



Date: November 14, 2022

To,
Corporate Relations Department
BSE Limited
2nd floor, P.J. Tower,
Dalal Street,
Mumbai – 400 001
Company Code: 532888

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

Dear Sir/ Madam,

Subject: Report of the Monitoring Agency.

Pursuant to Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Monitoring Agency Report dated November 14, 2022 in respect of utilization of proceeds of Rights Issue for the quarter ended September 30, 2022 issued by M/s. ICRA Limited, Monitoring Agency.

You are requested to kindly take on your record.

Thanking You.

Yours truly,

For Asian Granito India Limited

Dhruti
Mahesh
Trivedi

Digitally signed by Dhruti Mahesh Trivedi
DN: c=IN, o=Personal, ou=AGL,
serialNumber=D5C21296279688ff9a2826
e=4367ab548a9046726cdf102121859aa09
@aglasiangranito.com, ou=Corporate,
serialNumber=2bcae13aaf1a6214a05a9930
c8b7e0d7f58f1684824453111624c4742
SO, cn=Dhruti Mahesh Trivedi
Date: 2022.11.14 20:03:00 +05'30'

Dhruti Trivedi
Company Secretary and Compliance Officer

Encl: As above

Regd. & Corp. Office:
202, Dev Arc, Opp. Iskcon Temple,
S. G. Highway, Ahmedabad - 380 015
Gujarat (INDIA)
Tel : +91 79 66125500/698
E : info@aglasiangranito.com
W : www.aglasiangranito.com
CIN : L17110GJ1995PLC027025

TILES | MARBLE | QUARTZ | BATHWARE



Asian Granito India Ltd.

Date: November 14, 2022

Mr. Mehul Shah

Chief Financial Officer

Asian Granito India Limited

202, Dev Arc, Opp Iskcon Temple.

Sarkhej Gandhinagar Highway,

Ahmedabad Gujarat – 380015

Dear Sir/Madam,

Re: Final Monitoring Agency report of Asian Granito India Limited for Q2 FY2023

Please refer to agreement dated April 06, 2022 appointing ICRA Limited as the Monitoring Agency (MA) Asian Granito India Limited's IPO/Rights Issue/Further Public Offer.

After due consideration, ICRA has prepared the attached final Monitoring Agency report as per SEBI (Issue of Capital and Disclosure Requirements) Regulations for Q2FY2023.

Please note that the Monitoring Agency report does not constitute a commentary on the quality of the objects of the issue, appropriateness or reasonableness of costs or spending by Asian Granito India Limited against any objects / heads or assurance on outcome of such spending.

We thank you for your kind cooperation extended during the course of Q2FY2023. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards

For ICRA Limited

SUPRIO Digitally signed by
BANERJEE SUPRIO BANERJEE
Date: 2022.11.14
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Suprio Banerjee

Vice President and Sector Head

supriob@icraindia.com

MONITORING AGENCY REPORT

Name of the Issuer: Asian Granito India Limited

For quarter ended: Q2 FY2023

Name of the Monitoring Agency: ICRA Limited

(a) Deviation from the objects of the issue:

No deviation - the utilization of the issuance proceeds is in line with the objects of the issue

(b) Range of deviation:

Not Applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013. The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that we do not perceive any conflict of interest in such relationship/ interest while monitoring and reporting the utilization of the issue proceeds by the issuer. We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:

SUPRIO

BANERJEE

Digitally signed by

SUPRIO BANERJEE

Date: 2022.11.14

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Suprio Banerjee, Vice President & Sector head

Analyst: Dhvani Vinchhi

QA: Parul Narang

1. Issuer Details

Name of the Issuer: Asian Granito India Limited

Name(s) of the promoters:

Promoters
<i>Kamleshkumar Bhagubhai Patel</i>
<i>Mukeshbhai Jivabhai Patel</i>
<i>Rameshbhai Bhikhabhai Patel</i>
<i>Kanubhai Bhikhabhai Patel</i>
<i>Pankaj M Patel</i>
<i>Girish N Patel</i>
<i>Bhaveshbhai Vinodbhai Patel</i>
<i>Hasmukhbhai Patel</i>

Source: BSE

Industry/ sector to which it belongs: Consumer Discretionary

2. Issue Details

Issue Period: Opening date- April 25, 2022

Closing date- May 10, 2022

Type of Issue: *Rights Issue*

Type of specified securities: Equity shares

IPO Grading, if any: *No credit rating agency registered with SEBI appointed for grading the offer*

Issue Size (Rs. Crore): *With OFS portion: 440.96 Crore; Excluding OFS portion: 440.96 Crore.*

Net proceeds: 422.17 Crore (Excluding Issue Related Expense)

3. Details of the arrangement made to ensure the monitoring of issue proceeds

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	-Certification from Statutory Auditors -Confirmation from management -Bank statement of the proceeds account	No deviation observed	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	As confirmed by the Issuer's management	No comments	
Whether the means of finance for the disclosed objects of the issue has changed?	No	As confirmed by the Issuer's management	No comments	
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	No deviation observed.	No comments	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	No	As confirmed by the Issuer's management	For all capex related to Greenfield project in Morbi, i.e., Future Ceramic Private Limited, AGL Sanitaryware Private Limited and AGL Surfaces Private Limited, government/statutory approvals for land conversion, building plan and subsequent consents and licenses from Pollution control and Electricity board etc. are pending.	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	No	As confirmed by the Issuer's management	For all capex related to Greenfield project in Morbi, i.e., Future Ceramic Private Limited, AGL Sanitaryware Private Limited and AGL Surfaces Private Limited, technical assistance is required only from vendors during setting up and installation	

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
			<i>of the plant. Other than that, technical assistance and collaboration is not required for manufacturing of tiles.</i>	
Are there any favorable events improving the viability of these object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Are there any unfavorable events affecting the viability of the object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Is there any other relevant information that may materially affect the decision making of the investors?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	

Where material deviation is defined to mean:

(a) *Deviation in the objects or purposes for which the funds had been raised*

(b) *Deviation in the amount of funds actually utilized by more than 10% of the amount specified in the offer document*

4. Details of the object(s) to be monitored
(i) Cost of object(s)

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	<i>Funding the capital expenditure for setting up of new manufacturing units under the following newly incorporated wholly owned subsidiaries of the Company:</i>	<i>Letter of Offer</i>						
	<i>Future Ceramics Private Limited</i>		<i>173.37</i>	<i>Not Applicable</i>	<i>No comments</i>			
	<i>AGL Sanitaryware Private Limited</i>		<i>45.25</i>	<i>Not Applicable</i>	<i>No comments</i>			
	<i>AGL Surfaces Private Limited</i>		<i>32.17</i>	<i>Not Applicable</i>	<i>No comments</i>			
2	<i>Working Capital for Greenfield Projects, Morbi</i>	<i>Letter of Offer</i>	<i>39.40</i>	<i>Not Applicable</i>	<i>No comments</i>			
3	<i>Capex for setting up display center, Morbi</i>	<i>Letter of Offer</i>	<i>37.23</i>	<i>Not Applicable</i>	<i>No comments</i>			
4	<i>General Corporate Purpose</i>	<i>Letter of Offer</i>	<i>94.75</i>	<i>Not Applicable</i>	<i>No comments</i>			
	Total		422.17					

(ii) Progress in the object(s)

S.N.	Item Head*	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Capital expenditure	-Certification from Statutory Auditors -Bank statement of the proceeds account								
	Future Ceramic Private Limited (FCPL)	Same as above	173.37	-	50.55	50.55	122.82	No comments		
	AGL Sanitaryware Private Limited (ASWPL)	Same as above	45.26	-	-	-	45.26	No comments		
	AGL Surfaces Private Limited (ASFPL)	Same as above	32.17	-	-	-	32.17	No comments		
2	Funding the working capital requirements of the Proposed Projects, post commencement of commercial production	Same as above	39.40	-	-	-	39.40	No comments		
3	Funding the capital expenditure for setting up the display center at Morbi to showcase the entire range of products and capabilities	Same as above	37.23	-	-	-	37.23	No comments		
4	General corporate purposes	Same as above	94.75	94.75	-	94.75*	Nil	No Comments		
Total			422.17	94.75	50.55	145.30	276.87			

***Note: Amount of Rs. 86.35 crore is utilized for loans and advances to its subsidiary Crystal Ceramic Industries Limited for repayment of its term loans. This is in line with the proposed utilization of the proceeds under the head General Corporate purposes as specified in the objects of offer.**

(iii) Deployment of unutilized proceeds

S.N.	Type of instrument and name of the entity invested in	Amount invested [Rs. Crore]	Maturity date	Earning [Rs. Crore]	Return on Investment [%]	Market Value as at the end of quarter [Rs. Crore]
1	Fixed Deposit with HDFC Bank	150.00	July 08, 2023	2.26	5.85%	152.26
2	Fixed Deposit with HDFC Bank	60.00	September 04, 2023	0.31	6.05%	60.31
3	Fixed Deposit with Indusind Bank	20.00	August 08, 2023	0.22	6.75%	20.22
4	Fixed Deposit with Axis Bank	40.00	July 28, 2022	0.53	5.15%	40.53
5	Cash Credit Account, Current Account & Proceed Account	3.27*	-	-	-	3.27
6	Future ceramics Current Account	5.70	-	-	-	5.70
Total		278.97#	-	3.32	-	282.29

Source: As certified by RRS & Associates, the statutory auditor of the Issuer

*-Includes Rs 2 Cr deposited in Cash Credit account, which as confirmed by the management is intended to be used for land development expenditure for setting up the display Centre as mentioned in Item no. 3 of Table(ii).

#The additional unutilized amount of Rs 2.1 Cr pertains to unutilized Issue related expenses and Interest income net of withdrawals by AGL

(iv) Delay in the implementation of the object(s)

Object(s)	Completion date			Comments of the Issuer's Board of Directors	
	As per the offer document	Actual [^]	Delay [Number of days or months]	Reason for delay	Proposed course of action
Funding the capex - Future Ceramic Private Limited (FCPL)	March 31, 2023	-	-	NA	NA
Funding the capex – AGL Sanitaryware Private Limited	March 31, 2023	-	-	NA	NA
Funding the capex – AGL Surfaces Private Limited	March 31, 2023	-	-	NA	NA
Funding the capex – Display Center	March 31, 2023	-	-	NA	NA
Working Capital – Proposed Capex	March 31, 2024	-	-	NA	NA

Source: As confirmed by the Issuer's management

[^]Refers to the latest estimate of the completion date

5. Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
1	Payment to creditors, Utilities and Statutory Dues	8.40	Statutory auditor certification and Bank statements	No Comments	
	Creditors	5.42			
	Utilities	NIL			
	Statutory dues	2.98			
2	Loans and Advances to Subsidiary- Crystal Ceramics Industries Private Limited	86.35*	Statutory auditor certification and Bank statements	No Comments	
Total		94.75			

Note: Amount of Rs 86.35 crore is utilized for loans and advances to its subsidiary Crystal Ceramic Industries Limited for repayment of its term loans. This is in line with the proposed utilization of the proceeds under the head General Corporate purposes as specified in the objects of offer.

Disclosure on delayed information receipt: Statutory Auditor Certificate has been received on 12th November 2022.