

**ANNUAL REPORT
2012 - 2013**



GLITTEK

GLITTEK GRANITES LIMITED



BOARD OF DIRECTORS

MR. B. K. AGARWAL	- Chairman
MR. K. K. AGARWAL	- Managing Director
MR. ASHOKE AGARWAL	- Jt. Managing Director
MR. A. T GOWDA	- Director
MR. A. VENKATESH	- Director
MR. A. DHANUKA	- Director

COMPANY SECRETARY

LATA DAMANI

AUDITORS

M/s. RUNGTA & RUNGTA
Chartered Accountants
25, R. N. Mukherjee Road
Kolkata - 700001

BANKERS

STATE BANK OF HYDERABAD

REGISTERED OFFICE & WORKS

42, K.I.A.D.B. Industrial Area
Hoskote, Bangalore, Karnataka - 562114
Phone : (080) 27971565, 27971566
Fax : (080) 27971567
E-mail : glittek@vsnl.com

HEAD OFFICE

224, A. J. C Bose Road
Krishna - 711
Kolkata - 700 017
Phone : (033) 2290-7902, 2287-7892, 2287-7622
Fax : (033) 2287-8577

SHARE TRANSFER AGENT

M/s. MCS Limited
77/2A, Hazra Road, Kolkata - 700029

Contact Person

Mr. Tapas Roy
Phone : (033) 4072-4051/52/53
Fax : (033) 4072-4050
E-mail : mcskol@rediffmail.com
investorsglittek@rediffmail.com

EXCHANGE ON WHICH COMPANY'S SHARES ARE LISTED

Bombay Stock Exchange Limited

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NOTICE

NOTICE is hereby given that Twenty Third Annual General Meeting of the Members of GLITTEK GRANITES LTD. will be held at its Registered Office at 42, K.I.A.D.B.Industrial Area, Hoskote - 562 114 , Karnataka on Friday, 27th September 2013 at 12.30 P.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31st March, 2013 and the Reports of the Directors and Auditors thereon.
2. To reappoint Mr. Kamal Kumar Agarwal who retires by rotation and being eligible offers himself for reappointment.
3. To reappoint Mr. Amit Dhanuka who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT subject to the approval of the Shareholders of the Company and pursuant to the provisions of Section 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Sri Kamal Kumar Agarwal be and is hereby re-appointed as Managing Director of the Company for a further period of Five Years with effect from 1st April,2013 to 31st March, 2018, on remuneration as approved by the remuneration committee and on the terms and conditions as embodied in the draft agreement, including the remuneration to be paid in the event of inadequacy of profits in any financial year as appearing in the explanatory Statement annexed to this notice, with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement .

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT subject to the approval of the Shareholders of the Company and pursuant to the provisions of Section 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Sri Ashoke Agarwal be and is hereby re-appointed as Joint Managing Director of the Company for a further period of Five Years with effect from 1st April,2013 to 31st March, 2018, on remuneration as approved by the remuneration committee and on the terms and conditions as embodied in the draft agreement, including the remuneration to be paid in the event of inadequacy of profits in any financial year as appearing in the explanatory Statement annexed to this notice, with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement.

Registered Office :
42, K.I.A.D.B. Industrial Area
Hoskote, Karnataka 562 114
Date : 30th day of May, 2013.

By Order of the Board

LATA DAMANI
Company Secretary

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, if required, is annexed hereto and forms part of this notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September to 27th September, 2013 (both days inclusive) for the Annual General Meeting.
4. The members holding shares in the dematerialized mode are requested to intimate all changes with respect to their mandate, nomination, power of attorney, change of address, change in name etc. to their depository participant (DP), which would be changed automatically in the company's record which will help the company to provide efficient and better service to the members.
5. The shares of the Company are under compulsory demat list & can be traded only in demat form.
6. All documents if any referred to in the notice are open for inspection at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on any working day prior to the date of the meeting and also at the meeting.
7. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least seven days in advance of the AGM.
8. Details of Directors seeking re-appointment as required under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Kamal Kumar Agarwal, aged about 52 years, is the Promoter Director of the Company. He has vast experience in Granite Industry over 20 years. He is holding 872100 equity shares of the Company. Members are advised to refer to the corporate Governance section for further details of Mr. Kamal Kumar Agarwal.

Mr Amit Dhanuka aged about 37 years is a practicing Chartered Accountant having about 12 years experience in Accountancy and Auditing. He does not hold any shares in the Company. Members are advised to refer to the corporate Governance section for further details of Mr. Amit Dhanuka.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5 :

The present term of appointment of Mr. Kamal Kuamr Agarwal, Managing director of the company expired on 31st March, 2013. Mr. Agarwal has been actively involved in the affairs of the company and keeping in view of the valuable services, significant contributions and increased responsibilities due to expanding activities of the company, the Board of directors in its meeting held on 09.02.2013, subject to the approval of the shareholders in the annual general meeting, approved the recommendation of the remuneration committee of re-appointing Mr. Kamal Kumar Agarwal as managing director of the Company for a further period of five years with effect from 01.04.2013 to 31.03.2018 on inter alia, the following terms & conditions :-

1. Remuneration: Salary of Rs.125,000/- (Rupees One Lac Twenty Five Thousands only) per month with an authority to the Board to grant such further increases from time to time as they may deem fit, within the limits specified in Schedule XIII Part II Section II (1A) of the Companies Act,1956 as may be amended from time to time.

Perquisites : Perquisites applicable to the Managing Director are as follows:-

- i. Housing : Residential accommodation or House Rent Allowance at the rate of 50% of salary.
- ii. Leave : Mr. Kamal Kumar Agarwal will be entitled to leave with full pay or encashment thereof as per the rules of the company. Encashment of the unavailed leave being allowed at the end of tenure.
- iii. Leave Travel Concession : Reimbursement of all expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred of self and family during leave travel periods, wherever undertaken, whether in India or abroad.
- iv. Company's contribution to Provident Fund and superannuation funds to the extent these not taxable under the Income Tax Act, 1961 which shall not be included in the computation of limits for remuneration or perquisites.
- v. Gratuity : Gratuity at the rate of 15 day's salary for each completed year of service.
- vi. Personal Accident Insurance : Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.
- vii. Entertainment Expenses : Reimbursement of entertainment expenses incurred in the course of business of the Company.
- Viii Club Memberships : Subscription or reimbursement of membership fees for clubs in India and/or abroad, including admission and life membership fees.
- ix. Medical Reimbursement : Reimbursement of actual medical expenses incurred in India/or abroad and including hospitalization, nursing home and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable.
- x. Expenses pertaining to gas, electricity, water, and other utilities will be borne/reimbursed by the Company and Company will provide such furniture and furnishing as may be required by the Managing Director.
- xi. Use of company car and telephone for office purpose.

However, in case of absence or inadequacy of net profits in any financial year, the remuneration payable to Mr. Kamal Kumar Agarwal shall be restricted to Part II Section II [1A] of Schedule XIII of the Act. In the event of any amendment made by the Government in the guidelines or ceiling on the managerial remuneration including perquisites during the proposed terms of his appointment, the Board of Directors be and is hereby authorized to alter or vary the remuneration including perquisites within the ceiling as laid down in Schedule XIII of the Companies Act, 1956.

Mr. Kamal Kumar Agarwal is interested or concerned in the resolution as it pertains to his reappointment. Further Mr. Bimal Kumar Agarwal and Mr. Ashoke Agarwal are also deemed to be interested or concerned in this resolution as they are related to each other. No other director is concerned or interested in this resolution.

**ITEM NO. 6**

The present term of appointment of Mr. Ashoke Agarwal, Joint Managing director of the company expired on 31st March, 2013. Mr. Agarwal has been actively involved in the affairs of the company and keeping in view of the valuable services, significant contributions and increased responsibilities due to expanding activities of the company, the Board of directors in its meeting held on 09.02.2013, subject to the approval of the shareholders in the annual general meeting, approved the recommendation of the remuneration committee of re-appointing Mr. Ashoke Agarwal as Joint managing director of the Company for a further period of five years with effect from 01.04.2013 to 31.03.2018 on inter alia, the following terms & conditions:-

1. Remuneration: Salary of Rs. 125,000/- (Rupees One Lac Twenty Five Thousands only) per month with an authority to the Board to grant such further increases from time to time as they may deem fit, within the limits specified in Schedule XIII Part II Section II (1A) of the Companies Act, 1956 as may be amended from time to time.

Perquisites : Perquisites applicable to the Joint Managing Director are as follows:-

- i. Housing: Residential accommodation or House Rent Allowance at the rate of 50% of salary.
- ii. Leave: Mr. Ashoke Agarwal will be entitled to leave with full pay or encashment thereof as per the rules of the company. Encashment of the unavailed leave being allowed at the end of tenure.
- iii. Leave Travel Concession: Reimbursement of all expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred of self and family during leave travel periods, wherever undertaken, whether in India or abroad.
- v. Company's contribution to Provident Fund and superannuation funds to the extent these not taxable under the Income Tax Act, 1961 which shall not be included in the computation of limits for remuneration or perquisites.
- v. Gratuity : Gratuity at the rate of 15 day's salary for each completed year of service.
- vi. Personal Accident Insurance : Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.
- vii. Entertainment Expenses : Reimbursement of entertainment expenses incurred in the course of business of the Company.
- Viii Club Memberships : Subscription or reimbursement of membership fees for clubs in India and/or abroad, including admission and life membership fees.
- ix. Medical Reimbursement : Reimbursement of actual medical expenses incurred in India/or abroad and including hospitalization, nursing home and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable.
- x. Expenses pertaining to gas, electricity, water, and other utilities will be borne/reimbursed by the Company and Company will provide such furniture and furnishing as may be required by the Joint Managing Director.
- xi. Use of Company car and telephone for office purpose.

However, in case of absence or inadequacy of net profits in any financial year, the remuneration payable to Mr. Ashoke Agarwal shall be restricted to Part II Section II [1A] of Schedule XIII of the Act. In the event of any amendment made by the Government in the guidelines or ceiling on the managerial remuneration including perquisites during the proposed terms of his appointment, the Board of Directors be and is hereby authorized to alter or vary the remuneration including perquisites within the ceiling as laid down in Schedule XIII of the Companies Act, 1956.

Mr. Ashoke Agarwal is interested or concerned in the resolution as it pertains to his reappointment. Further Mr. Bimal Kumar Agarwal and Mr. Kamal kumar Agarwal are also deemed to be interested or concerned in this resolution as they are related to each other. No other director is concerned or interested in this resolution.

Registered Office :
42, K.I.A.D.B. Industrial Area
Hoskote, Karnataka 562 114
Date : 30th day of May, 2013.

By Order of the Board

LATA DAMANI
Company Secretary

**DIRECTORS' REPORT**

To the Shareholders

Your Directors have pleasure in presenting the Twenty Third Annual Report and Audited Accounts for the year ended 31st March 2013.

1. FINANCIAL RESULTS

Particulars	Rs. in Lakhs	
	31.03.2013	31.03.2012
Sales & Other Income	3196.16	2382.19
Profit before Interest,		
Depreciation & Tax	421.94	350.52
Less : Interest	185.43	156.84
Depreciation	146.21	142.41
Tax	17.21	9.77
Net Profit for the year	73.09	41.50
Balance brought forward from last year	85.81	44.31
Balance carried forward	158.90	85.81

2. DIVIDEND :

In view of non-availability of sufficient profit, your Directors express their inability to recommend payment of dividend in respect of the year under review.

3. PERFORMANCE

During the year under review, your Company has achieved turnover of Rs. 3196.16 Lacs in comparison to previous year Rs. 2382.19 Lacs and earned a Profit of Rs. 73.09 Lacs in comparison to Rs. 41.50 Lacs in the previous year.

The increase in production capacity resulted from capital expenditure has stabilized and the export market seems to be picking up. Your company has requested its bankers to provide need based working capital which when sanctioned will give major boost to the company and with that support, your company is presently confident of achieving good performance in the current year.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2008 your Directors state :

A. That in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures.

B. That the such accounting policies have been selected and applied them consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2013 and the Profit & Loss Account for that period.

C. Proper and sufficient care has been taken for 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 Annual Accounts have been prepared on a going concern basis.

5. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange, a report on Corporate Governance with Auditors' Certificate on Compliance with conditions of Corporate Governance and a Management Discussion & Analysis Report have been attached as part of the Annual Report.

6. LISTING INFORMATION

The Shares of the Company are listed with and traded in dematerialized form on Bombay Stock Exchange Ltd. (BSE).

The Listing Fee has been paid to the Stock Exchange for the year 2013-2014. The ISIN No. of the company is INE 741B01027.

7. RISK MANAGEMENT

As per listing requirement, the Company has adopted a risk management policy as approved in the Meeting of Board of Directors of the Company.

8. DIRECTORS

In accordance with Article 149 of the Articles of Association of the Company and the applicable provisions of the Companies Act, 1956, Shri Kamal Kumar Agarwal and Shri Amit Dhanuka will retire from the Board by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.



9. AUDITORS & AUDITORS' REPORT

M/s. Rungta & Rungta, Chartered Accountants, statutory auditors of the company hold office until the conclusion of the ensuing Annual General meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them that their re-appointment, if made, would be within the limits laid down under Section 224(1)(B) of the Companies Act, 1956.

The notes on accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

10. FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year under review.

11. PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under sub-section 1(e) of Section 217 of the Act, read

with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in the Annexure to this Report.

12. INDUSTRIAL RELATIONS

The Company continued to maintain cordial relation with the employees. The Directors express their appreciation for the good co-operation received from all sections of all Associates/Officers of the Company.

13. PARTICULARS OF EMPLOYEES

No employee of the Company is covered under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

14. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the continued support rendered by the shareholders, customers, suppliers, Bankers, Financial Institutions, the Central Government and the State Government agencies for their cooperation extended to the Company.

By order of the Board
(Kamal Kumar Agarwal)
Managing director
(Ashoke Agarwal)
Jt. Managing Director

Place : Hoskote

Date : 30th day of May, 2013.

ANNEXURE TO THE DIRECTOR'S REPORT

Particulars required under the Companies (Disclosure of Board of Directors) Rules, 1988.

A) CONSERVATION OF ENERGY

- a) Your company accords highest priority for conservation of energy and necessary measures for optimising energy consumption have been taken.
- b) Additional Investment & proposal, if any, being implemented for reduction in consumption of energy. - NIL -
- c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The above measures have resulted in saving of energy.

B) TECHNOLOGY ABSORPTION

- a) Research and Development
 1. Specific areas in which Research & Development carried out by the Company, expenditure incurred on the same and benefits derived as a result of above efforts.
No Research and Development work has been carried out by the Company and therefore, there is no expenditure on the head or any other benefit accrued from it.
 2. Future plan of action
The Company's financial problem has kept in abeyance its plan on research & development.
- b) Technology absorption, adaptation and innovation.
Technical Innovations/modifications are being made on regular basis to achieve cost reduction, product improvement etc.

**C) Foreign Exchange earnings and outgo:**

Rs. In lakhs

Particulars	Current Year	Previous year
Earnings	2599.19	1514.94
Outgo	220.47	231.31

On behalf of the Board

Kamal Kumar Agarwal*Managing Director***Ashoke Agarwal***Jt. Managing Director*

Place : Hoskote

Date : 30th day of May, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the requirement of Clause 49 of the Listing Agreements with the Stock Exchanges, the Management Discussion and Analysis of the events that have taken place and conditions prevailing during the period under review are elucidated.

a) INDUSTRY STRUCTURE & DEVELOPMENT

The Company is engaged in manufacturing of Granite Tiles & Slabs. The main market for the company's product is USA, South Africa, U.K, UAE, Canada and Europe.

b) OPPORTUNITY AND THREATS

The company has established very good brand image in the international market particularly in the USA. The Company expects to be benefitted from its current expansion programme as the world economy recovers.

The perceived threats for the Company are acute competition from Italy and China, ever increasing material cost, unremunerative prices and availability of good quality raw materials due to export of the same in raw form.

c) RISKS & CONCERNS

Rough Granite Blocks are raw material for products of the Company. As such the export of Rough Blocks may affect the profitability of the Company. Exports of the company are in US Dollar and imports are in EURO. Hence any adverse exchange fluctuation may affect the performance of the Company.

d) INTERNAL CONTROL SYSTEM

Through the long years of experience in its line of business, the Company has developed and implemented internal control systems in the various functional areas of its operation. Your Directors are satisfied about the adequacy of the same.

e) HUMAN RESOURCES

The Company has adequate 71 qualified and experienced human resources commensurate with its size and industrial relations continue to be cordial as the company continues to lay emphasis on development at all levels.

f) CAUTIONARY STATEMENT

Statement in this Report particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections estimates and expectations may constitute "forward looking statements" identifies by words like 'plans', 'expects', 'intends', 'believes', 'seen to be' and so on. All statements that address expectations or projection about the future, but not limited to the company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of futures events, the company cannot guarantee that they are accurate or will realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward looking statements. The company assume no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

(Pursuant to clause 49 of the Listing Agreement)

In compliance with clause 49 of the Listing Agreement with Stock Exchange, the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company's philosophy is to enhance customers' satisfaction and shareholder value by practicing the principles of good corporate governance, independence, integrity, accountability and transparency.

2. BOARD OF DIRECTORS :

i) Particulars of composition of Board of Directors, attendance of each Director at Board Meetings & the last Annual General Meeting, and number of other Board of Directors or Board Committees of which Directors are Member/Chairman, are as under :

Name of Director	Category	Attendance Particulars		No. of other Directorships and Committee Memberships, Chairmanships (including Glittek Granites Limited)		
		Board Meetings	Last AGM	Other Director-ship	Committee Membership	Committee Chairmanships
Sri B.K. Agarwal	Chairman	4	No	None	3	–
Sri K.K. Agarwal	Managing Director	4	Yes	1	1	–
Sri A. Agarwal	Jt. Managing Director	4	Yes	1	–	–
Sri A.T. Gowda	Independent Non-Executive Director	4	No	None	3	1
Sri A. Venkatesh	Independent Non-Executive Director	4	No	None	2	2
Sri Amit Dhanuka	Independent Non-Executive Director	4	No	None	1	–

* This includes directorships held in public limited companies and excludes directorship in private limited companies.

ii) None of the Directors on the Board is a member of more than 10 Committee and Chairman more than 5 Committee (As per Clause 49) across all Companies in which he is director.

During the Financial Year ended 31st March, 2013, four Board meetings were held as per statutory requirements on 30th May 2012, 13th August 2012, 10th November 2012 and 9th February 2013.

i) Particulars of Directors proposed to be appointed/reappointed are as follows :

Particulars	Shri Kamal Kumar Agarwal	Shri Amit Dhanuka
Age	52 years	37 years
Qualification	B. Com	B.Com., FCA, CS, (Graduate), DISA
Experience	Promoter Director of the Company having an experience of over 20 years in Granite Industry	Shri Amit Dhanuka, aged about 37 years is a practicing Chartered Accountant having about 12 years experience in Accounting and auditing.
Other Directorships	Granite Mart Ltd. Glittek Infrastructure Pvt. Ltd. United Sales Agencies (Calcutta) Pvt. Ltd.	KHS Tradefin Pvt. Ltd.



Shareholding in the Company	872100	—
Relationship with Other directors	Brother of Shri Bimal Kumar Agarwal and Shri A. Agarwal	Not related to any director

Shri Bimal Kumar Agarwal, Shri Kamal Kumar Agarwal and Shri Ashoke Agarwal, Directors of the Company are brothers and none other directors are related inter-se.

ii) Shareholding of Non-Executive Directors in the Company :

Name	No. of Equity Shares
Sri B. K. Agarwal	899300
Sri A. T. Gowda	100

3. **SUBSIDIARY COMPANIES.**

The Company does not have any subsidiary Company.

4. **CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL**

The Board of Directors has already adopted Code of Conduct for the Directors and senior Management Personnel and the same has been posted on the website of the Company.

All the Board members have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director and CEO in this regard is given below:

As provided under clause 49 of the Listing Agreement with Stock Exchange(s), it is hereby declared that all the board members and Senior Management Personnel of the Company have confirmed Compliance with the Code of Conduct for the year ended 31.03.13.

COMMITTEES OF THE BOARD

5. **AUDIT COMMITTEE :**

5.1 The audit committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observation of the Audits, adequacy of the internal control system, major accounting policies, practices and entries, compliances with accounting standards and listing agreement entered into with the Stock Exchange and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow up thereon, to review the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

5.2 The Audit Committee of the Board of Directors comprises of following non-executive Directors and held four meetings in the financial year ended on 30.05.2012, 13.08.2012, 10.11.2012 and 09.02.2013. Details as to attendance of members and the meeting are as follows :

Sl.No.	Name of the Director	Position	No of Meetings Attended
a)	Sri A. Venkatesh, FCA,	Chairman	4
b)	Sri A.T. Gowda, Mech Engineer,	Member	4
c)	Sri B.K. Agarwal, B.Com,	Member	4



6. REMUNERATION COMMITTEE :

The Remuneration Committee determines on behalf of the Board of Directors and shareholders, the Company's policy on specific remuneration packages for executive director including pension rights and any compensation payments. The following are the members of the committee.

Name of the Director	Independent/Non-Executive	Chairman/Member
Sri A. Venkatesh	Independent	Chairman
Sri A.T. Gowda	Independent	Member
Sri Amit Dhanuka	Independent	Member
Sri B.K. Agarwal	Non-Executive	Member

During the financial year, the remuneration committee met twice as on 13.08.2012 and 09.02.2013.

Details of remuneration paid or payable to Directors for the financial year ended 31st March, 2013, are set out below :

No remuneration is paid to Non-Executive directors except sitting fees for attending the meeting of the Board and committee thereof.

Name of the Director	Sitting fees	Salary	Contribution to provident funds	Contribution to superannuation fund	Total
Mr. Bimal Kumar Agarwal	-	-	-	-	-
Mr. Kamal Kumar Agarwal	-	14,25,000	1,71,000	1,99,500	17,95,500
Mr. Ashoke Agarwal	-	14,25,000	1,71,000	1,99,500	17,95,500
Mr. A. T. Gowda	2000	-	-	-	2000
Mr. A. Venkatesh	2000	-	-	-	2000
Mr. Amit Dhanuka	2000	-	-	-	2000

- Note :**
- Presently, the Company does not have a scheme for grant of Stock option.
 - The employment of both Managing director and Joint Managing director are contractual in nature by necessary implications and is terminable by either side on three months' Notice or pay in lieu thereof. No severance fee is payable to any of the whole-time Directors upon termination of his employment.
 - No commission is paid to any director.

Shareholding of the Directors of the Company as on 31.03.2013.

Sl.No.	Name of the Director	No. of shares held
1.	Mr. Bimal Kumar Agarwal	899300
2.	Mr. Kamal Kumar Agarwal	872100
3.	Mr. Ashoke Agarwal	899200
4.	Mr. A. T. Gowda	100
5.	Mr. A. Venkatesh	-
6.	Mr. Amit Dhanuka	-

7. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Shareholders/Investors Grievance Committee was constituted on 30.01.2003. The Committee oversees the process of share transfer and monitors redressal of Shareholders'/Investors' complaints / grievances viz. non-receipt of annual report, dividend payment, issue of duplicate share certificates, transmission of shares and other related complaints. In addition, the committee also monitors other issues including status of dematerialisation/rematerialisation of shares issued by the company.

The following are the members of the committee.

Name	Designation	Nature
Mr. A. T. Gowda	Chairman	Independent
Mr. B. K. Agarwal	Member	Non-Executive
Mr. K. K. Agarwal	Member	Executive



Mrs. Lata Damani, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations,1992 and the Listing Agreements with the Stock Exchange.

During the financial year 2012-13, the Shareholders'/Investor's Grievance Committee met twice as on 30.05.2012 and 10.11.2012.

During the year three complaint was received from the Shareholders and to date there were no outstanding complaints as on 31st March, 2013.

8. GENERAL BODY MEETINGS

Location and time where last three Annual General Meetings were held are given below :

Financial Year	Location of the meeting	Date	Time
2009-10	42, K I A D B Industrial Area, Hoskote-562 114	10.09.2010	12.30 P.M
2010-11	42, K I A D B Industrial Area, Hoskote-562 114	29.09.2011	12.30 P.M
2011-12	42, K I A D B Industrial Area, Hoskote-562 114	27.09.2012	12.30 P.M

All resolutions including the special resolutions are generally passed by way of show of hands. No postal ballots were used for voting at these meetings. No Extra-Ordinary General Meeting was held during the financial year 2012-2013.

9. DISCLOSURES

i) There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

Note: Schedule 31 of the Annual Accounts contains the details of related party transactions as required by the Accounting Standard-18 (As-18) on 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India.

ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to Capital markets during the last three years.

iii) Company has followed the Accounting Standards as prescribed by Central Government under the Companies (Accounting Standards) Rules, 2006, in the preparation of financial statements.

iv) The Company did not raise funds through Public/Rights/Preferential issue during the financial year.

v) In line with the requirement of SEBI, secretarial audit is carried out on a quarterly basis by a firm of practicing Company Secretary to confirm that the aggregate number of equity shares of the company held in NSDL & CDSL and in physical form tally with the total number of issued/paid - up listed and admitted Capital of the Company.

vi) The Managing Director has certified to the Board in accordance with clause 49(V) of the Listing agreement in respect of CEO/CFO certification for the financial year 2012-2013.

vii) The Company has strengthened its risk management system and has further laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of properly defined frame work.

10. MEANS OF COMMUNICATION

The annual, half yearly and quarterly results are submitted to the Stock Exchange and also published in leading English and Vernacular (Kannad) newspapers in accordance with the Listing Agreement.

Your Company's' Management Discussion & Analysis of operations for the year ended 31st March, 2013 form part of the Annual Report and is given under the section so captioned.

11. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting is proposed to be held on Friday, 27th September, 2013 at 12.30 P.M. at 42, K.I.A.D.B. Industrial Area, Hoskote - 562 114, Bangalore, Karnataka.

Financial Calendar (tentative)
Financial Year 1st April 2013 to 31st March, 2014.

Unaudited results for the quarter ending 30th June, 2013	14th August, 2013
23rd Annual General Meeting	27th September, 2013
Unaudited results for the quarter/half year ending 30th September, 2013	14th November, 2013
Unaudited results for the quarter/nine months ending 31st December, 2013	14th February, 2014
Audited results for the year ending 31st March, 2014	30th May, 2014.
Date of Book Closure	24th September to 27th September (Both days inclusive)

Dividend Payment	No Dividend is being recommend.
Listing on Stock Exchanges	Bombay Stock Exchange Limited
Stock Code	513528 (The Bombay Stock Exchange Ltd.)
Demat ISIN No. for NSDL & CDSL	INE 741B01027
Registrar and Transfer Agent :	M/s.MCS Ltd., 77/2A, Hazra Road, Kolkata - 700029, Ph.: (033) 4072-4051/52/53 Fax : (033) 4072-4050 E-mail : mcscal@cal2vsnl.net.in
Plant Location :	42, K.I.A.D.B. Industrial Area, Hoskote-562114 Bangalore, Karnataka.

Registrars and Share Transfer Agent :

M/s. MCS Ltd., 77/2A, Hazra Road, Kolkata-700029, a SEBI registered Registrars & Share Transfer Agent of the Company and are processing the transfers, sub-division, consolidation, splitting of securities, etc. The Company's shares can be traded in the Stock Exchange only in the dematerialized form and any request for dematerialization and rematerialisation should be directly sent to M/s. MCS Ltd., Hazra Road, Kolkata-700029. The Company has already entered into agreements with NSDL and CDSL for the purpose dematerialisation of shares.

Share Transfer System :

The shares in Physical form for transfer should be lodged at the office of the Company's Registrar and Share Transfer Agent, MCS Ltd., Kolkata or at the Registered office of the Company. The transfers are Processed within 15 days from the date of receipt, if the relevant documents are complete in all respect. As per directives issued by SEBI, it is compulsory to trade in securities of any Company's equity shares in dematerialised Form.

Dematerialisation of Shares :

As per the notification issued by SEBI, the Shares of the Company are traded compulsorily in dematerialized form by all investors with effect from 26th March, 2001. As on 31st March, 2013, 24720170 equity shares representing 95.22% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

No. of Shares in Demat segment	2,47,20,170	95.22%
No. of Shares in Physical segment	12,39,230	04.78%



Stock Price Data

Month	Month's High Price	Month's Low Price	Volume	BSE Sensex	
				High	Low
April '12	1.90	1.30	121614	17664.10	17010.16
May '12	1.80	1.25	69548	17432.33	15809.71
June '12	1.47	1.00	37337	17448.48	15748.98
July '12	1.49	0.89	301801	17631.19	16598.48
August '12	1.10	0.80	201964	17972.54	17026.97
September '12	1.20	0.80	143214	18869.94	17250.80
October '12	1.20	0.85	65733	19137.29	18393.42
November '12	1.31	1.00	108454	19372.70	18255.69
December '12	2.47	1.12	651359	19612.18	19149.03
January '13	2.76	2.36	270246	20203.66	19508.93
February '13	2.40	2.36	2779	19966.69	18793.97
March '13	2.20	2.21	581	19754.66	18568.43

Source BSE Website

Distribution of Shareholding as on 31st March, 2013.

Range of Shares	No. of Shares	% of Share Holdings	No. of Share Holders	% of Share Holders
1-500	1347293	5.19	7904	88.05
501-1000	418304	1.61	484	5.39
1001-2000	365940	1.41	222	2.47
2001-3000	212628	0.82	80	0.89
3001-4000	163558	0.63	44	0.49
4001-5000	328752	1.27	68	0.76
5001-10000	571815	2.20	73	0.81
10001-50000	1546943	5.96	74	0.82
50001-100000	1169371	4.50	16	0.18
Above 100000	19834796	76.41	12	0.14
Total	25959400	100.00	8977	100.00

Categories of shareholding as on March 31, 2013

Category	No. of shares held	% of holding
A. Promoter(s) Indian Promoter Including promoter acting in concert)	16580100	63.8694
B. Non-Promoter Mutual Funds	-	-
Banks, Financial Institutions	2759373	10.6296
Bodies Corporate	412866	1.5904
NRI/OCBs	108554	0.4182
Indian Public	6098007	23.4905
Trust & Foundation	500	.0019
Total	25959400	100

12. Among the non-mandatory requirements, the Company has constituted only the Remuneration committee.

Place : Hoskote
Date : 30th day of May, 2013On behalf of the Board
Kamal Kumar Agarwal
Managing Director**ANNUAL DECLARATION BY MANAGING DIRECTOR (CEO) PURSUANT TO CLAUSE 49(I)(D)(ii) OF STOCK EXCHANGE LISTING AGREEMENT**As Managing Director (Chief Executive Officer) of Glittek Granites Ltd. and as required by clause 49(I)(D)(ii) of the Stock Exchange Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business conduct and Ethics for the Financial year ended 31st March, 2013.Place : Hoskote
Date : 30th day of May, 2013Kamal Kumar Agarwal
Managing Director



AUDITORS' CERTIFICATE

Auditors' certificate on compliance with the conditions of Corporate Governance as per clause 49 of the Listing Agreement with Stock Exchange :

To the Members of
Glittek Granites Limited

We have examined the compliance of the conditions of Corporate Governance by Glittek Granites Ltd. (the Company), for the year ended 31.03.2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof adopted by the Company to ensure the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 in the above mentioned Listing Agreement.

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.

25, R.N. Mukherjee Road
Kolkata the 30th day of May, 2013

For Rungta & Rungta
Chartered Accountants
(Registration No. 0305134E)
C.A. S.K.Roongtaa
Partner
Membership No. : 15234



INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To the Members of
Glittek Granites Limited

Report on the Financial Statements

We have audited the accompanying financial statements of GLITTEK GRANITES LIMITED, (the "Company") which comprises the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's management is responsible for 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 Accounting Standards referred to in Sec 211(3C) of the Companies Act, 1956 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedure selected depends on auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 1956 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 31st March, 2013;



- b. in case of the Statement of Profit and Loss of the profit for the year ended on that date; and
- c. In case of the Cash Flow Statement, of the cash flows of the company 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, issued by the Department of Company Affairs, in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.
2. As required by Section 227(3) of the Companies Act, 1956, 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 and Statement of Profit and Loss and the Cash Flow Statement dealt with by the report are in agreement with the books of account.
 - d. In our opinion the Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standard referred to in sub-section 3 (C) of Sec. 211 of the Companies Act, 1956.
 - e. On the basis of the written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors , We report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms clause (g) of the Section 274 of the Companies Act, 1956.

25, R.N. Mukherjee Road
Kolkata the 30th day of May, 2013.

For Rungta & Rungta
Chartered Accountants
(Firm Registration No. 0305134E)
S.K.Roongta
Partner
Membership No. : 15234



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under "Report on other Legal and Regulatory Requirement" section of our report of even date)

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(ii) Fixed assets have been physically verified by the management during the year based on a phased program of verifying all the assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
(iii) There was no substantial disposal of fixed assets during the year.
2. (i) As explained to us, the management has conducted Physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
(ii) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
(iii) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification as compared to book records.
3. (i) During the year the Company has taken unsecured loan amounting to Rs. 11.50 Lacs from a company and Rs.89.10 Lacs from other parties covered in the register maintained u/s 301 of the Companies Act, 1956, apart from Rs. 150.15 Lacs brought forward from previous year and have repaid Rs. 76.56 Lacs during the year. The maximum amount involved during the year and the year end balance of such loans aggregated Rs.148.97 lacs and Rs.101.34 lacs respectively.
(ii) In our opinion and according to the information and explanations given to us, the terms and conditions of such unsecured loan taken are not prima-facie prejudicial to the interest of the Company.
(iii) In respect of the aforesaid loans there is no stipulation as to repayment of loan and/ or interest thereon. Further the loan are repayable by the party on demand/call loan policy framed by the Company.
(iv) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. (i) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered.
(ii) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contract or arrangements exceeding Rs. Five Lacs have been made at prices which are reasonable having regard to the prevailing market prices at the relevant times.
6. The Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. On the basis of the records, we are of the opinion that prima facie cost records and accounts prescribed by the Central Government of India under section 209(1)(d) of the Companies Act, 1956, have been maintained. However, we are not required to and have not carried out any detailed examination of such account and records.
9. (i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material Statutory Dues as applicable with the appropriate authorities in India.
- (ii) At the end of financial year there were no undisputed dues of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, cess and other material statutory dues which has remained outstanding for more than six months from the date they became payable.
- (iii) Details of dues, Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, and cess dues which has not been deposited as on 31st March 2013 on account of dispute are given below :

Sl. No	Name of the Statute	Nature of Dues	Amount (Rs . in lacs)	Forum where dispute is pending
1.	The Karnataka Tax on Entry of Goods Act, 1979.	Penalty on Entry Tax	3.30	The Karnataka Appellate Tribunal, Bangalore
2.	The Income Tax Act, 1961.	Income Tax A.Y. 2006-07	7.70	Commissioner of Income Tax (Appeals)
3.	The Income Tax Act, 1961.	Fringe Benefit Tax A.Y. 2006-07	1.85	Commissioner of Income Tax (Appeals)
4.	The Income Tax Act, 1961.	Income Tax A.Y. 2010-11	—	Commissioner of Income Tax (Appeals)
Show cause notice for Penalty u/s 271(1) C received for Asst. Year 2006-07 & 2010-11, proceedings pending.				

10. There are no accumulated losses at the end of the financial year and the company has not incurred any cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company during the year has not defaulted in repayment of dues to financial institutions, banks. The Company has not issued any debentures.
12. According to the information and explanations given to us and based on the documents and records produced 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. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003



are not applicable to the Company.

14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the order are not applicable to the company.
15. According to the information & explanations given to us the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to information and explanation given to us, the term loan obtained during the year has been utilized for the purpose for which it was obtained.
17. On the basis of review of utilisation of funds on overall basis, related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act,1956 during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company nor have been informed of such case by the management.

25, R.N. Mukherjee Road
Kolkata the 30th day of May, 2013.

For Rungta & Rungta
Chartered Accountants
(Firm Registration No. 305134E)

S.K.Roongtaa
Partner

Membership No. : 15234

**BALANCE SHEET** as at 31st March, 2013

Particulars	Note No.	As at 31 March 2013	As at 31 March 2012
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	132,908,500	132,908,500
(b) Reserves & Surplus	3	39,459,073	32,150,469
2. Non-current liabilities			
(a) Long-term borrowings	4	6,921,768	353,899
3. Current Liabilities			
(a) Short-term borrowings	5	147,979,791	112,480,355
(b) Trade payables		15,896,539	16,174,593
(c) Other current liabilities	6	8,377,090	28,274,363
(d) Short-term provisions	7	3,869,921	2,148,921
TOTAL		355,412,682	324,491,100
II. ASSETS			
1. Non-Current assets			
(a) Fixed assets	8		
(i) Tangible assets		135,204,724	140,519,669
(ii) Intangible assets		628	4,275
(b) Long-term loans and advances	9	6,877,593	4,650,731
2. Current assets			
(a) Current investments		—	—
(b) Inventories	10	89,629,508	110,677,685
(c) Trade receivables	11	104,230,485	56,894,816
(d) Cash and cash equivalents	12	3,449,288	3,729,105
(e) Short-term loans and advances	13	15,879,861	7,839,508
(f) Other current assets	14	140,595	175,311
TOTAL		355,412,682	324,491,100

The notes referred to above form an integral part of the Accounts. This is the Balance Sheet referred to in our report of even date.

For **Rungta & Rungta**
Chartered Accountants
(Registration No. 0305134E)

25, R.N.Mukherjee Road,
Kolkata the 30th day of May, 2013.

S. K. Roongtaa
Partner
Membership No. : 15234

On behalf of the Board
Kamal Kumar Agarwal
Managing Director
Ashoke Agarwal
Joint Managing Director
Lata Damani
Company Secretary

**STATEMENT OF PROFIT & LOSS ACCOUNT** for the Year Ended 31st March, 2013

Particulars	Note No.	As at 31 March 2013	As at 31 March 2012
		Rs.	Rs.
i. Revenue from operations	15	315,789,072	235,987,953
ii. Other income	16	3,827,169	2,230,951
III. Total Revenue (I+II)		319,616,241	238,218,904
IV. Expenses :			
Cost of materials consumed	17	158,020,597	125,422,715
Purchases of Finished, Semi Finished and other products.		19,122,837	21,468,080
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	23,657,362	(12,880,886)
Employee benefits expenses	19	22,624,603	19,227,325
Finance costs	20	18,543,117	16,118,462
Depreciation and amortization expense	21	14,656,310	14,276,346
Other expenses	22	54,112,047	49,278,800
Total expenses		310,736,873	232,910,842
V. Profit before exceptional and extraordinary items and Tax (III-IV)		8,879,368	5,308,062
VI. Exceptional items			
Prior Period Adjustment		150,237	(181,067)
VII. Profit before extraordinary items and tax (V-VI)		9,029,605	5,126,995
VIII. Profit before tax (VII)		9,029,605	5,126,995
IX. Tax expense :			
(1) Current tax		1,721,000	977,000
X. Profit (Loss) for the year (VIII-IX)		7,308,605	4,149,995
XI. Profit (Loss) for the year (X)		7,308,605	4,149,995
Earnings per equity share : (Face value Rs.5/- each)			
(1) Basic		0.28	0.16
(2) Diluted		0.28	0.16

The notes referred to above form an integral part of the Accounts. This is the Profit & Loss Account referred to in our report of even date.

For **Rungta & Rungta**
Chartered Accountants
(Registration No. 0305134E)

S. K. Roongtaa
Partner

25, R.N.Mukherjee Road,
Kolkata the 30th day of May, 2013.

Membership No. : 15234

On behalf of the Board
Kamal Kumar Agarwal
Managing Director
Ashoke Agarwal
Joint Managing Director
Lata Damani
Company Secretary



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

	31.03.2013 (Rs. in lacs)	31.03.2012 (Rs. in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax as per Profit and Loss Account	90.30	51.27
Adjusted for :		
Depreciation	146.21	142.41
Interest Paid	185.43	156.84
Interest Received	-3.26	-3.02
Miscellaneous Expenses W/Off	0.36	0.36
Foreign Exchange Fluctuation	21.25	17.94
	349.99	314.53
Operating Profit before working capital changes	440.29	365.80
Adjusted for :		
Trade & Other Receivables	-576.04	-142.34
Inventories	210.48	-100.71
Trade Payables	-184.54	61.39
Gain from Foreign Exchange Fluctuation	-21.25	-17.94
	-571.35	-199.60
Cash Generated from operating activities	-131.06	166.20
Adjustment for :		
Direct Taxes (paid)	-17.21	-9.77
Net cash from operating Activities	-148.27	156.43
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-93.02	-81.27
Interest Received	3.26	3.02
Net Cash used in investing activities	-89.76	-78.25
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase in Borrowings	420.67	100.66
Interest Paid	-185.43	-156.84
Net Cash used in financing activities :	235.24	-56.18
D. Net increase in Cash and Cash equivalents (A+B+C)	-2.79	22.00
E. Cash and Cash equivalents at the beginning of the year	37.29	15.29
F. Cash & Cash equivalents at the close of the year (D+E)	34.50	37.29

Note : (I) Figures for the previous year have been regrouped, wherever considered necessary.

On Behalf of the Board

Kamal Kumar Agarwal
Managing Director

Ashoke Agarwal
Jt. Managing Director

Lata Damani
Company Secretary

Auditors' Certificate

We have verified the above Cash Flow Statement prepared by the Company and certify that the statement has been derived from the accounts of the company audited by us and has been prepared in accordance with Stock Exchange Listing requirements.

For RUNGTA & RUNGTA
Chartered Accountants
(Registration No. 0305134E)
S.K. Roongtaa
Partner
Membership No 15234

25 R.N. Mukherjee Road
Kolkata the 30th day of May, 2013.



NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES :

a) Accounting Convention :

The Financial Statement are prepared under the historical cost convention on the accrual basis of accounting and in accordance with Accounting principles generally accepted in India and comply with the accounting standards notified by the central Government of India and relevant provisions of the Companies Act, 1956.

All assets & liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

b) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenue and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

Current and Non-current classification

All assets and liabilities are classified into current and non-current

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria;

- a) It is expected to be settled in the company's normal operating cycle
- b) It is held primarily for the purpose of being traded.;
- c) It is due to be settled within 12 months after the reporting date; or
- d) The company does not have an unconditional right to defer settlement of liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by issue of equity instruments do not affects its classification.

Current liability include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

c) Fixed Assets :

Fixed Assets are stated at cost. Cost includes cost of acquisition, non-refundable levies, directly attributable cost of bringing the assets to the working condition for intended use, expenditure during construction period and interest up to the date the assets is put to use. (And also refer note i).



- d) **Depreciation :**
Depreciation on Fixed Assets is charged on Straight Line Method as per Schedule XIV of the companies Act, 1956, except in case of assets added or disposed off it is charged on prorata basis with reference to the date of addition/deletion.
Assets costing Rs. 5000/- or less are being fully depreciated in the year of acquisition
Intangible assets are amortized on straight line basis over the estimated useful life of the assets.
- e) **Borrowing cost :**
Borrowing cost that are attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.
- f) **Amortisation :**
Leasehold quarries and housing tenements acquired under lease cum sale agreement shall be amortised after execution of Sale Deeds. Expenditure incurred on acquisition and development of leasehold quarries are amortised over the unexpired period of their lease after these become operational. The company has purchased a Time Sharing Holiday Resort from Club Mahindra Holidays. The same is effective from April 2003 for a period of 25 years and will be amortised equally over a period of 25 years. Capital issue expenses are amortised over a period of 5 years.
- g) **Intangible Assets :**
Intangible assets comprises of application software stated at its acquisition cost less accumulated depreciation.
- h) **Impairment of Assets :**
In accordance with Accounting Standard 28 (AS-28) on 'Impairment of Assets' where there is an indication of impairment of the Company's assets, the carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An Impairment loss is charged to the Profit & Loss Account in the year in which the carrying amount of the asset or a cash generating unit exceeds its recoverable amount. The Impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
- i) **Investment :**
Investment are valued at acquisition cost.
- j) **Inventories :**
i) Raw materials is valued at actual cost or net realisable value whichever is lower. Stores and spares & packaging materials are valued at weighted average cost or net realisable value whichever is lower.
ii) Work In Progress and Finished Products are valued at estimated cost or net realisable value whichever is lower
iii) Scraps & Rejects are valued at estimated realisable value.
Finished goods and WIP include cost of conversion and other costs incurred in bringing the inventories to the present location and condition.
Estimated realisable value is calculated on the basis of current selling price less the normal selling expenses incurred in making the sale.
- k) **Foreign Currency Transaction :**
The transaction in foreign currencies on revenue account are stated at the rates of exchange prevailing on the date of transaction. Outstanding Foreign currency assets/liabilities are not covered by forward contracts and are translated at the exchange rate prevailing as on Balance Sheet date. Gains or losses on these assets & liabilities relating to the acquisition



of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognised in the Profit & Loss Account.

l) Revenue Recognition :

- (I) Revenue /Income and Cost/Expenditure are generally accounted for on accrual basis as they are earned or incurred, except, in case of significant uncertainties.
- (II) Subsidy receivable against an expense is deducted from such expense.
- (iii) Domestic Sales is exclusive of excise duty
- (iv) Revenue from services is recognised as and when services are rendered and related costs are incurred.
- (v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

m) Retirement Benefits :

Defined contribution scheme : Company's contribution towards Provident Fund and Superannuation Fund paid/payable during the year are charged to Profit & Loss Account.

Defined Benefit Plan : The company has a defined benefit gratuity plan covering all its employees. Gratuity is covered under a scheme of LIC and contribution in respect of such scheme are recognized in Profit & Loss Account. The liability at the Balance Sheet date is provided for based on actuarial valuation carried out by Life Insurance Corporation of India in accordance with AS 15 of employee benefits issued by the Institute of Chartered Accountants of India.

Disclosure in respect of DCS and DBS as required under AS 15 have been given in Note 5 below to the extent practical and the availability of information.

n) Leases :

Lease rentals under an operating lease, are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

o) Expenditure on Expansion :

Expenditure directly related to construction activity is capitalised. Indirect expenditure (including borrowing cost) directly related to construction or incidental thereto is allocated amongst the assets created on pro-rata basis.

p) Governments Grants :

Government grants in the nature of State Investment subsidy are accounted for on cash basis and treated as capital reserve.

q) Taxation :

Income - tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of Deferred Tax Assets are reviewed to reassure realisation.

r) Earning per share :

Basic and diluted earning per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

s) Contingent Liabilities and provisions :

Contingent liabilities are not provided for and are generally disclosed by way of notes to accounts. Provisions are recognized when the Company has legal/constructive obligation and on management discretion, as a result of a past event for which it is probable that a cash outflow may be required and a reliable estimate can be made for the amount of obligation.



2 Authorised, issued, Subscribed and Paid-up Share Capital

Share Capital	As at 31 March 2013		As at 31 March 2012	
	Nos.	Rs.	Nos.	Rs.
Authorised Equity Shares of Rs.5/- each	280,000,000	140,000,000	280,000,000	140,000,000
Issued, Subscribed and Paid-up 2,59,59,400 Equity Shares of Rs.5/- each Add : Forfeited shares (amount originally paid-up)	25,959,400	129,797,000 3,111,500	25,959,400	129,797,000 3,111,500
Total	25,959,400	132,908,500	25,959,400	132,908,500

2A Reconciliation of the number of shares outstanding :

Particulars	As at 31 March 2013		As at 31 March 2012	
	Nos.	Rs.	Nos.	Rs.
Equity Shares outstanding at the end of the year	25,959,400	132,908,500	25,959,400	132,908,500
Equity Shares issued during the year	Nil	Nil	Nil	Nil
Equity Shares bought back during the year	Nil	Nil	Nil	Nil
Equity Shares outstanding at the end of the year	25,959,400	132,908,500	25,959,400	132,908,500

2B Shareholders holding more than 5% shares of the Company

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Virdhi Commercial Company Ltd.	12,974,500	49.98%	12,974,500	49.98%
ICICI Bank Ltd.	2,220,000	8.55%	2,220,000	8.55%

2c Rights Preference and restrictions attached to the equity shares

The equity shares of the company having par value of Rs.5, per share, rank pari passu in all respects including voting rights and entitlement to dividend and share in the company residual asset.

3 Reserves & Surplus

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
a. Capital Reserves Balance at the beginning and end of the year	17,700,000	17,700,000
b. Securities Premium Account Balance at the beginning and end of the year	5,869,500	5,869,500
c. Surplus/(Deficit) in the statement of Profit & Loss Opening Balance	8,580,968	4,430,974
(+) Net Profit / (Net Loss) For the current year	7,308,605	4,149,995
Closing Balance	15,889,573	8,580,969
Total	39,459,073	32,150,469

**4 Long Term Borrowings :**

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Vehicle Loan		
from Axis Bank Ltd. (Car Loans)	93,982	353,899
from HDFC Bank (Car Loans)	6,827,786	Nil
Total	6,921,768	353,899

- a. Vehicle loans including current maturities are secured by hypothecation of vehicle against which such loan has been taken.
- b. Repayments terms of outstanding long term borrowings
Vehicle loans are repayable in equal monthly installments over a term of 3 years
- c. Vehicle Loan from HDFC bank taken against cost of new car which includes Insurance Rs.3,05,033/- and Life time Road Tax Rs.17,73,145/- which has been debited to Revenue Expenses.

5 Short Term Borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Secured		
Working Capital Loan		
from State Bank of Hyderabad		
Packing Credit	62,206,778	69,904,346
Bill Discounting	76,003,401	35,209,628
	138,210,179	105,113,974
Unsecured		
Loans and advances from related parties	9,769,612	7,366,381
	9,769,612	7,366,381
Total	147,979,791	112,480,355

Nature of Security :-

Working Capital facilities from a bank is secured by hypothecation of stock of raw materials, semi finished goods, finished goods, stores and spares and Book debts/Receivables of the Company, both present and future and further secured by way of first charge on all immovable properties and movable properties / fixed assets both present and future, and personal guarantee of three promoters directors.



6 Other Current Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Current maturities of long-term borrowings/term loan	3,497,878	16,929,841
Interest accrued and due on borrowings	363,983	1,542,321
Advance from customers	1,138,855	5,026,345
Other Liabilities	867,440	2,356,722
Book Bank overdraft	2,508,934	2,419,134
Total	8,377,090	28,274,363

7 Short Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Provision for IT (MAT)	3,869,921	2,148,921
Total	3,869,921	2,148,921

9 Long Term Loans and Advances

(Unsecured, Considered good unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Security Deposits	2,661,289	2,660,789
CENVAT Credit	445,304	350,942
MAT credit entitlement	3,771,000	1,639,000
Total	6,877,593	4,650,731

10 Inventories

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Raw Materials and components	6,501,174	4,794,117
Work-in-progress	63,109,230	82,491,346
Finished goods	8,917,805	13,318,888
Stores and spares	10,361,203	9,172,422
Power & Fuel	-	343,835
Packing Material	109,169	51,987
Rejects & Scraps	630,927	505,090
Total	89,629,508	110,677,685

8. FIXED ASSETS
(Amount in Rs.)

Sl. No.	Particulars	GROSS BLOCK (AT COST)				DEPRECIATION AND AMORTIZATION				NET BLOCK	
		Balance as at 1 April 2012	Additions	Disposals	Balance as at 31 March 2013	Balance as at 1 April 2012	For the year	Deductions	Balance as at 31 March 2013	Balance as at 31 March 2012	
a	Tangible Assets										
	Land	1,839,589	—	—	1,839,589	—	—	—	—	—	1,839,589
	Quarries under Lease ¹	1,037,885	—	—	1,037,885	—	—	—	—	—	1,037,885
	Buildings	47,086,228	—	—	47,086,228	19,696,297	1,557,046	—	21,253,343	25,832,885	27,389,931
	Housing Tenements under lease ^{2,3}	645,000	—	—	645,000	—	—	—	—	645,000	645,000
	Plant and Equipment	253,419,439	256,647	—	253,676,086	148,098,647	12,078,962	—	160,177,609	93,498,477	105,320,792
	Furniture and Fixtures	2,621,787	35,000	—	2,656,787	2,369,697	80,377	—	2,450,074	206,713	252,090
	Vehicles ⁴	7,035,864	8,901,006	—	15,936,870	4,295,167	759,540	—	5,054,707	10,882,163	2,740,697
	Office equipment	1,745,143	100,771	—	1,845,914	927,593	90,233	—	1,017,826	828,088	817,550
	Other Equipments	952,865	8,740	—	961,605	476,730	50,951	—	527,681	433,924	476,135
	Total	316,383,800	9,302,164	—	325,685,964	175,864,131	14,617,109	—	190,481,240	135,204,724	140,519,669
b	Intangible Assets										
	Computer Software	24,600	—	—	24,600	20,325	3,647	—	23,972	628	4,275
	Total	24,600	—	—	24,600	20,325	3,647	—	23,972	628	4,275
	Total	316,408,400	9,302,164	—	325,710,564	175,884,456	14,620,756	—	190,505,212	135,205,352	140,523,944
	Previous Year	308,746,792	8,361,652	700,044	316,408,400	162,108,403	14,240,796	464,743	175,884,456	140,523,944	—

NOTE : ¹ Leasehold quarries are yet to become operational.

² Acquired under lease cum sale agreement

³ Sale deeds in respect of housing tenement are yet to be executed.

⁴ Additions during the year is net of Life Time Road Tax amounting to Rs.1773145.00


11 Trade Receivables

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Trade receivables outstanding for a period less than six months Unsecured, considered good	103,467,104	54,324,854
	103,467,104	54,324,854
Trade receivables outstanding for a period exceeding six months Unsecured, considered good	763,381	2,569,962
	763,381	2,569,962
Total	104,230,485	56,894,816

12 Cash and Cash Equivalents

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Balances with banks		
In Fixed Deposit as Margin Money against Letter of Credit	2,578,000	3,353,000
Accrued Interest on Fixed Deposit	45,422	95,719
In current Account with Scheduled Banks	93,066	75,775
Cash on Hand (Factory)	213,889	27,026
Cash on Hand (Kolkata)	512,518	171,192
Silver Coin	6,393	6,393
Total	3,449,288	3,729,105

13 Short Term Loans and Advances

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Related parties - refer Note	25,200	26,100
Advance to suppliers	8,391,615	3,801,641
Tax Deducted at Source	273,618	228,746
CENVAT Credit receivable	310,242	313,213
CST refund receivable	1,545,281	826,928
VAT refund receivable	1,685,929	431,102
Service Tax Refund receivable	1,237,946	774,799
Excise Duty Refund Receivable	67,485	-
Prepaid Expenses	2,050,090	1,217,597
Staff Advances	169,416	88,147
Others	123,040	131,236
Total	15,879,861	7,839,508



14 Other Current Assets
(Unsecured, considered goods unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
	Rs.	Rs.
Account Receivables (on account of refund of Service Tax, Central Sales Tax etc.)	140,595	139,757
Capital issue Expenses (to the extent not written off or adjusted)	-	35,554
Total	140,595	175,311

15 Revenue from Operation

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Sale of products		
Sales - Domestic	501,150	590,280
Sales - Export	314,015,851	233,961,297
	314,517,001	234,551,577
Sale of services		
Job Work	1,248,900	486,752
Other operating revenues		
Sale of DEPB License	—	335,057
Discount Received	7,909	496,962
Liability no longer required written back	15,262	117,605
Total	315,789,072	235,987,953

16 Other Income

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Interest Income	325,763	301,661
Net Gain on Foreign Exchange transactions and translation	2,963,437	1,793,778
Notice Pay Received	93,890	110,059
Miscellaneous Receipts	444,079	25,453
Total	3,827,169	2,230,951

17 Cost of materials consumed

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Raw Material Consumed :				
Opening Stock	4,794,117		8,161,391	
Add : Purchases	122,241,776		90,709,222	
	127,035,893		98,870,613	
Less : Closing Stock	6,501,174	120,534,719	4,794,117	94,076,496
Stores & Spares Consumed :				
Opening Stock	9,172,422		8,728,664	
Add : Purchases	38,674,659		31,789,977	
	47,847,081		40,518,641	
Less : Closing Stock	10,361,203	37,485,878	9,172,422	31,346,219
Total		158,020,597		125,422,715

18 Changes in inventories of finished goods, stock-in-process and Stock-in-trade

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Work-in-Progress				
Opening Stock	82,491,346		71,935,004	
Less : Closing Stock	63,109,230	19,382,116	82,491,346	(10,556,342)
Finished Goods				
Opening Stock	13,318,888		10,830,843	
Less : Closing Stock	8,917,805	4,401,083	13,318,888	(2,488,045)
Rejects & Scraps				
Opening Stock	505,090		609,714	
Less : Closing Stock	630,927	(125,837)	505,090	104,624
DEPB Licence				
Opening Stock	Nil		58,877	
Less : Closing Stock	Nil	Nil	Nil	58,877
Total		23,657,362		(12,880,886)

19 Employees Benefit Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Salaries and Allowances	18,666,370	15,942,374
Contributions to Provident and other funds	2,303,905	1,945,772
Staff welfare expenses	719,519	582,771
Medical Expenses	574,809	416,408
Van Hire Charges	360,000	340,000
Total	22,624,603	19,227,325



20 Finance Cost

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Interest expenses	18,156,036	15,683,915
Other borrowing costs	387,081	434,547
Total	18,543,117	16,118,462

21 Depreciation and amortization expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Depreciation	14,620,756	14,240,796
Miscellaneous Expenses Written Off	35,554	35,550
Total	14,656,310	14,276,346

22 Administration & Other Expenses

Other Expenses	As at 31 March 2013		As at 31 March 2012	
	Rs.	Rs.	Rs.	Rs.
Manufacturing Expenses				
Repairs & Maintenance - Building	1,930,242		1,330,661	
- Machinery	245,435		326,829	
Packing Material Consumed	5,206,017		5,366,294	
Power & Fuel	12,803,671		12,348,559	
Freight & Cartage	728,247		850,161	
Other Manufacturing Expenses	590,940	21,504,552	608,922	20,831,426
Other Administrative and Selling Expenses				
Travelling & Conveyance	7,670,335		6,278,243	
Postage & Telephone	844,050		840,867	
Insurance	674,563		419,791	
Rent	1,520,742		1,440,994	
Rates & Taxes	2,044,533		291,881	
Legal & Professional Expenses	408,335		427,120	
Repair & Maintenance - Others	209,960		267,538	
Business Exhibition	-		989,232	
Business Promotion Expenses	2,042,284		3,678,634	
Security and Service Charges	789,744		739,348	
Vehicle Upkeep	1,078,218		998,446	
Discount & Rebate	202,306		199,181	
Freight & Cartage (Outward)	9,104,803		6,317,284	
Auditors' Remuneration - refer note -25	120,000		95,000	
Bank Charges	1,562,173		1,010,853	
ECGC Premium	1,687,024		1,578,464	
Bad Debts	1,307,673		1,620,540	
Other Expenses	1,340,752	32,607,495	1,253,958	28,447,374
Total		54,112,047		49,278,800



23. In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

24 **Contingent liabilities and commitments**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt		
Demand for entry tax against which the Company has preferred an appeal	330,000	330,000
Demand for return of Service Tax refund received against the company has filed an appeal	485,669	487,058
Demand for Income Tax and FBT against which the Company has preferred appeals	954,662	-
(b) Liabilities on account of unexpired letter of credit	10,095,891	13,406,416
(c) Pending outcome of legal and other claims filed by the company, additional Liabilities that may arise in this respect on final settlement is currently not ascertainable and has accordingly not provided for		
Total	11,866,222	14,223,474

25 **Auditors Remuneration**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
a. Auditor Fees	75,000	50,000
b. for tax audit fees	25,000	25,000
c. for certification	20,000	20,000
Total	120,000	95,000

26. The Company's appeal before CESTAT for refund claim of cenvat credit of service tax amounting to Rs.2,39,726/- (previous year Rs.2,47,773/-) for the period from 01.01.2005 to 31.03.2006 has been decided in company's favour and refund has been received which has been credited to Miscellaneous Receipts under other Income in Statement of Profit & Loss. Refund Claims for CENVAT credit which has been rejected have been debited to CENVAT Credit Receivable which will be adjusted against future liabilities amounting to Rs.445304/- . Out of which claim for Rs.204353/- pertain to period prior to 01.04.2009 which has been credited to other Income since accounted for on cash basis during that period. Claim for refund pending in appeal amounting to Rs.485669/- (previous year 672140/-).
27. In the absence of necessary information relating to the suppliers registered as Micro, Small and Medium enterprises under the Micro, Small and Medium Enterprises (Development) Act, 2006, the Company has not been able to identify such suppliers and the information required under the said Act could not be compiled and disclosed.
28. The details of the company's post-retirement benefit plans for gratuity for its employees determined as per actuarial valuation by Life Insurance Corporation of India are given below:



	31.03.2013	31.03.2012
1. Assumptions		
Discount Rate	8%	8%
Expected Rate of return	9%	9%
Salary Escalation	7%	7%
Mortality Rate	LIC (1994-96) ultimate 1% to 3%	LIC (1994-96) ultimate 1% to 3%
Withdrawal Rate	depending on age	depending on age
2. Table showing changes in present value of obligations	31.03.2013	31.03.2012
Present value of obligations as at beginning of year	2196543	1629995
Interest cost	175723	130400
Current Service Cost	199672	215561
Benefits Paid	-95729	-22933
Actuarial (Gain)/Loss on obligations	436298	243520
Present value of obligations as at end of year	2912507	2196543
3. Table showing changes in the fair value of plan assets	31.03.2013	31.03.2012
Fair value of plan assets at beginning of year	2591918	1940794
Expected return on plan assets	240940	179814
Contributions	615990	494243
Benefits paid	-95729	-22933
Actuarial (Gain)/Loss on plan assets	Nil	Nil
Fair value of plan assets at the end of year	3353119	2591918
4. Actuarial Gain/Loss recognized	31.03.2013	31.03.2012
Actuarial (Gain)/Loss-obligations	436298	243520
Actuarial (Gain)/Loss-plan assets	Nil	Nil
Total (Gain)/Loss for the year	436298	243520
Actuarial (Gain)/Loss recognized in the year	436298	243520
5. The amounts to be recognized in the balance sheet and statements of profit and loss		
Present value of obligations as at the end of year	2912507	2196543
Fair value of plan assets as at the end of the year	3353119	2591918
Funded status	440612	395375
Net Asset/(liability) recognized in balance sheet ¹	Nil	Nil
6. Expenses Recognised in statement of Profit & Loss		
Current Service cost	199672	215561
Interest Cost	175723	130400
Expected return of plan assets	-240940	-179814
Net Actuarial (Gain)/Loss recognized in the year	436298	243520
Expenses recognised in statement of Profit & Loss ¹	Nil	Nil

¹Since fair value of plan assets is more than the present value of obligations no liability/assets or profit/loss has been recognised in the Balance Sheet and Profit & Loss Account.

a. Premium paid for the year amounting to Rs.632838/- (Previous year Rs.512405/-) has been debited to the Profit & Loss Account under Payments to & for employees.

b. The Plan assets of the company are managed by Life Insurance Corporation of India and the composition of investments relating to these assets is not available with company.

29. The company does not have more than one reportable segment in terms of Accounting Standard - 17 "Segment Reporting".
30. Balances of Sundry Creditors, Sundry Debtors, Advances & dues against term loan are subject to confirmation.
31. Related party disclosure as per AS-18

As required by Accounting Standard AS-18 "Related Parties Disclosure" issued by "The Institute of Chartered Accountants of India" are as follows :-

A. Particulars of Associate / Subsidiary Companies :

Name of related Party	Nature of relationship
Granite Mart Ltd.	Associate Company
Virdhi Commercial Co. Limited	Associate Company

B. Particulars of Key Management Personnel :

Name	Nature of relationship
Mr. Bimal Kumar Agarwal	Promoter & Director
Mr. Kamal Kumar Agarwal	Managing Director
Mr. Ashoke Agarwal	Joint Managing Director

C. Particulars of Relatives of Key Managerial Personnel

Name	Nature of relationship
Mrs. Alpana Agarwal	Wife of Managing Director
Mrs. Manjula Agarwal	Wife of Joint Managing Director

D. Details of transactions with Associate Company	Amount in Rs. 2012-13	Amount in Rs. 2011-12
(i) Granite Mart Ltd.		
Purchase during the year	12822376	14328111
Sale during the year	14462678	21536280
Rent paid during the year	36000	36000
Expenses incurred by us reimbursed	71997	120674
Expenses incurred on our behalf reimbursed	586273	567859
Balance Outstanding at year end	Nil	Nil
(ii) Virdhi Commercial Co. Ltd.		
Unsecured Loan Taken	1150056	245050
Interest Paid	559463	576174
Loan Repaid	781444	1652000
Balance outstanding at year end	6188509	6104937
Office Maintenance (Received)	25200	25200
Maximum Outstanding during the year	7254993	6993331
E. Details of transactions relating to persons referred to in (B) above		
(i) Remuneration to Management Personnel :		
(a) Mr. Kamal Kumar Agarwal	1,795,500	1,360,800
(b) Mr. Ashoke Agarwal	1,795,500	1,360,800
(ii) Particulars Transaction with Key management Personnel :		
(a) Sri Ashoke Agarwal		
Unsecured Loan Taken	800,000	Nil
Loan Repaid	250,000	100,037
Interest Paid	8,483	1,036
Balance outstanding at year end	557,634	Nil
Maximum Outstanding during the year	650,000	102,448



(b) Sri Kamal Kumar Agarwal		
Unsecured Loan Taken	Nil	1460000
Loan Repaid	316,335	1207090
Interest Paid	43,979	28317
Balance outstanding at year end	528,246	830484
Maximum Outstanding during the year	830,484	1078310
F. Details of transactions with persons referred to in (C) above		
(i) Unsecured Loan :		
(a) Mrs. Alpana Agarwal		
Unsecured Loan Taken	6,550,000	1,750,000
Loan Repaid	6,135,000	1,554,066
Interest Paid	138,413	62,047
Balance outstanding at year end	1,185,479	759,909
Maximum Outstanding during the year	4,359,909	1,092,418
(b) Mrs. Manjula Agarwal		
Unsecured Loan Taken	1,560,000	665,000
Loan Repaid	174,046	503,156
Interest Paid	41,971	2,722
Balance outstanding at year end	1,673,727	250,954
Maximum Outstanding during the year	1,801,211	550,000
(ii) Rent Paid :		
Mrs. Alpana Agarwal	479,160	435,600
Mrs. Manjula Agarwal	479,160	435,600
32. Earning Per Share :		
Net Profit/(Loss) for the Year	7,308,605	4,149,677
Weighted average Number of Ordinary Shares	25,959,400	25,959,400
	Rs.5/- each	Rs.5/- each
Basic & Diluted EPS (Rs.)	0.28	0.16
33. As required by Accounting Standard AS-22 on accounting for Taxes on Income, no deferred tax liability / asset has been computed because there is no reasonable certainty that sufficient future taxable profits will be available.		
34. There is no impairment loss on any assets in terms of AS-28 issued by the Institute of Chartered Accountants of India.		
35. Previous period figures have been regrouped/rearranged, wherever considered necessary, to confirm to the current year classification.		



36. Disclosure pursuant to Note No. 5(ii) & (iii) of Part II of Schedule VI to the Companies Act, 1956.

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
MANUFACTURED GOODS		
POLISHED GRANITE SLABS	13,165,654	10,830,843
Sale Value	284,078,614	229,416,564
Closing Stock	4,882,535	5,786,796
Opening Stock	5,786,796	2,513,964
POLISHED GRANITE TILES		
Sale Value	1,133,408	5,135,013
Closing Stock	3,839,064	7,378,858
Opening Stock	7,378,858	8,316,879
WORK IN PROCESS		
Rough Blocks in Process	600,263	1,592,967
Slabs in Process	62,508,967	80,898,379
TRADED GOODS		
Polished Granite Slabs		
Opening Stock	153,234	-
Purchases	15,130,533	18,599,930
Sales	23,144,742	27,696,490
Closing Stock	196,207	153,234
Polished Granite Tiles		
Opening Stock	-	-
Purchases	3,992,304	2,868,150
Sales	5,659,087	3,341,691
Closing Stock	-	-
RAW MATERIAL CONSUMPTION		
Rough Granite Blocks	120,534,719	94,076,496

37 CIF Value of Imports

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Components and Spare Parts	17,123,910	16,464,737
Capital Goods	Nil	4,060,602

**38 Expenditure in Foreign currency (on accrual basis)**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Travelling Expenses	4,830,761	2,588,086
Membership & Subscription	9,685	8,628
Books & Periodicals	-	6,425
Brokerage & Commission	-	75,933
Advertisement Expenses	22,910	2,493
Fixed Assets	57,971	-
Computer Maintenance	1,722	-
Total	4,923,049	2,681,565

39 Value of consumption of Imported and indigenous raw material with %

Particulars	As at 31 March 2013	%	As at 31 March 2012	%
	Rs.		Rs.	
Raw Material Consumed (Indigenous)	120,534,719	100.00%	94,076,496	100.00%
Stores and Spares Consumed (Imported)	19,760,646	52.71%	16,299,027	52.00%
Stores and Spares Consumed (Indigenous)	17,725,232	47.29%	15,047,196	48.00%
Total	37,485,878	100.00%	31,346,223	100.00%

40 Earnings in Foreign currency (on accrual basis)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Value of exports on F.O.B. basis Finished goods	259,919,126	151,493,567



41 Prior Period Adjustments

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Debits :		
Central Sales Tax Refund	-	10,760
Clearing & Forwarding charges	4,479	25,217
E.C.G.C. Cover Charges	-	10,026
Postage & Telegram	880	-
Telephone Expenses	2,121	-
Interest	-	18
Legal & Professional Charges	-	25,000
Ocean Freight Charges	-	87,259
Office Maintenance Expenses	-	27,320
Printing & Stationery Expenses	-	1,356
Power & Fuel	517	-
Salary & Bonus	1,486	-
Rates & Taxes	13,776	13,776
Total	23,259	200,732
Credits		
Rates & Taxes	51,170	-
Charity & Donation	-	500
E.C.G.C. Cover Charges	105,335	-
Interest on Packing Credit	16,991	-
Interest on Term Loan	-	165
Staff Welfare Expenses	-	19000
Total	173,496	19,665

The notes referred to above form an integral part of the Accounts.

As per our Report attached
For **Rungta & Rungta**
Chartered Accountants
(Registration No. 0305134E)

S. K. Roongta
Partner

Membership No. : 15234

25, R.N.Mukherjee Road,
Kolkata the 30th day of May, 2013.

On behalf of the Board
Kamal Kumar Agarwal
Managing Director
Ashoke Agarwal
Joint Managing Director
Lata Damani
Company Secretary



GLITTEK GRANITES LIMITED

Registered Office : 42, K.I.A.D.B., Industrial Area
Hoskote, Bangalore, Karnataka-562114

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL. Joint shareholders may obtain additional Attendance Slips on request (Ledger Folio no. & Name of the Shareholders/ Joint Holders/Proxy & address as given on address slip in BLOCK LETTERS to be furnished below) :

Name of Shareholder/Proxy	Ledger Folio No./Client ID/ *DP ID No.	No. of Shares held

I hereby record my presence at the Twenty Third Annual General Meeting of the Company to be held on Friday, the 27th day of September, 2013 at 12.30 P.M. at 42, K.I.A.D.B. Industrial Area, Hoskote, Bangalore, Karnataka-562114.

* Applicable for member holding share in electronic form

SIGNATURE OF THE

SHAREHOLDER OR PROXY _____

Notes :

- Shareholders/Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after signing it.
- Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

GLITTEK GRANITES LIMITED

Registered Office : 42, K.I.A.D.B., Industrial Area
Hoskote, Bangalore, Karnataka-562114

FORM OF PROXY

(Ledger Folio No. & Name of the Shareholders/Joint holders/Proxy & address as given on the address slip in Block Letters to be furnished below) :

Ledger Folio No./Client ID/ DP ID No.	No. of Shares held

I/We _____ of _____

being a Member/Members of Glittek Granites Limited hereby appoint _____ of _____ of _____ failing him my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Friday, the 27th day of September, 2013 at 12.30 P.M. and to any adjournment thereof.

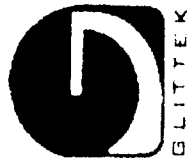
Signed this _____ day of _____ 2013.

Signature _____

Affix
Re. 1/-
Revenue
Stamp

- Notes :
- The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
 - Those member who have multiple Folios with different joint holders may use copies of this Attendance Slip/Proxy.

BOOK - POST



If undelivered please return to :

GLITTEK GRANITES LIMITED

42, K.I.A.D.B., Industrial Area

Hoskote, Bangalore,

Karnataka - 562114.