

Date: 06.04.2022

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

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

Scrip Code: 532888

Scrip Code: ASIANTILES

Dear Sir,

Subject: Media Release: Asian Granito India Ltd's (AGL's) INR 441 Crores (USD ~60 Mn) Rights Issue ("The Issue") to open on April 25.

With reference to the captioned subject, please find enclosed herewith Press Release regarding Asian Granito India Ltd's (AGL's) INR 441 Crores (USD ~60 Mn) Rights Issue ("The Issue") to open on April 25.

This is in compliance with Regulation 30 of SEBI (LODR) Regulations, 2015.

Please take note of the same.

Thanking you,

Yours faithfully,

For Asian Granito India Limited

*Dhruti*  
Dhruti Trivedi  
Company Secretary and Compliance Officer



Encl.: Press Release

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Asian Granito India Ltd.

Media Release

## Asian Granito India Ltd's (AGL's) INR 441 Crores (USD ~60 Mn) Rights Issue (“The Issue”) to open on April 25

The Issue has been priced at INR 63 per share i.e. **46.6% discount** to closing share price of April 6; Issue to open on April 25<sup>th</sup> and close on May 10<sup>th</sup>

### Highlights:-

- Funds raised through the Issue shall be utilised towards the Company's Mega Expansion Plans in Value added Luxury Surfaces and Bathware Segments, setting up one of the India's largest Display Centres, working capital requirements of the above new projects and general corporate purposes;
- Company has fixed **April 12, 2022 as Record Date** for the purpose of determining the equity shareholders eligible to receive the rights entitlement in the rights issue;
- The **Rights Entitlement Ratio for the proposed Rights Issue is 37:30** (37 Rights Equity Shares of INR 10 each for every 30 equity shares of INR 10 each held by the equity shareholders as on the Record Date. The company to offer 7 Crores Equity Shares through this Rights Issue;
- Promoter Group shareholders have confirmed their participation of upto 28.99% of the total Issue Size i.e. upto 100% of their current shareholding, amounting **INR ~128 Crores**;
- Post Completion of the Issue, total outstanding Equity Shares of the Company to increase to **12.67 crores from 5.67 crores shares.**

**Ahmedabad, April 06, 2022:** Asian Granito India Limited (AGL), one of the largest Luxury Surfaces and Bathware Solutions brands in the country is scheduled to open its Rs. 441 crores Rights Issue on April 25, 2022. Rights issue proceeds will be utilised to fund its Mega Expansion Plans, set up three new state-of-the-art manufacturing facilities at Morbi, Gujarat in Value Added Luxury Surfaces & Bathware Segments including GVT Tiles, Sanitaryware and SPC Flooring, setting up one of the India's largest Display Centre, funding the working capital requirements of the above new projects and general corporate purposes. Shares under the Issue are offered at a price of INR 63 per Share i.e. 46.6% discount to the closing share price of Rs. 118 per share on April 06, 2022 on NSE. The Issue will close on May 10, 2022.

The Company will issue approximately 7,00,00,000 fully paid-up Equity Shares of face value of INR 10 each for cash at a price of INR 63 per Equity Share (including a premium of INR 53 per Equity Share) aggregating INR 441 crore on a rights basis to eligible equity shareholders in the ratio of 37:30 (37 Equity Shares for every 30 Equity shares fully paid-up Equity Share held by the Eligible Equity Shareholders). Company has fixed April 12, 2022 as record date for the purpose of determining equity shareholders entitled to receive the rights entitlement in the rights issue.

The Promoter & Promoter Group shareholders have confirmed their participation of up to 28.99% shareholding (i.e. upto 100% of their current shareholding) amounting to Rs. ~128 crores. Promoter and Promoter Group shareholders have also indicated that in case the the Issue is undersubscribed, they reserve the right to subscribe to part or the whole amount of the unsubscribed portion, subject to applicable laws. Post completion of the Issue, total outstanding shares of the Company would increase to 12,67,51,634 equity shares from 5,67,51,634 equity shares as on March 31, 2022. Pantomath Capital Advisors Pvt. Ltd. is the sole lead managers to the rights issue.

**Commenting on the development, Mr. Kamlesh Patel, Chairman and Managing Director, Asian Granito India Ltd** said, "AGL has lined up major expansion plans in Morbi region in the state of Gujarat, keeping in mind strategic locational advantages, proximity to the raw material sources, easy & quick availability of manpower, proximity to some of the country's largest ports, among others. With commercialisation of the proposed plans, AGL is expected to strengthen its position as an Integrated Luxury Surfaces and Bathware Solutions Brand and up the Group's margin profile in near to medium term."

Morbi is India's hub for Ceramic Tiles & Sanitaryware and accounts for more than 80% of the country's total production, housing over 1,100 manufacturing units.

#### **New entities incorporated for Expansion:-**

- **Future Ceramic Pvt Ltd - FCPL** (wholly owned subsidiary of AGL) to manufacture Value Added Large Format Glazed Vitrified Tiles (GVT) in 1200x1200 mm, 1200x1800 mm, 1200x2400 mm, 800x1600 mm and 800x2400 mm formats. To capture the vast opportunities in the GVT space, FCPL is setting up a new manufacturing facility at Morbi, Gujarat with an installed capacity of 5.94 million sq. mtrs. per annum. Total estimated cost for setting up the new manufacturing unit in FCPL is around INR 174 crores.
- **AGL Sanitaryware Pvt Ltd - ASWPL** (wholly owned subsidiary of AGL) plans to establish in-house manufacturing unit of Sanitaryware products. Currently, AGL deals in a range of Sanitaryware products, manufactured through third party manufacturers and imported from outside India, and are marketed under AGL Brand. To strengthen and scale up the Sanitaryware segment, the Group is setting up manufacturing facility at Morbi, with an installed capacity of 0.66 million pieces per annum. Estimated cost for setting up the proposed new unit is around INR 46 crores.
- **AGL Surfaces Pvt Ltd - ASFPL** (a wholly owned subsidiary of AGL) to manufacture innovative new age Stone Plastic Composite (SPC) flooring. ASFPL is incorporated as part of the Company's strategy to expand product portfolio and presence in high growth oriented export markets through value added offerings. The manufacturing facility is proposed to be set up at Morbi with an installed capacity of 2.97 million sq. mtrs. of flooring per annum. Total estimated cost for setting up the new manufacturing unit in ASFPL is around INR 33 crores.

The Company has estimated that total working capital requirement for all the New Projects in the

first year of commercial operations in 2023-24 will be around INR 80 crores, for which company is planning to utilise around INR 37 crores out of Rights Issue Proceeds.

The Company is also setting up one of the World's largest display centre at India's Ceramic Tiles hub - Morbi, Gujarat to showcase AGL Group's entire product range under single roof i.e. Tiles, Sanitaryware, Bathware, Quartz & Engineered Marble, SPC, etc. The five storey display centre is conceptualised in 1.5 lakh square feet of area and aims to showcase AGL Group's production, technological excellence and best in class sourcing caliber at single place and is also expected to enhance Company's brand and reach. Total estimated cost for setting up the Display Centre is around INR 40 crores.

The Net Proceeds of the Rights Issue shall be used for the Proposed Projects. Additionally, the Company also proposes to deploy the proceeds of the Rights Issue to meet general corporate purposes including other strategic initiatives, debt reduction in group, brand building and strengthening, marketing activities, and ongoing general corporate exigencies.

In Oct 2021, the Company successfully completed Rights Issue of INR 224.64 crores. Post this, the Company has become net debt free on a standalone basis. The issue was oversubscribed by 1.15 times (Issue Size: INR 224.64 crores; Bids Received: INR 258.77 crores).

The Company currently exports to more than 100 countries and planning to expand to 120 plus countries. Company targets to increase its retail touch points to over 10,000, expand exclusive showrooms to over 500.

#### **Highlights of Key Strategic Initiatives and Milestones achieved in FY22:-**

- ICRA upgrades rating of Asian Granito India Ltd to **“A Positive with a Stable Outlook”**.
- Exited its non-core investment in Astron Paper Board Mill Ltd with a LTCG free profit of INR 38 crores to focus on core business.
- Crystal Ceramic Industries Private Limited (subsidiary of AGL) completed a major expansion of 12,000 sq. mtrs. per day Glazed Vitrified Tiles with investment of INR 25 crores at Mehsana, Gujarat in June 2021, taking its total installed capacity to 36,000 sq. mtrs. per day.
- The Company has entered into a manufacturing outsourcing agreement with its associate concern **M/s Adicon Ceramica LLP** (“Adicon”). Adicon has started manufacturing large format GVT Slabs of 1600x3200 mm size using ultra-modern fully automated Italian technology with an installed capacity of 15,000 sq. mtrs. per day. AGL will now start marketing the product under the **“AGL” Brand**.
- In a move to create living and business spaces safer, beautiful and hygienic than ever in Covid era, the Company has launched ‘AGL Tuffguard Anti-Bacterial Tile’ and ‘Touch Free’ range of bathware.

## **About Asian Granito India Limited**

Established in the year 2000, Asian Granito India Ltd. (AGL) has emerged as India's leading Luxury Surfaces and Bathware Solutions brand in a short span of two decades. The company manufactures and markets a wide range of Tiles, Engineered Marble and Quartz, Sanitaryware and Faucets. AGL products are synonymous with reliability, adaptability, innovation, quality consciousness and the company has created a strong brand identity, well recognized globally and loyal customer following across segments.

Ranked amongst the top ceramic tiles companies in India, AGL has achieved nearly 40 times growth in its production capacity, from 2,500 square meters per day in the year 2000 to 98,000 + square meters per day, as on date. AGL is also the only tiles company to be acknowledged in the Vibrant Gujarat Summit 2015 for achieving phenomenal growth.

The Company has 9 state-of-the-art manufacturing units spread across Gujarat and 311 exclusive showrooms, 12 display centers across India. Further, the company has an extensive marketing and distribution network pan India as well as in export markets.

The company looks to strengthen its identity as the leader in the Indian ceramic industry by consistently introducing innovative and value-added products in the market to keep pace with its valued customers. Headquartered in Ahmedabad, AGL is listed on NSE & BSE and reported net consolidated turnover of INR 1292.3 crores in 2020-21. Company exports to more than 100 countries. (For more information, please visit: [www.aglasiangranito.com](http://www.aglasiangranito.com))

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