Company please write to:

Link Intime India Pvt. Limited  
Unit No. 303, 3<sup>rd</sup> floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza – II, Off. C. G. Road,  
Ahmedabad – 380 009  
E-mail: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

For any other general matters or in case of any difficulties/ grievances please write to:

**Renuka A. Upadhyay**  
Compliance Officer  
Asian Granito India Limited  
202, Dev Arc, Opp. Iskon Temple, Sarkhej Gandhinagar Highway, Ahmedabad – 380015  
E-mail: [cs@aglasiangranito.com](mailto:cs@aglasiangranito.com) Phone No. : 079 - 66125500/698/699 Fax No. : 079 - 66058672/66125600





**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

**To the Members of Asian Granito India Limited**

1. We have reviewed the compliance of conditions of Corporate Governance by (the Company) during the year ended 31<sup>st</sup> March, 2013 with the relevant records and documents maintained by the Company and furnished to us.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an express of opinion on the financial statements of the Company.
3. On the basis of our review and according to the information and explanations given to us, we (certify that the Company has, for the year ended 31<sup>st</sup> March, 2013 complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchanges).
4. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors' grievances Committee.
5. We further state that such compliance 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 A.L.Thakkar & Co.  
*Chartered Accountants*  
(FRN: 120116W)

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2013

Sanjiv V. Shah  
[Partner]  
Mem.No. 42264



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Asian Granito India Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **Asian Granito India Limited** which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have 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 appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **A.L.Thakkar & Co.**  
*Chartered Accountants*  
(FRN: 120116W)

**Sanjiv V. Shah**  
[Partner]  
Mem.No. 42264

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2013

**The Annexure referred to in paragraph 1 of the Our Report of even date to the Members of Asian Granito India Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2013.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of its fixed asset during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has given loans, to two companies, five firms and one party listed in the register maintained under Section 301 of the Companies Act, 1956. In respect of said loans, the maximum amount outstanding at any time during the year was Rs.2,33,84,610/-, Rs.72,50,000/-, & Rs.3,02,68,568/- respectively. The year end balance is Rs.42,32,383/-, Rs.39,72,000/- & Rs.3,02,68,568/- respectively ( including interest free loan of Rs.82,04,383).  
(b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which loans have been given by the Company are not prima facie, prejudicial to the interest of the company.  
(c) We have been informed that the said loans are repayable on demand. The parties are regular in paying the interest.  
(d) In respect of the said loans and interest thereon, there are no overdue amounts.  
(e) The Company had taken unsecured loans from two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year as Rs 1,00,32,361/- and the yearend balance of loans taken from such parties was Rs NIL.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.  
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000 in respect of each party during the year have been made at prices which are reasonable as per information available with the company.
6. According to the information and explanation given to us, the Company has not accepted any deposits from the public. Therefore the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the cost records maintained by the company pursuant to the companies ( Cost Accounting records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no undisputed outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no disputed dues of wealth tax, service tax, customs duty and excise duty which have not been deposited. Details of disputed dues of sales tax which have not been deposited by the company are as follows.

Name of the Statute	Nature of the dues	AmountRs.	Period to which the amount relates	Forum where dispute is pending
Sales Tax Laws	Sales Tax	45,07,857/-	2003-04	Joint. Comm. Tax Comm. Appeals
Sales Tax Laws	Sales Tax	19,62,743/-	2004-05	Joint Comm. Tax Comm. Appeals
Gujarat Value Added Tax Act	VAT/CST	2,68,730/-	2006-07	Deputy Comm. Appeal-III, Gandhinagar
Gujarat Value Added Tax ACT & Central Sales Tax Act,	CST	55,83,126	2008-09	Joint. Comm. Tax Comm. Appeals
Gujarat Value Added Tax Act	VAT	49,27,910	2007-08	Deputy Comm. Of Commercial Tax – Appeal – III, Gandhinagar
Gujarat Value Added Tax ACT	VAT / CST	53,79,049	2009-10	Deputy Comm. Appeal-III, Gandhinagar
Gujarat Value Added Tax ACT & Central Sales Tax Act,	VAT / CST	60,51,080	2010-11	Deputy Comm. Appeal-III, Gandhinagar
Gujarat Value Added Tax ACT & Central Sales Tax Act,	VAT / CST	26,63,864	2011-12	Deputy Comm. Appeal-III, Gandhinagar

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a Nidhi / mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has raised term loans during the year and the same have been applied for the purpose for which they were raised.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that during the year the Company has made preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956. We are of the opinion that the price at which preferential allotment of shares has been made is not prejudicial to the interest of the Company.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For A.L.Thakkar & Co.  
Chartered Accountants  
(FRN: 120116W)

Sanjiv V. Shah  
[Partner]  
Mem.No. 42264

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2013



**BALANCE SHEET AS AT 31ST MARCH, 2013**

(Amount In Lacs )

PARTICULARS	NOTES	As at 31st March, 2013	As at 31st March, 2012
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Share holders Funds:</b>			
(a) Share Capital	2	2,216.13	2,106.13
(b) Reserve & Surplus	3	23,990.84	21,852.31
(c) Money Received against Share warrants	4	255.31	-
		<b>26,462.28</b>	<b>23,958.44</b>
<b>2 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	3,373.04	4,119.34
(b) Deferred Tax Liabilities (Net)	6	1,546.78	1,589.31
(c) Other Long Term Liabilities	7	629.27	565.12
		<b>5,549.09</b>	<b>6,273.77</b>
<b>3 Current Liabilities</b>			
(a) Short-Term Borrowings	8	20,318.88	13,807.93
(b) Trade Payables	9	9,149.86	6,460.68
(c) Other Current Liabilities	10	2,954.96	2,771.78
(d) Short-Term Provisions	11	405.48	566.25
		<b>32,829.18</b>	<b>23,606.64</b>
<b>Total Equity &amp; Liabilities</b>		<b>64,840.55</b>	<b>53,838.85</b>
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12	17,359.62	18,488.40
(ii) Intangible Assets	12	2.75	5.50
(iii) Capital work-in-progress	12	275.02	6.81
(b) Non Current Investments	13	1,804.99	300.00
(c) Long term loans and advances	14	4,589.98	1,947.29
(d) Other non-current assets	15	-	16.67
		<b>24,032.36</b>	<b>20,764.67</b>
<b>2 Current Assets</b>			
(a) Inventories	16	19,038.99	15,951.80
(b) Trade receivables	17	16,988.18	12,956.39
(c) Cash and cash equivalents	18	2,906.05	2,537.14
(d) Short-term loans and advances	19	1,858.30	1,589.70
(e) Other current assets	20	16.67	39.15
		<b>40,808.19</b>	<b>33,074.18</b>
<b>Total Assets</b>		<b>64,840.55</b>	<b>53,838.85</b>

Significant Accounting Policies 1  
The accompanying Notes are an integral part of the Financial Statements

In terms of our report of even date attached

For and on behalf of  
ASIAN GRANITO INDIA LIMITED

A. L. Thakkar & Co.  
Chartered Accountants

[Kamleshbhai B. Patel]  
Chairman & Managing Director

[Sanjiv Shah]  
Partner  
Membership No. 42264

Renuka Upadhyay  
Company Secretary

[Bhaveshbhai V. Patel]  
Director

Place : Ahmedabad  
Date : 30th May, 2013

Place : Ahmedabad  
Date : 30th May, 2013



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

(Amount In Lacs )

PARTICULARS	NOTES	(Amount In Lacs )	
		As at 31st March, 2013	As at 31st March, 2012
<b>1 REVENUE</b>			
Revenue from operations ( net )	21	70,748.84	62,379.50
Other Income	22	330.64	252.26
<b>Total Revenue</b>		<b>71,079.48</b>	<b>62,631.76</b>
<b>2 EXPENSES</b>			
Cost of materials consumed	23	19,513.29	18,342.53
Purchase of Stock-in-Trade		20,934.43	16,366.71
Change in inventories of finished goods, work-in-progress and stock-in-Trade	24	(2,606.03)	(2,488.54)
Employee Benefit Expense	25	3,634.06	3,068.88
Finance Costs	26	2,521.00	2,034.97
Depreciation and Amortization Expense	27	2,168.90	2,188.86
Power & Fuels	28	12,326.05	11,061.29
Other Expenses	29	10,049.46	9,355.64
<b>Total Expenses</b>		<b>68,541.16</b>	<b>59,930.34</b>
<b>3 Profit before exceptional and extraordinary items and tax</b>		<b>2,538.32</b>	<b>2,701.42</b>
<b>4 Exceptional / Extraordinary items</b>		-	-
<b>5 Profit before tax</b>		<b>2,538.32</b>	<b>2,701.42</b>
<b>6 Tax expense :</b>			
(1) Current tax		870.00	885.00
(2) Deferred tax		(42.54)	11.03
<b>Profit for the period</b>		<b>1,710.86</b>	<b>1,805.39</b>
<b>Basic and Diluted Earning per equity share (in Rs.) of face value of Rs. 10 each</b>		<b>7.74</b>	<b>8.57</b>

**Significant Accounting Policies**

1

The accompanying Notes are an integral part of the Financial Statements

In terms of our report of even date attached

A. L. Thakkar & Co.  
Chartered Accountants[Sanjiv Shah]  
Partner  
Membership No. 42264Place : Ahmedabad  
Date : 30th May, 2013Renuka Upadhyay  
Company SecretaryFor and on behalf of  
ASIAN GRANITO INDIA LIMITED[Kamleshbhai B. Patel]  
Chairman & Managing Director[Bhaveshbhai V. Patel]  
DirectorPlace : Ahmedabad  
Date : 30th May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

PARTICULARS	(Amount In Lacs)	
	2012-13	2011-12
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extra-ordinary items	2,538.32	2,701.42
Adjustment for :		
Depreciation	2,163.18	2,059.30
Deferred Revenue Expenditure written off	22.48	16.67
Preliminary Expenses Amortised	5.72	129.56
Loss on sale of Fixed Assets	0.16	-
Interest and Finance Charges	2,521.00	2,034.97
Interest and Other Income	(330.64)	(252.26)
<b>Operating Profit before working Capital changes</b>	<b>6,920.22</b>	<b>6,689.66</b>
Adjustment for		
Trade and other Receivables	(4,031.79)	(4,155.48)
Loans and advances	(268.60)	(467.87)
Inventories	(3,087.19)	(3,575.45)
Trade Payables	3,256.49	2,518.14
<b>Cash generated from operation Before Income Tax Paid</b>	<b>2,789.13</b>	<b>1,009.00</b>
Direct Taxes Paid	(870.00)	(774.58)
<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>1,919.13</b>	<b>234.42</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(1,306.83)	(1,714.66)
Increase/Decrease in Investments	(1,504.99)	(300.00)
Interest and Other Income	330.64	252.26
Movements in Loans & Advancec	(2,420.13)	(215.70)
Miscellaneous Expenditure	-	(50.00)
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES [B]</b>	<b>(4,901.31)</b>	<b>(2,028.10)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Long Term Borrowings	(759.39)	(634.68)
Proceeds from Short Term borrowings	6,510.95	5,533.98
Interest and Finance Charges	(2,521.00)	(2,034.97)
Final Dividend Paid (Including Dividend Tax)	(244.78)	(245.59)
Proceeds from Equity Share Capital	110.00	-
Money received against share warrants	255.31	-
<b>NET CASH FROM FINANCING ACTIVITIES [C]</b>	<b>3,351.09</b>	<b>2,618.74</b>
<b>NET INCREASE IN CASH AND CASH EQUILENTS [A+B+C]</b>	<b>368.91</b>	<b>825.06</b>
Cash and Cash Equilents As at 1st April 2012	2,537.14	1,712.08
Cash and Cash Equilents As At 31st March 2013	2,906.05	2,537.14

The accompanying Notes are an integral part of the Financial Statements

In terms of our report of even date attached

For and on behalf of  
ASIAN GRANITO INDIA LIMITED

A. L. Thakkar & Co.  
Chartered Accountants

[Kamleshbhai B. Patel]  
Chairman & Managing Director

[Sanjiv Shah]  
Partner  
Membership No. 42264

Renuka Upadhyay  
Company Secretary

[Bhaveshbhai V. Patel]  
Director

Place : Ahmedabad  
Date : 30th May, 2013

Place : Ahmedabad  
Date : 30th May, 2013

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013****Note : 1 : SIGNIFICANT ACCOUNTING POLICIES:**

*The Significant accounting policies to the extent applicable the companies are as under:*

**(i) System of Accounting :-**

The Financial statements are prepared on historical cost basis and on the accounting principles of going concern in accordance with generally accepted accounting principles comprising of the mandatory accounting standards referred to in sub section (3c) of section 211 of the companies Act, 1956 and guidance notes, etc. issued by The Institute of Chartered Accountants of India and the other provisions of The Companies Act, 1956.

**(ii) Revenue Recognition :-**

All known income and expenditure quantifiable till the date of finalization of accounts are accounted on accrual basis when virtual certainty is established.

Sales of products is recognized when property in the goods with all risk rewards and effective control of goods usually associated with ownership are transferred to buyer at price includes insurance, freight etc. but excludes Excise, VAT and Sales Return if any and adjusted for discounts.

The presentation of financial statements require estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**(iii) Fixed Asset :-**

Cost of Fixed assets comprises of its purchase price including import duties and other non refundable taxes or levies, expenditure incurred in the course of construction or acquisition and any directly attributable costs of bringing the asset to its working condition for the purpose of use for the business.

CENVAT Credit available on Capital goods has been reduced from cost of purchases of fixed assets and depreciation thereon has been calculated on the balance amount net off CENVAT credit available.

Capital Work in progress comprises of cost of capital expenditure incurred for the proposed machinery which is yet to put to use.

**(iv) Depreciation :-**

Depreciation has been provided on straight line method in accordance with the provision of section 205(2) (b) of Companies Act, 1956 at the rates prescribed in Schedule XIV of the companies Act, 1956 on prorata basis with reference to the date of acquisition/ installation.

**(v) Investments :-**

Investments are shown at their cost plus incidental expenses if any. Investments are classified as long term & Current investments. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.

**(vi) Valuation of Inventories :-**

- |                              |  |
|------------------------------|--|
| - Raw Materials              | - At cost or net realizable value whichever is less. |
| - Finished Goods             | - At cost or net realizable value whichever is less. |
| - Stores & Spares            | - At cost or net realizable value whichever is less. |
| - Fuel and Packing materials | - At cost or net realizable value whichever is less. |
| - Work-in-progress           | - At Cost of production                              |
| - Stock in trade             | - At lower of cost or estimated realizable value.    |

The cost of inventory is determined on FIFO cost formula method on relevant categories of inventories after providing for obsolete, slow moving and defective inventories where ever necessary.

**CENVAT Credit / VAT Credit:**

CENVAT credit / VAT credit available on stores and spares and Raw Materials reduced from cost of purchases and balance has been shown in "Loans & Advances" under Current Assets in the Balance Sheet.

The Excise duty payable on the finished goods is accounted on the clearance of goods from factory premises.

**(vii) Provisions and Contingent liabilities :-**

Contingent liabilities are disclosed after careful evaluation of facts and legal aspects of the matter involved.

Provisions and contingent liability are reviewed at each balance sheet date and events occurring after Balance Sheet dates which are adjusted to reflect the current best estimates.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**(viii) Retirement and other Employee Benefits :-**

**Provident fund:**

Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

**Leave Benefits :**

There is no Unutilized Leave to be encashed hence provision for Leave encashment liability does not arise as on 31<sup>st</sup> March 2013.

**Gratuity :**

During the year the Company has a scheme of Retirement Benefit namely 'Group Gratuity Fund' recognized by the Income Tax authorities. This fund is administered through Trustees and the Company's contribution thereto is charged to revenue.

Contributions to Provident fund are made on accrual basis.

**(ix) Impairment of Fixed Assets :-**

Factors giving rise to any indication of impairment of the carrying amounts of the Company's Assets are appraised at each Balance Sheet date to determine and provide/reverse an impairment loss. There is no impairment in the carrying amounts of Company's Assets.

**(x) Foreign currency transaction :-**

Transactions in foreign Currency are recorded in rupees by applying the exchange rate at the date of the transaction and adjusted appropriately to capital or revenue, with the difference in the rate of exchange arising on actual receipt/payment during the year. Gains or Losses on settlement of the transactions are recognized under the head currency rate difference in the Profit and loss account.

Current Assets and Liabilities (monetary items) are translated at the exchange rate prevailing on the last day of the year.

The Company enters into derivative contracts strictly for hedging purposes and not for trading or speculation. Derivative transactions are being considered as off balance sheet date transactions and accordingly the gains/losses arising there from are recognized under respective heads of accounts as and when the settlement takes place with the terms of the respective contracts.

**(xi) Provision for Current and Deferred Tax :-**

The tax expense comprises of Current Tax & Deferred Tax charged or credited to the profit and loss account for the year. Current Tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax charge or credit is recognized using the tax rates applicable as on the date of balance sheet. Deferred Tax assets are recognized only if there is virtual certainty of realization of such assets. At balance sheet date, recognized and unrecognized Deferred Tax assets are reviewed.

**(xii) Borrowing Cost :-**

Borrowing cost directly attributable and/or funds borrowed generally and used for the purpose of acquisition/construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized, at its capitalization rate to expenditure on that assets, for the period, until all activities necessary to prepare qualifying assets for its intended use are complete.

**(xiii) Deferred Revenue Expenditure :-**

Deferred Revenue Expenses includes Expenditure towards Exhibition of new products and mega event show charges are amortized over a period of three years.

**(xiv) Branch Accounting :-**

Stock transfer at various branches, are done at a rate inclusive of Excise, education cess and freight charges. When the Sales from branches effected, above transfer value is nullified. Sales values of branches are accounted inclusive of VAT / CST charged by respective branches.

Further system of accounting of all branch expenses and C & F expenses are centralized and booked on the basis of vouchers and supporting sent by C & F and branches.

**(xv) Leases :-**

**Where the Company is the lessee**

Leases, wherein the lesser effectively retains substantially all the risks and benefits of ownership of the leases item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term as per Lease Agreement.

**(xvi) Central Excise Duty :-**

Excise duty is accounted on the basis of payments made in respect of goods cleared.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

The Previous Figures have been re-grouped / re-classified, wherever necessary to confirm to the Current Year Presentation.

**NOTE [ 2 ] : SHARE CAPITAL**

(Amount In Lacs)

PARTICULARS	As at	As at
	31st March, 2013	31st March, 2012
<b>EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
3,12,50,000 ( P.Y. 3,12,50,000) Eq.Shares of 10/- each	3,125.00	3,125.00
<b>Issued,Subscribed and Paid up.:</b>		
2,21,61,291 Equity Shares of Rs. 10/- each fully paid up ( Previous Year 2,10,61,291 Equity Shares of Rs. 10/- each fully paid up ) ( Out of Which 1,40,61,291 equity shares have been issued otherwise than in cash )	2,216.13	2,106.13
<b>TOTAL OF SHARE CAPITAL</b>	<b>2,216.13</b>	<b>2,106.13</b>

(2.1) 1,40,61,291 Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares in the last five years by capitalisation of Reserves.

(2.2) The details of Equity shareholders holding more than 5% shares :

Name of the shareholder	As at 31st March,2013		As at 31st March,2012	
	No. of Shares	% Held	No. of Shares	% Held
MUKESHBHAI JIVABHAI PATEL	2,449,010	11.05%	1,899,010.00	9.02%
KAMLESHBHAI BHAGUBHAI PATEL	2,438,768	11.00%	1,888,768.00	8.97%

(2.3) The reconciliation of the number of shares outstanding is set out below :

Particulars	As at	As at
	31st March,2013 No. of Shares	31st March,2012 No. of Shares
Equity Shares at the beginning of the year	21,061,291	21,061,291
Add : Preferential Equity Shares issued during the year	1,100,000	-
Less : Shares bought back during the year	-	-
Equity Shares at the end of the year	22,161,291	21,061,291



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

<b>NOTE [ 3 ] : RESERVES &amp; SURPLUS</b>		<b>( Amount In Lacs )</b>	
<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>	
<b>a) Securities Premium Reserve</b>			
As per Last Balance Sheet	6,704.50	6,704.50	
Add : on issue of shares	440.00	-	
Closing Balance	<b>7,144.50</b>	<b>6,704.50</b>	
<b>b) General Reserve</b>	890.00	890.00	
<b>c) Profit and Loss Account</b>			
As per last balance sheet	14,257.81	12,697.20	
Add : Transfer from Profit & Loss Account	1,710.86	1,805.39	
Less : Dividend on Equity Shares	10.60	-	
Less : Tax On Dividend	1.73	-	
	<b>15,956.34</b>	<b>14,502.59</b>	
Less : Appropriations			
Proposed Dividend on Equity Shares	-	210.61	
[Dividend Per Share Nil ( Previous year Rs. 10/- )]			
Tax on Proposed Dividend	-	34.17	
	<b>15,956.34</b>	<b>14,257.81</b>	
<b>TOTAL OF RESERVES &amp; SURPLUS</b>	<b>23,990.84</b>	<b>21,852.31</b>	

<b>NOTE [ 4 ] : MONEY RECEIVED AGAINST SHARE WARRANTS</b>		<b>( Amount In Lacs )</b>	
<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>	
MONEY RECEIVED AGAINST SHARE WARRANTS	255.31	-	
<b>TOTAL OF MONEY RECEIVED AGAINST SHARE WARRANTS</b>	<b>255.31</b>	<b>-</b>	

<b>NOTE [ 5 ] : LONG TERM BORROWINGS</b>		<b>( Amount In Lacs )</b>	
<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>	
<b>SECURED LOANS</b>			
<b>Borrowings from Banks :</b>			
Term Loan - Rupee	1,240.22	2,555.74	
Term Loan - Foreign Currency	131.36	198.23	
Term Loan - Buyers Credit	1,911.11	1,365.37	
Vehicle Loans	90.35	-	
<b>TOTAL OF LONG TERM BORROWING</b>	<b>3,373.04</b>	<b>4,119.34</b>	

5.1 Term Loan Rs.3151.33 lacs are secured by way of First Pari Passu charge over the movable & immovable properties of the Company situated at Block No.160, 147A paiki, 162 at village Dalpur, Taluka-Prantij, Dist: Sabarkantha, Gujarat, over the movable assets including Plant & Machineries situated at Survey No.16 (paiki) Village: Jawanpura, Tal: Idar, Dist: Sabarkantha, Gujarat and over the One Wind Mill No.V-20 at survey No.204/1, Paiki, Village Vanku, Tal.Abdasa, Dist: Kutch, Gujarat **AND** Second Pari passu charge over entire current Assets situated at Block No.160, 147A paiki, 162 at village Dalpur, Taluka-Prantij, Dist: Sabarkantha, Gujarat and over entire current assets situated at Survey No.16 (paiki) Village: Jawanpura, Tal: Idar, Dist: Sabarkantha, Gujarat.

5.2 Term Loan Rs.131.36 lacs are secured by way of First Charge on all current assets and fixed assets including movable assets of the Agro Tech Division of the Company situated at Block No.533 at Village Dalpur, Taluka: Prantij, Dist: Sabarkantha, Gujarat.

5.3 Vehicle loans are secured by hypothecation of vehicles in favour of Bank.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**NOTE [ 6 ] : DEFERRED TAX LIABILITY ( Net )** ( Amount In Lacs )

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
<b>DEFERRED TAX LIABILITIES : Related to</b>		
Depreciation	1,314.90	1,373.82
Disallowance under the Income Tax Act,1961	231.83	215.44
	<b>1,546.73</b>	<b>1,589.26</b>
<b>LESS : DEFERRED TAX ASSETS : Related to</b>		
Disallowance under the Income Tax Act,1961	(0.05)	(0.05)
	<b>(0.05)</b>	<b>(0.05)</b>
<b>TOTAL OF DEFERRED TAX LIABILITY ( Net )</b>	<b>1,546.78</b>	<b>1,589.31</b>

(6.1) The Net Decrease during the year in the deferred tax liability Rs. 42.54 Lacs (P.Y. Rs. 11.03 lacs increase) has been credited to the Statement of Profit & Loss Account.

**NOTE [ 7 ] : OTHER LONG TERM LIABILITIES** ( Amount In Lacs )

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
TRADE SECURITY DEPOSITS	582.32	540.05
OTHERS	46.95	25.07
<b>TOTAL OF OTHER LONG TERM LIABILITIES</b>	<b>629.27</b>	<b>565.12</b>

**NOTE [ 8 ] : SHORT TERM BORROWINGS** ( Amount In Lacs )

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
<b>SECURED LOANS</b>		
<b>CASH CREDIT LOAN</b>		
<b>FROM BANK</b>		
Rupees Loan	16,209.40	10,144.28
Foreign Currency Loan - FCNR	1,406.07	-
Foreign Currency Loan - Buyers Credit	1,704.05	2,138.02
<b>TOTAL OF SECURED LOANS</b>	<b>19,319.52</b>	<b>12,282.30</b>
<b>UNSECURED LOANS</b>		
<b>FROM BANK</b>		
Foreign Currency Loan - FCNR	-	1,299.67
Foreign Currency Loan - Buyers Credit	-	176.62
Bill Discounting	999.36	49.34
<b>TOTAL OF UNSECURED LOANS</b>	<b>999.36</b>	<b>1,525.63</b>
<b>TOTAL OF SHORT TERM BORROWING</b>	<b>20,318.88</b>	<b>13,807.93</b>

8.1 Working capital loans are secured by hypothecation of present and future stock of Raw Materials, Stock in Process, Semi-finished goods, stores and spares and Book debts, receivables And second Pari Passu charge over entire movable assets and Immovable Properties of the Company situated at Block No.160, 147A paiki, 162 at village Dalpur, Taluka-Prantij, Dist: Sabarkantha, Gujarat ( Vitrified/Wall /Marble Division) And Survey No.16 (paiki) , Village :Jawanpura, Taluka: Idar, District: Sabarkantha, Gujarat (Ceramic Division).

8.2 Bill Discounting Limit is guaranteed by Directors of the Company.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013****NOTE [ 9 ] : TRADE PAYABLES ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Micro, Small and Medium Enterprises	1,021.09	211.89
Others	8,128.77	6,248.79
<b>TOTAL OF TRADE PAYABLES</b>	<b>9,149.86</b>	<b>6,460.68</b>

9.1 The details of amount outstanding to Micro,Small and Medium Enterprises based on available information with the company is as under

<b>Particulars</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Principal amount due and remaining unpaid	1,021.09	211.89
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**NOTE [ 10 ] : OTHER CURRENT LIABILITIES ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Current maturities of long term debt	1,491.76	1,504.85
Interest accrued but not due on borrowings	18.72	28.08
Unpaid Dividends **	0.55	0.63
Statutory Dues Payable	190.25	180.40
Provision for Expenses	388.20	78.56
Advance from Customer	443.72	576.10
Capital Creditors	352.02	386.42
Other Payables	69.74	16.74
<b>TOTAL OF OTHER CURRENT LIABILITIES</b>	<b>2,954.96</b>	<b>2,771.78</b>

\*\* Unpaid dividends do not include any amounts, due and outstanding, to be credited to investor Education and protection fund.

**NOTE [ 11 ] : SHORT TERM PROVISIONS ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Provisions for Employee Benefit	405.48	321.47
Proposed Dividend	-	210.61
Tax on Dividend	-	34.17
<b>TOTAL OF SHORT TERM PROVISIONS</b>	<b>405.48</b>	<b>566.25</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**NOTE [ 12 ] : FIXED ASSETS**

Description	Gross Block			Depreciation / Amortization				Net Block		
	As at 01-04-2012	Addition	Deduction / Adjustment	As at 31-03-2013	As at 01-04-2012	For the Year	Deduction / Adjustment	Upto 31-03-2013	As at 31-03-2013	As at 31-03-2012
<b>TANGIBLE ASSETS :</b>										
Land & Land Development	468.64	0.00	0.00	468.64	0.00	0.00	0.00	0.00	468.64	468.64
Power Plant-Windmill Land	10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	10.00	10.00
Building - Factory	6510.86	129.46	0.00	6640.32	862.26	218.07	0.00	1080.33	5,559.99	5,648.60
Office & Other Building	837.87	0.00	0.00	837.87	55.11	13.62	0.00	68.73	769.14	782.76
Plant & Machinery & Elec.	17583.04	502.17	40.13	18045.08	7176.91	1755.24	40.13	8892.02	9,153.06	10,406.13
Power Plant - Wind Mill	601.85	0.00	0.00	601.85	238.89	62.06	0.00	300.95	300.90	362.96
Furniture & Fixture	440.12	174.75	0.00	614.87	112.40	31.75	0.00	144.15	470.72	327.72
Vehicle	376.37	143.23	0.00	519.60	123.03	42.09	0.00	165.12	354.48	253.34
Office Equipment	188.64	28.16	0.00	216.80	42.68	9.71	0.00	52.39	164.41	145.96
Computers	195.68	54.04	4.93	244.79	113.39	27.89	4.77	136.51	108.28	82.29
<b>TOTAL ( A )</b>	<b>27213.07</b>	<b>1031.81</b>	<b>45.06</b>	<b>28199.82</b>	<b>8724.67</b>	<b>2160.43</b>	<b>44.90</b>	<b>10840.20</b>	<b>17,359.62</b>	<b>18,488.40</b>
<b>INTANGIBLE ASSETS :</b>										
Trade Mark	55.00	0.00	0.00	55.00	49.50	2.75	0.00	52.25	2.75	5.50
<b>TOTAL ( B )</b>	<b>55.00</b>	<b>0.00</b>	<b>0.00</b>	<b>55.00</b>	<b>49.50</b>	<b>2.75</b>	<b>0.00</b>	<b>52.25</b>	<b>2.75</b>	<b>5.50</b>
<b>TOTAL ( A + B )</b>	<b>27268.07</b>	<b>1031.81</b>	<b>45.06</b>	<b>28254.82</b>	<b>8774.17</b>	<b>2163.18</b>	<b>44.90</b>	<b>10892.45</b>	<b>17,362.37</b>	<b>18,493.90</b>
Previous Year	25560.22	1707.85	0.00	27268.07	6714.88	2059.29	0.00	8774.17	18,493.90	18,845.34
Capital Work-in-progress	6.81	275.02	6.81	275.02	0.00	0.00	0.00	0.00	275.02	6.81

**NOTE [ 13 ] : NON-CURRENT INVESTMENT**

( Amount In Lacs )

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
<b>Long Term Investments other than trade ( At Cost)</b>		
<b>In Equity Shares of Associate company - Un Quoted , fully paid up</b>		
Asian Panaria Private Limited	245.00	-
24,50,000 Equity Shares of Rs. 10/- each		
Astron paper & Board Mill Ltd.	1,185.00	300.00
11,85,000 Equity Shares of Rs. 10/- each		
[ Previous Year 10,00,000 Equity Shares of Rs.30/- each ]		
Amazon Ceramics Limited	365.19	-
91,29,720 Equity Shares of Rs. 4/- each		
<b>In Partnership Firms</b>	9.80	-
<b>TOTAL OF NON CURRENT INVESTMENT</b>	<b>1,804.99</b>	<b>300.00</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**NOTE [ 14 ] : LONG TERM LOANS & ADVANCES ( Amount In Lacs )**

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
( Unsecured Considered good)		
Advance Income Tax (Net of Provision)	289.92	67.36
Others	4,300.06	1,879.93
<b>TOTAL OF LONG TERM LOANS &amp; ADVANCES</b>	<b>4,589.98</b>	<b>1,947.29</b>

**NOTE [ 15 ] : OTHER NON CURRENT ASSETS ( Amount In Lacs )**

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
Deferred Expense	-	16.67
<b>TOTAL OF OTHER NON CURRENT ASSETS</b>	<b>-</b>	<b>16.67</b>

**NOTE [ 16 ] : INVENTORIES ( Amount In Lacs )**

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
<b>Material</b>		
Raw Material	2,987.20	2,475.42
Packing Material	167.51	220.14
Semi Finished		
(a) Inventories	248.70	502.57
(b) Goods-in-Transit	-	20.36
<b>Work-in-progress</b>	<b>1,670.60</b>	<b>1,375.68</b>
<b>Finished Goods</b>		
(a) Inventories	10,619.07	8,071.67
(b) Goods-in-Transit	1.67	34.99
<b>Stock-in-Trade</b>		
(a) Inventories	1,413.55	1,613.41
(b) Goods-in-Transit	-	3.12
<b>Stock of Stores &amp; Spares</b>	<b>1,822.14</b>	<b>1,512.61</b>
<b>Others</b>		
(a) Stock of Fuel	108.55	121.83
<b>TOTAL OF INVENTORIES</b>	<b>19,038.99</b>	<b>15,951.80</b>

Inventory items have been valued considering the Significant Accounting Policy No. VI disclosed in Note no. 1 to these financial statements.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013****NOTE [ 17 ] : TRADE RECEIVABLES ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
(Unsecured and Considered Good)		
Over six months	2,068.32	1,243.48
Others	14,919.86	11,712.91
<b>TOTAL OF TRADE RECEIVABLES</b>	<b>16,988.18</b>	<b>12,956.39</b>

**NOTE [ 18 ] : CASH AND CASH EQUIVALENTS ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Balance with Banks **	1,783.01	1,357.81
Cash on hand	76.58	58.39
Fixed deposits with banks		
(a) Less Than 12 Months Maturity	1,046.46	1,064.68
(b) More Than 12 Months Maturity	-	56.26
<b>TOTAL OF CASH &amp; CASH EQUIVALENTS</b>	<b>2,906.05</b>	<b>2,537.14</b>

\*\* Balance with Banks includes Unpaid Dividend of Rs.95,391/- ( Previous Year Rs. 63,109/- )

**NOTE [ 19 ] : SHORT TERM LOANS & ADVANCES ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Unsecured Considered Goods		
Balance with Customs, Central Excise Authorities	947.33	331.15
Deposit with Others	167.02	159.21
Prepaid Expense	57.75	60.92
Advance to Others **	686.20	1,038.42
<b>TOTAL OF SHORT TERM LOANS &amp; ADVANCES</b>	<b>1,858.30</b>	<b>1,589.70</b>

\*\* Advance to others includes advance to creditors

**NOTE [ 20 ] : OTHER CURRENT ASSETS ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Miscellaneous Expenditure	16.67	39.15
<b>TOTAL OF OTHER CURRENT ASSETS</b>	<b>16.67</b>	<b>39.15</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**NOTE [ 21 ] : REVENUE FROM OPERATIONS ( NET )** ( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Sale of Products ( Gross )	79,642.49	70,399.57
Less: Excise Duty/ VAT & CST Recovered	9,030.45	8,142.14
	<b>70,612.04</b>	<b>62,257.43</b>
Other Operating revenues	136.80	122.07
<b>TOTAL OF REVENUE FROM OPERATIONS ( NET )</b>	<b>70,748.84</b>	<b>62,379.50</b>
<b>PARTICULARS OF SALE OF PRODUCTS</b>		
Tiles Products	60,969.21	54,467.85
Marble & Quartz	8,403.34	6,886.76
Agro Products	362.51	258.71
Chemical Products	722.39	525.12
Others	154.59	118.99
	<b>70,612.04</b>	<b>62,257.43</b>
<b>OTHER OPERATING REVENUES</b>		
Wind Mill Power Generation Income	95.32	83.26
Job Work Income	41.48	38.81
	<b>136.80</b>	<b>122.07</b>

**NOTE [ 22 ] : OTHER INCOME** ( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>Interest Income</b>		
From Others	180.27	115.26
Other non-operating income	150.37	137.00
<b>TOTAL OF OTHER INCOME</b>	<b>330.64</b>	<b>252.26</b>

**NOTE [ 23 ] : COST OF MATERIALS CONSUMED** ( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>Raw Material Consumed</b>		
Body Material	12,253.41	11,855.70
Glaze, Frits and Chemicals & Others	4,683.62	3,631.73
Packing Materials	1,839.71	2,608.23
	<b>18,776.74</b>	<b>18,095.66</b>
<b>Semi Finished Material Consumed</b>		
Marble	736.55	220.51
Tiles	-	26.36
	<b>736.55</b>	<b>246.87</b>
<b>TOTAL OF COST OF MATERIAL CONSUMED</b>	<b>19,513.29</b>	<b>18,342.53</b>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013****NOTE [ 24 ] : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE**

( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>FINISHED GOODS</b>		
( a ) Closing Stock on hand	10,620.74	8,106.65
( b ) Opening Stock	8,106.65	7,629.06
	<b>2,514.09</b>	<b>477.59</b>
<b>WORK IN PROCESS</b>		
( a ) Closing Stock on hand	1,670.60	1,375.68
( b ) Opening Stock	1,375.68	768.60
	<b>294.92</b>	<b>607.08</b>
<b>STOCK-IN-TRADE</b>		
( a ) Closing Stock on hand	1,413.55	1,616.53
( b ) Opening Stock	1,616.53	212.66
	<b>(202.98)</b>	<b>1,403.87</b>
<b>TOTAL OF CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>	<b>2,606.03</b>	<b>2,488.54</b>

**NOTE [ 25 ] : EMPLOYEE BENEFIT EXPENSE**

( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Salaries and Wages	3,326.46	2,792.24
Contribution to Provident and Other Funds	240.90	187.60
Staff Welfare Expenses	66.70	89.04
<b>TOTAL OF EMPLOYEE BENEFIT EXPENSE</b>	<b>3,634.06</b>	<b>3,068.88</b>

**NOTE [ 26 ] : FINANCE COSTS**

( Amount In Lacs )

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Interest Expenses	2,170.79	1,605.05
Other borrowing costs		
- Processing Fees	66.02	26.14
- Other Ancillary Cost	127.99	139.21
Applicable loss on foreign currency transactions and translation	156.20	264.57
<b>TOTAL OF FINANCE COSTS</b>	<b>2,521.00</b>	<b>2,034.97</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**NOTE [ 27 ] : DEPRECIATION AND AMORTIZATION EXPENSE ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Depreciation Expense	2,163.18	2,059.30
Amortization Expense	5.72	129.56
<b>TOTAL OF DEPRECIATION AND AMORTIZATION EXPENSE</b>	<b>2,168.90</b>	<b>2,188.86</b>

**NOTE [ 28 ] : POWER & FUELS ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Fuel & Gas Consumed	9,242.90	8,064.67
Electricity Power Consumed	3,083.15	2,996.62
<b>TOTAL OF POWER &amp; FUELS</b>	<b>12,326.05</b>	<b>11,061.29</b>

**NOTE [ 29 ] : OTHER EXPENSES ( Amount In Lacs )**

<b>PARTICULARS</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>MANUFACTURING EXPENSE</b>		
Stores Materials Consumed	2,468.89	2,370.98
Loading Unloading & Other factory overheads	788.30	910.41
Repairs to Buildings	29.26	50.34
Repairs to Machinery	103.64	106.26
	<b>3,390.09</b>	<b>3,437.99</b>
<b>SALES &amp; DISTRIBUTION EXPENSE</b>		
Advertisement Expense	689.97	705.66
Excise Duty	412.99	593.70
Other Selling & Distribution Expense	3,291.49	2,994.97
	<b>4,394.45</b>	<b>4,294.33</b>
<b>OFFICE &amp; ADMINISTRATIVE EXPENSE</b>		
Insurance	126.59	95.87
Rent , Rates & Taxes	455.23	323.28
Auditor's Remuneration	5.00	4.50
Director's Travelling	12.76	14.02
Travelling & Conveyance	645.29	489.38
Charity & Donations	9.77	16.93
Legal & Professional Fees	318.00	164.47
Loss on Sale of Assets	0.16	-
Misc. & General Expenses	115.69	101.59
Postage & Courier & Commission	148.14	133.41
Printing & Stationery	65.86	43.47
Repairs & Maintenance - Others	101.18	108.92
Vehicle Repairs & Maintenance	55.84	45.77
Sundry Balance Written off	24.07	43.50
Foreign Exchange Loss	181.34	38.21
	<b>2,264.92</b>	<b>1,623.32</b>
<b>TOTAL OF OTHER EXPENSES</b>	<b>10,049.46</b>	<b>9,355.64</b>





**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

30. During the year, Expenditure incurred of Rs. NIL (P.Y Rs. 33, 33,333/-) towards Exhibition of new products are deferred.
31. The quantity of inventories is based upon physical verification by the management and the valuation is also based on details of cost and realizable value (wherever applicable) considering the quality & other relevant factors ascertained by management. The quantities of inventories, Sales, and purchases are taken on the basis of details worked out from the bills and the stock records maintained by the company (wherever applicable).
32. In the opinion of the Board of Directors,
- (1) Current Assets, Loans & Advances are realizable in the ordinary course of business, at the value at which they are stated.
- (2) The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.
33. In sample sale only Excise and EDU payable on sample sale value is charged as expenses considering no commercial value of samples.
34. Balance of Sundry creditors, debtors, debit/credit balance of loans and advances are subject to confirmation from the respective parties.
35. Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.
36. Dues to Small, Micro & Medium Enterprises: (Rs. In lacs)

Particulars	2012-13	2011-12
1.) Principal amount outstanding	1021.09	211.89
2.) Interest due on (1) above and the unpaid interest	-	-
3.) Interest paid on all delayed payments under MSMED Act	-	-
4.) Payment made beyond the appointed date during the year	-	-
5.) Interest due and payable for the period of delay other than (3) above	-	-
6.) Interest accrued and remaining unpaid	-	-
7.) Amount of further interest remaining due and payable in succeeding years	-	-

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Company.

37. We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidences were available we relied on the authentication given by the management.
38. The foreign exchange earnings during the year : - (Rs. In lacs)

Particulars	Current Yr.	Previous Yr.
Export Sales	2445.71	1533.74

39. The expenditure incurred in foreign exchange :- (Rs. In lacs)

Particulars	Current Yr.	Previous Yr.
Foreign Travelling	20.94	15.66
Exhibition	1.24	8.34
Sales Commission	42.82	35.30
Other	0.00	0.49



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**40. Particulars of Sales & stocks :-**

(Rs. In lacs)

Particulars	Tiles	Marble	Others	Total
Opening Stock	8,843.15 (7,012.14)	850.98 (818.67)	29.06 (10.93)	9,723.19 (7,841.74)
Purchase	20,116.79 (15,927.64)	0.00 0.00	817.64 (439.07)	20,934.43 (16,366.71)
Closing Stock	9,750.96 (8,843.15)	2,132.96 (850.98)	150.37 (29.06)	12,034.29 (9,723.19)
Sales	60,969.21 (54,467.85)	8,403.34 (6,886.76)	1,239.49 (902.82)	70,612.04 (62,257.43)

Note : Figures in bracket shows previous year figures.

**41. Value of Export calculated at F.O.B. valued: Rs. 2337.47 Lacs (P.Y. Rs. 1417.60 Lacs)**

**42. CIF Value of Import Rs. 4844.16 Lacs /-**

(Rs. In lacs)

Particulars	2012-13	2011-12
Purchase of Capital Goods	529.23	913.43
Store & Spares	717.65	847.53
Raw Materials	1080.58	709.33
Finish Goods	2487.54	3123.85
Other Design Materials	29.16	11.91
<b>Total</b>	<b>4844.16</b>	<b>5606.05</b>

**43. Details of Auditors Remuneration.**

(Rs. In lacs)

Particulars	2012-13	2011-12
Statutory Audit	4.50	3.70
Tax Audit	0.50	0.80
Others	NIL	NIL
<b>Total</b>	<b>5.00</b>	<b>4.50</b>

**44. Disclosure required by the AS15 (Revised) :- Employee**

(Rs. In lacs)

	2012-13	2011-12
<b>A. Components of Employer Expense</b>		
1 Current service Cost (including risk premiums for fully insured schemes)	36.04	22.83
2 Interest Cost	6.01	4.44
3 Expected Return on Assets	(9.15)	(4.74)
4 Curtailment Cost/(Credit)	-	-
5 Settlement Cost/(Credit)	-	-
6 Past Service Cost	-	-
7 Actuarial (gain)/and Losses	24.71	(3.84)
8 Total Employer Expense recognized in the P & L	57.61	18.72



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

(Rs. In lacs)

	2012-13	2011-12
a. Net Asset/(Liability) Recognized in Balance Sheet 31 <sup>st</sup> March, 2013		
1 Present value of Defined Benefit Obligation as at 31-Mar-2013	137.51	78.37
2 Fair Value of Plan Assets as at 31-Mar-2013	121.37	89.72
3 Funded status [Surplus/(Deficit)]	(16.14)	11.35
4 Unrecognized Past Service Costs	-	-
5 Net Assets/(liability) recognized in Balance Sheet	(16.14)	11.35
b. Change in Obligation & Assets over the period ending on - 31 <sup>st</sup> March, 2013		
1 Present value of Defined Benefit Obligation At Beginning (Opening)	78.37	57.02
2 Employer Service Cost	36.04	22.83
3 Interest Cost	6.01	4.44
4 Curtailment cost/(Credit)	-	-
5 Settlement cost/(Credit)	-	-
6 Plan Amendments	-	-
7 Acquisitions	-	-
8 Actuarial (Gain)/Loss	23.40	(2.83)
9 Benefits Payments	(6.31)	(3.08)
10 Present value of Defined Benefit Obligation At Beginning (Closing)	137.51	78.37
<b>B. Change in Assets</b>		
1 Fair Value of Plan assets at the Beginning of the period	89.72	58.71
2 Expected Return on Plan Assets (Para 108/109)	9.15	4.71
3 Actuarial Gain / (Loss)	(1.31)	1.01
4 Assets Distributed on Settlements	-	-
5 Actual Company contributions less Risk Premium	30.12	28.37
6 Benefits payments	(6.31)	(3.08)
7 Fair Value of the assets at the end of the period	121.37	89.72
a. Net Asset/(Liability) Recognized in Balance Sheet 31-Mar.13		
1 Net assets/(Liability) Recognized in the Balance Sheet at the beginning of the period 31-Mar-2012	11.35	1.70
2 Employer Expense	(57.61)	(18.71)
3 Employer Contributions	30.12	28.37
4 Acquisitions/business combinations	-	-
5 Net Assets/(liability) recognized in Balance Sheet as on 31 <sup>st</sup> March, 2013	(16.14)	11.35
<b>Assumption</b>	<b>31<sup>st</sup> March, 2013</b>	<b>31<sup>st</sup> March, 2012</b>
Discount rate ( P78 of AS15R )	8.20%	8.00%
Expected return on assets ( P107-109 AS15R )	9.00%	8.00%
Salary Increases (Para83-91 and 120(I) AS15R)	5.00%	4.00%
Withdrawal rates	3.00%	3.00%

LIC (1994-96) Published table of Mortality Rates.

Indian Assured Lives  
Mortality (1994-96)  
(Modified) Ultimate

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

**45. Accounting for taxes of Income :- (AS-22)**

(a) Deferred tax liabilities comprises of timing differences on account of : (Rs. In lacs)

Particulars	As At	
	31 <sup>st</sup> March,2013	31 <sup>st</sup> March,2012
Depreciation	1314.90	1373.82
Deferred Expenses	247.26	229.91
Interest Accrued but not due	(5.63)	(8.67)
Leave Encashment & Bonus	(9.80)	(5.80)
Others	0.00	0.05
<b>Total</b>	<b>1546.73</b>	<b>1589.31</b>

(b) The Provision for current taxes has been made in the account as per the provisions of Income Tax Act, 1961.

**46. Earning Per Share :- (AS-20)**

- i) The amount used as numerator in calculating basic and diluted earning per share is the profit after depreciation and taxes i.e. Rs. 17,10,84,702.67/-
- ii) The number of ordinary shares used as the denominator in calculating the basic earning per share is 2,21,15,458 i.e. weighted number of equity shares as on the date of balance sheet 31<sup>st</sup> March, 2013. Diluted earning per share is arrived by taking weighted number of equity shares outstanding as on the date of balance sheet i.e. 2,21,15,458

(Rs. In lacs)

Particulars	As At	
	31 <sup>st</sup> March,2013	31 <sup>st</sup> March,2012
Profit attributable to the Equity Shareholders (Rs.) (A)	1710.86	1805.39
Weighted average No. of Equity Shares Outstanding during the year (B)	221.15	210.61
Nominal value of Equity Shares Rs.	10	10
Basic / Diluted Earnings per Share (Rs.) (A) (B)	7.74	8.57

**47. Borrowing Cost :- (AS-16)**

Based on the guiding principle given in Accounting standard on "Borrowing Cost" (AS-16) issued by the ICAI, the Company has capitalized Rs. Nil/-, (P.Y. Rs. Nil /-) during the year to the Fixed Assets.

**48. Segment Reporting :- (AS-17)**

Based on the guiding principle given in Accounting standard on "Segment Reporting" (AS-17) issued by the ICAI, the Company's primary business is manufacturing of Tiles, the tiles business of the company incorporate product groups i.e. Ceramic Tiles which mainly have similar risk and returns, accordingly there are no separately segment,

The operation of the Company is in India and all Assets and Liabilities are located in India. And analysis of the Sales by Geographical market is given below.

(Rs. In Lacs)

Sr No.	Location	2012-13	2011-12
1	India	68166.33	60723.69
2	Out side India	2445.71	1533.74

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**49. Related Party Disclosures under :- (AS-18)**

During the year the company entered into transaction with the related parties. Those transactions along with related balances as at 31<sup>st</sup> March, 2013 and for the year then ended are presented in the following.

List of related parties with whom transaction have taken place during the year along with nature and volume of transactions.

**Associates and Subsidiaries**

<b>Subsidiaries :-</b>	<b>NIL</b>
<b>Associates :-</b>	
Amazon Ceramics Limited	Astron Paper & Board Mill Limited
Pooja Mines & Minerals	Asian Panaria Pvt Limited
AGL Parth Tiles – Himatnagar	Asian Institute of Technology
AGL Cera World – Prahladnagar	Asian Homes - Anand
AGL Ceramic World – Sola	Asian Homes - Himatnagar
AGL Home Studio – Baroda	Asian Homes - Udaipur
Asian Infrastructure Pvt Limited	Asian Infrastructure
<b>Key Management Personnel :-</b>	
Kamleshbhai Bhagubhai Patel	Kanubhai Bhikhabhai Patel
Mukeshbhai Jivabhai Patel	Bhavesbhai Vinodbhai Patel
Sureshbhai Jivabhai Patel	Bhogibhai Bhikhabhai Patel
<b>Relatives of Key Management Personnel:-</b>	
Heenaben Kamleshbhai Patel	Chhayaben Sureshbhai Patel
Hiraben Bhagubhai Patel	Parulben Kanubhai Patel
Punjabhai Motibhai Patel	Sureshbhai Bhikhabhai Patel
Gitaben Rameshbhai Patel	Heenaben Sureshbhai Patel
Bhanuben Mukeshbhai Patel	Bhikhabhai Kodarbhai Patel
Dhuliben Jivabhai Patel	Asmitaben Bhavesbhai Patel
Dimpleben Bhogibhai Patel	Vipulbhai Vinodbhai Patel
Rameshbhai Bhikhabhai Patel	Sejalben Vipulbhai Patel
Saunak Mukeshbhai Patel	Hiren Sureshbhai Patel
Jagdish kumar Ramanlal Patel	Vinodbhai Lalabhai Patel
Bhagubhai Punjabhai Patel	

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

Sr. No	Particulars	Associates and Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel
<b>(A)</b>	<b>TRANSACTION DURING THE YEAR</b>			
1	Purchases	236656187	0	0
2	Sales	239331868	0	0
3	Loan Given	286376595	0	0
4	Loan Recover	126960911	0	0
5	Loan Received	0	0	10000000
6	Loan Re Paid	0	0	10032361
7	Director Remuneration	0	0	10740000
8	Salary	0	7980000	0
9	Director Sitting Fees	0	115000	0
10	Rent Income Received	39000	1040400	428400
11	Rent Expense Paid	0	5894	23576
12	Crane Hire Charges	0	10000	0
13	Interest Received	3996443	0	0
14	Other Income	850000	0	0
15	Investment	180498880	0	0
<b>(B)</b>	<b>BALANCE AS AT 31<sup>st</sup> MARCH, 2013</b>			
1	Loan & Advances	160415684	0	0
2	Trade Payable	48240802	0	0
3	Trade Receivable	70514556	0	0
4	Investment	180498880	0	0

**50. Contingent Liabilities :- (AS-29)**

In view of the Accounting Standard issued by ICAI "Provisions and Contingent Liabilities" (AS-29), following contingent liabilities have been identified which have not been provided for in the books of accounts.

(Rs. In Lacs)

Sr No	Particulars	Amount
1	Bank Guarantee	1436.72
2	Custom Duty which may arise if obligation for exports is not fulfilled against import of capital goods under EPCG.	173.25
3	<b>Claims against the Company / Disputed Liabilities not acknowledged as Debts</b>	-
	Sales Tax demands against which Company has preferred appeal.	313.34
	Excise Duty claim by DGCEI-Ahmedabad	2043.18
	Income tax	2998.02
	Consumer Cases	7.97
	Letters of Credit opened with Bank	886.75

The company has filed appeal before The Joint Commissioner of Commercial Tax – Appeals for demand of Sales Tax of Rs. 45,07,857 and Rs. 19,62,743 for the financial year 2003-04 & 2004-05 respectively. The Dispute is regarding set off against the purchase of fuel not allowed by the Sales tax Department. However, Gujarat High Court has given the decision in favour of M/s Ami pigment Ltd and hence the company has filed appeal on the basis of this decision

The company has filed first appeal before The Deputy Commissioner of Commercial Tax–Appeals-III, Gandhinagar against demand of CST (Net) for Rs. 2,68,730 for the financial year 2006-07 for pending " C " forms



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2013**

The company has also filed first appeal before The Joint Commissioner of Commercial Tax – Appeals against demand of CST (Net) for Rs. 55,83,126 for the financial year 2008-09 for pending " C " forms.

The company has also filed an appeal before The Deputy Commissioner of Commercial Tax–Appeals-III, Gandhinagar against demand of VAT for Rs. 49,27,910 raised in provisional assessment made by The Asst. Commissioner of Commercial Tax Enforcement Division ,wing-III, Gandhinagar for the financial year 2007-08 on account of issue of in put VAT credit reduction method on OGS Branch Transfer and Sample Sales.

The company has also filed an appeal before The Deputy Commissioner of Commercial Tax–Appeals-III, Gandhinagar against demand of VAT for Rs. 53,79,049 raised in provisional assessment made by The Asst. Commissioner of Commercial Tax Enforcement Division ,wing-III, Gandhinagar for the financial year 2009-10 on account of issue of in put VAT credit reduction method on OGS Branch Transfer and Sample Sales.

The company has also filed an appeal before The Deputy Commissioner of Commercial Tax–Appeals-III, Gandhinagar against demand of VAT / CST for Rs. 60,51,080 raised in provisional assessment made by The Asst. Commissioner of Commercial Tax Enforcement Division ,wing-III, Gandhinagar for the financial year 2010-11 on account of issue of in put VAT credit reduction method on OGS Branch Transfer and Sample Sales and OGS Sales.

The company has also filed an appeal before The Deputy Commissioner of Commercial Tax–Appeals-III, Gandhinagar against demand of VAT / CST for Rs. 26,53,636 raised in provisional assessment made by The Asst. Commissioner of Commercial Tax Enforcement Division ,wing-III, Gandhinagar for the period from Apr-11 to Jul-11 (financial year 2011-12 ) on account of issue of in put VAT credit reduction method on OGS Branch Transfer and Sample Sales and OGS Sales.

Excise duty show cause notice from DGCEI-Ahmedabad against the company and the company has filed a reply to show cause notice but the matter is yet pending with the department and till no order is being received.

Disputed Income Tax Liability of Rs. 2746.20 lacs for various Asst. Years for which department has preferred appeals at higher levels. Out of these, liabilities to the extent of Rs. .192.74 lacs have remained pending after CIT (Appeals) order effect. The Company has already paid Rs. 192.74 lacs towards remaining disputed liabilities and there is no disputed amount remains unpaid.

Disputed Income tax liability of Rs. 133.05 lacs of A.Y. 2009-10 for which CIT (Appeals) have already in favour of assesses but department has preferred appeals at higher levels

Disputed Income tax Liability of Rs. 118.77 lacs of A.Y.2010-11 for which the company has preferred an appeal before the CIT (Appeal) Ahmedabad.

**51. Derivative Instruments :-**

The outstanding position of derivatives instruments as on 31-03-13 NIL

The details of foreign currency exposures those are not hedged by a derivate instrument i.e forward contract are as under:

Nature	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Amount (Rs. in Lacs)	Foreign Currency (In Lacs)	Amount (Rs. in Lacs)	Foreign Currency (In Lacs)
Buyer's Credit	3615.16	EURO 16.58 USD 45.38	4469.63	EURO 15.67 USD 66.95
Foreign Currency Loan	1607.42	USD 29.61	1299.67	USD 25.36

In terms of our report of even date attached

**A. L. Thakkar & Co.**  
Chartered Accountants

[Sanjiv Shah]  
Partner  
Membership No. 42264

Place : Ahmedabad  
Date : 30th May, 2013

Renuka Upadhyay  
Company Secretary

For and on behalf of  
**ASIAN GRANITO INDIA LIMITED**

[Kamleshbhai B. Patel]  
Chairman & Managing Director

[Bhaveshbhai V. Patel]  
Director

Place : Ahmedabad  
Date : 30th May, 2013





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Kamleshbhai Patel	<i>Chairman cum Managing Director</i>
Mukeshbhai Patel	<i>Managing Director</i>
Sureshbhai Patel	<i>Director</i>
Bhaveshbhai Patel	<i>Director</i>
Kanubhai Patel	<i>Director</i>
Bhogibhai Patel	<i>Director</i>
Maganlal Prajapati	<i>Director</i>
Maheshchander Julka	<i>Director</i>
Shankarlal Patel	<i>Director</i>
Ajendrakumar Patel	<i>Director</i>
Amrutbhai Patel	<i>Director</i>
Premjibhai Chaudhari	<i>Director</i>

### COMPANY SECRETARY

Renuka A. Upadhayay

### AUDIT COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Maheshchander Julka	<i>Member</i>
Kamleshbhai Patel	<i>Member</i>

### REMUNERATION COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Maheshchander Julka	<i>Member</i>
Shankarlal Patel	<i>Member</i>

### SHAREHOLDERS' GRIEVANCE COMMITTEE

Maganlal Prajapati	<i>Chairman</i>
Kamleshbhai Patel	<i>Member</i>
Maheshchander Julka	<i>Member</i>

### AUDITORS

A.L. Thakkar & Co.  
*Chartered Accountants*  
Ahmedabad.

### BANKERS

State Bank of India  
Commercial Branch,  
Ahmedabad.

HDFC Bank  
Navrangpura Branch,  
Ahmedabad.

IDBI Bank  
Ellisbridge Branch,  
Ahmedabad.

### REGISTERED & CORPORATE OFFICE

202, Devarc, Opp. Iskon Temple,  
Sarkhej Gandhinagar Highway,  
Ahmedabad - 380015.

### FACTORY OFFICE

Ceramic Zone, Katwad Road,  
At & Po. Dalpur, Taluka Prantij 383 120,  
Dist. Sabarkantha.

### REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (W), Mumbai- 400 078.

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**ASIAN GRANITO INDIA LIMITED**

Regd. Office : 202, Devarc, Opp. Iskon Temple, Sarkhej Gandhinagar Highway, Ahmedabad-380015.

**ATTENDANCE SLIP**

**EIGHTEENTH ANNUAL GENERAL MEETING - Monday, 19<sup>th</sup> August, 2013 at 4.30 P.M.**

Folio No./DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I certify that I am a registered equity shareholder / Proxy for the registered equity shareholder of the Company. I hereby record my presence at the 18th Annual General Meeting of the Company will be held at AMA Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015.

\_\_\_\_\_  
Member's/Proxy's name in BLOCK letters

\_\_\_\_\_  
Member's/Proxy's Signature

Note : (Please fill in this Attendance slip and hand it over at the entrance of the meeting hall.)

-----  
**Tear Here**  
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**ASIAN GRANITO INDIA LIMITED**

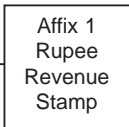
Regd. Office : 202, Devarc, Opp. Iskon Temple, Sarkhej Gandhinagar Highway, Ahmedabad-380015.

**PROXY FORM**

**EIGHTEENTH ANNUAL GENERAL MEETING - Monday, 19<sup>th</sup> August, 2013 at 4.30 P.M.**

I/ We \_\_\_\_\_ of \_\_\_\_\_ of being  
a member/members of the above named Company hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or failing him/her \_\_\_\_\_ of  
\_\_\_\_\_ in my/ our absence to attend and vote for me/us and on my/our behalf at the 18th  
Annual General Meeting of the Company to be held on 19th August, 2013 at 4.30 P.M. and any adjournment thereof.

Signature (s) \_\_\_\_\_



Date : \_\_\_\_\_

LF No./DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

Note: The proxy must be deposited at the Registered Office of the Company 48 hours before the meeting.



## Himmatnagar Plant



### THE STRENGTHS

4000 Business Associates  
Global footprint across 37 countries.

### PRODUCTION CAPACITY

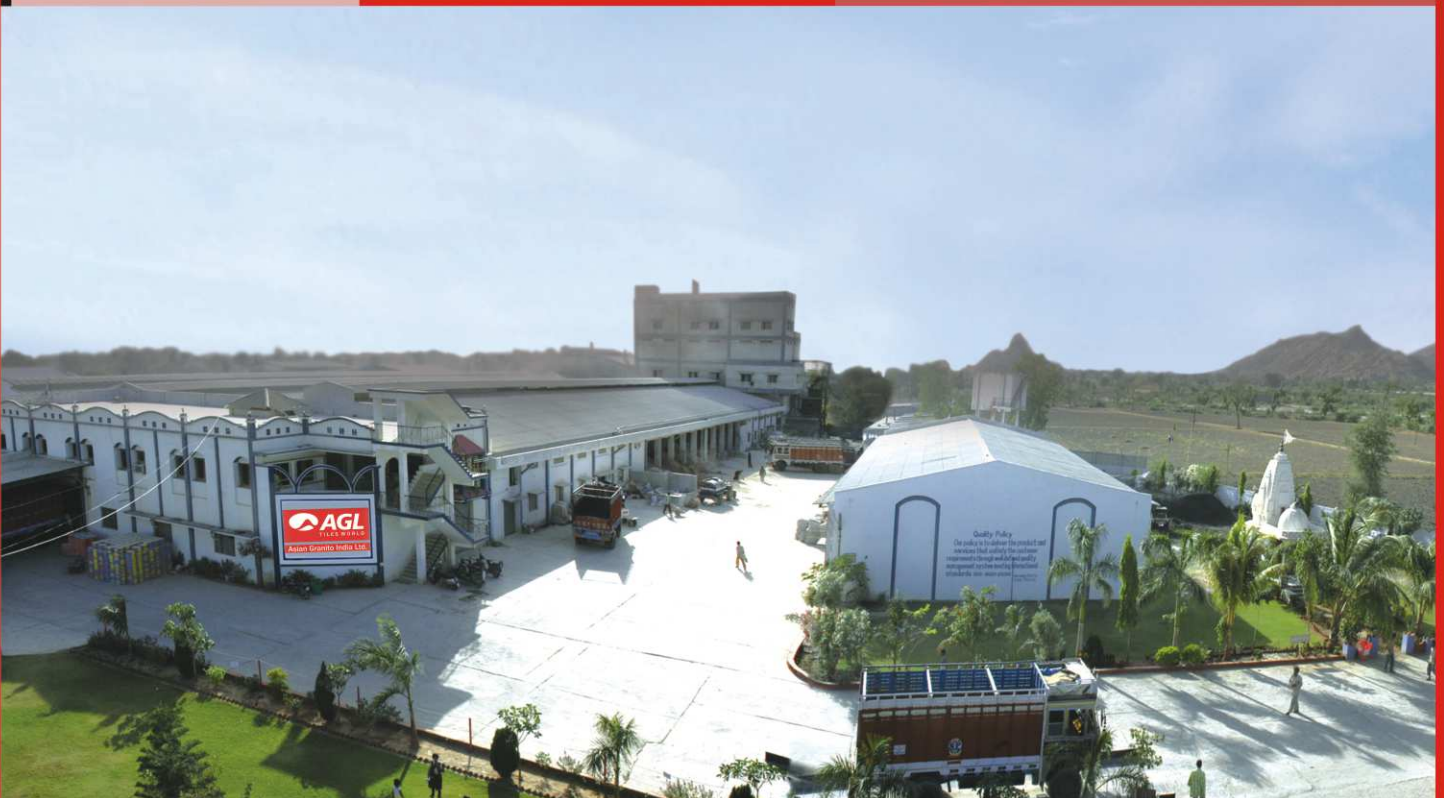
81000 sq. mtr. of tiles per day\*

### CERTIFICATION

ISO 14001:2004 & ISO 9001:2008

\* Installed capacity including outsourcing

## Idar Plant





# Global footprint across 37 countries.



## Asian Granito India Limited

Regd. & Corp. Office: 202, Dev Arc, Opp. Iskon Temple, S.G.Highway,  
Ahmedabad-380 015. Gujarat, India. Tel.: +91 79 66125500/698,  
Fax.: +91 79 66125600 / 66058672 • info@aglasiangranito.com • www.aglasiangranito.com

## Asian Granito India Ltd.

Regd. & Corp. Office: 202, Dev Arc, Opp. Iskon Temple, S.G. Highway, Ahmedabad-380 015.  
Tel.: +91-79-66125500/698, Fax: +91-79-66125600, e-mail: info@asiangranito.com  
Factory: Ceramic Zone - Dulpur, Tal. Prantij - 383 120. Dist. Sabarkantha, Gujarat, India.  
Tel.: +91-2770-240931/32/304200, Fax: +91-2770240920/30



Date:

To,  
Corporate Relations Department  
Bombay Stock Exchange Limited  
2nd Floor, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001

To,  
Corporate Relations Department  
National Stock Exchange of India Limited  
Exchange Plaza  
Plot No. C/1, G-Block  
Bandra Kurla Complex  
Bandra (E),  
Mumbai - 400 051

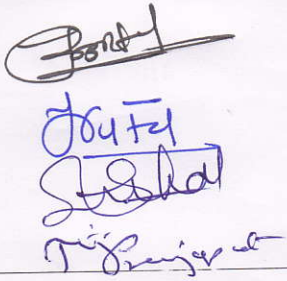
Company Code : 532888

Company Code : ASIANTILES

Dear Sir,

### Sub: Submission of Annual Report for the Year 2012-2013


Pursuant to clause 31 of Listing Agreement, we hereby submit six copies of the Annual Report of Asian Granito India Limited for the financial year 2012-13.

1.	Name of the Company	ASIAN GRANITO INDIA LIMITED
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Observation	Un-Qualified
4.	Frequency of observation	Once
5.	To be Signed by- ➤ Managing Director ➤ Chief Financial Officer ➤ Auditor of the Company ➤ Audit Committee Chairman	

Kindly acknowledge the receipt of the same.

Thanking you.

Yours faithfully,

  
Renuka A. Upadhyay  
(Company Secretary)