

24th August, 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,

Sub: Submission of Annual Report for the Financial Year 2021-22 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, we hereby inform you that 27th Annual General Meeting of the Company shall be held on Friday, 16th September, 2022 at 11 a.m. through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015, we enclose herewith Annual Report for the Financial Year 2021-22 along with the Notice convening 27th Annual General Meeting and the said reports are being sent to the shareholders today through e-mail and have been uploaded on the “investor relations” section of the website of the Company www.aglasiangranito.com.

We request you to take above on your records.

Thanking You.

Yours faithfully,
For, Asian Granito India Limited

Shankh
Dhruti Trivedi
Company Secretary



Encl.: as above

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202, Dev Arc, Opp. Iskcon Temple,
S. G. Highway, Ahmedabad - 380 015
Gujarat (INDIA)

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CIN : L17110GJ1995PLC027025

INNOVATING LIFESTYLES



ANNUAL
REPORT



CONTENTS



2 AGL – The Lifestyle Company

Transforming Spaces...
Through the Years! **6**

8 Making Lifestyle
Changes... Around
the Globe

Living the
Lifestyle Change **10**

12 Innovating Lifestyles
that Epitomize Luxury

Shaping Ideas through
Production Excellence **14**

16 Building Spaces
Around Relationships

Crafting a Lifestyle-
Centric Brand **17**

18 Financial Highlights

Chairman's
Commiqué **20**

23 From the Managing
Director's Desk

Business
Segment Overview **26**

32 Board of Directors



Statutory Reports

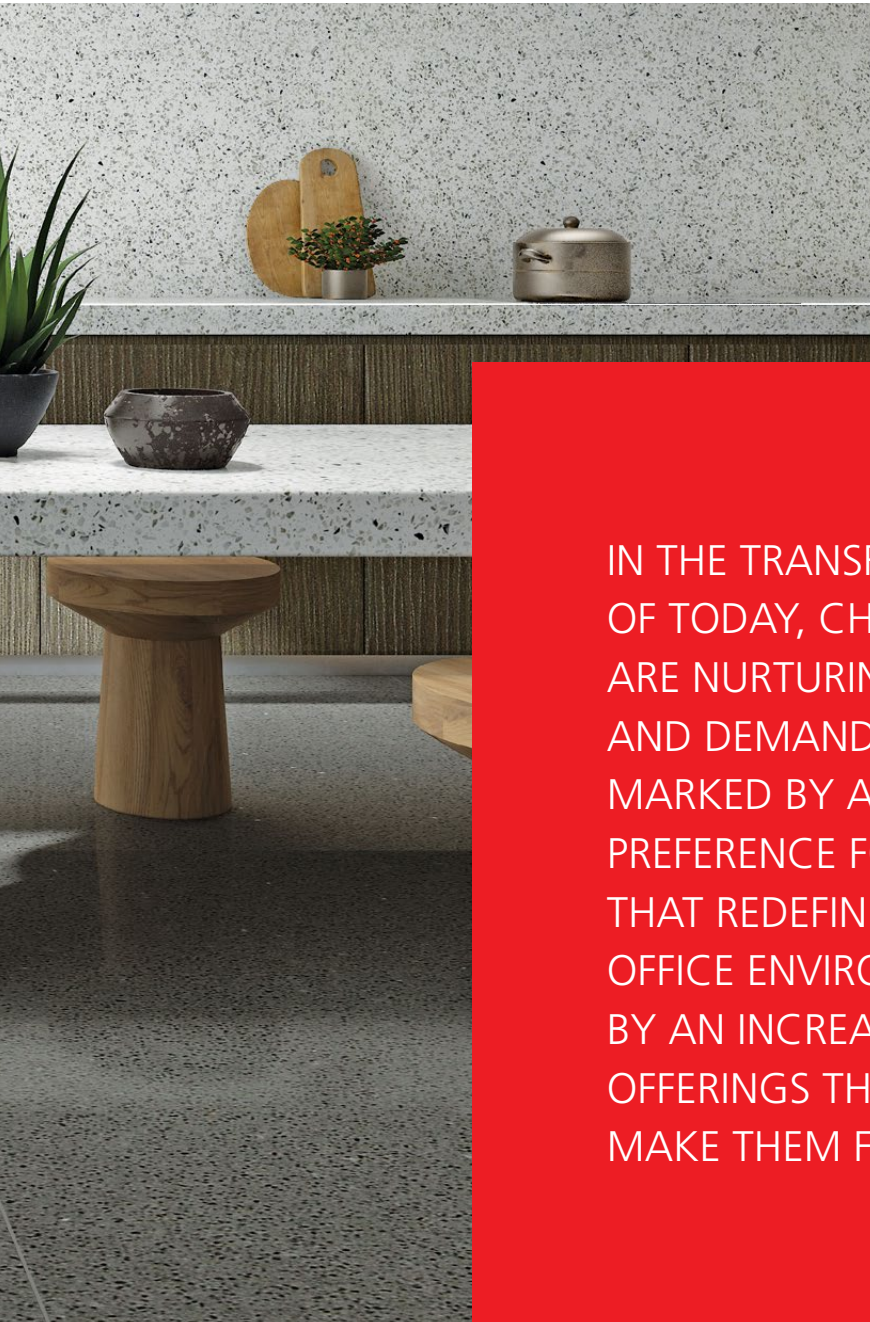
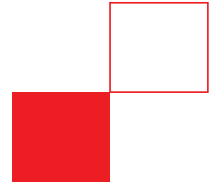
- 34** Management Discussion and Analysis
- 46** Directors' Report
- 71** Business Responsibility Report
- 78** Report on Corporate Governance
- 103** CEO & CFO Certificate
- 105** Certificate on Compliance

Financial Statements

- 106** Standalone Financial Statements
- 173** Consolidated Financial Statements
- 240** Notice
- 250** Corporate Information



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read online, please log on to
www.aglasiangranito.com



IN THE TRANSFORMING WORLD OF TODAY, CHANGING LIFESTYLES ARE NURTURING NEW ASPIRATIONS AND DEMANDS. THIS EVOLUTION IS MARKED BY A SHIFT IN CONSUMER PREFERENCE FOR LUXURY PRODUCTS THAT REDEFINE THEIR HOME AND OFFICE ENVIRONMENT. IT IS SHAPED BY AN INCREASING PENCHANT FOR OFFERINGS THAT LOOK GOOD, AND MAKE THEM FEEL EVEN BETTER.

Amid this new reality, Asian Granito India Limited (AGL) is fast emerging as the preferred choice for consumers of luxury surfaces and bathroom solutions around the world. With our futuristic vision and pioneering approach, we have built an excellent proposition of exciting and appealing products and solutions designed to meet the desires of the new-age customers, who can afford to, and is willing to spend on enhancing their lifestyles.

Led by our ground-breaking offerings, we, at AGL, do much more than innovate new products to fulfill the aspirational transformation of the contemporary consumer. We innovate lifestyles with our enviable varieties of luxury surfaces and bathroom solutions that are designed to transform spaces, and create a life-transforming experience for our growing clientele within and outside India.



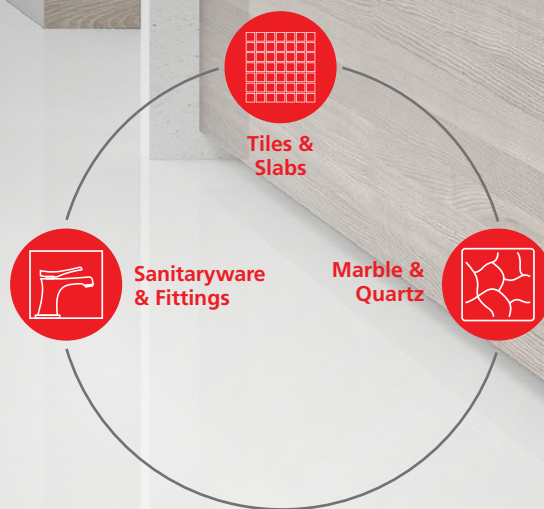
AGL – THE LIFESTYLE COMPANY

ASIAN GRANITO INDIA LIMITED (AGL/THE COMPANY) IS A CONTINUOUSLY GROWING AND EVOLVING LUXURY SURFACES AND BATHWARE COMPANY, WITH A LARGE AND DISTINCTIVE PORTFOLIO OF HIGH-QUALITY PRODUCTS. LED BY INNOVATION AND DRIVEN BY A DEEP UNDERSTANDING OF THE TRANSFORMING CONSUMER NEEDS, AGL HAS, OVER THE YEARS, GROWN INTO A DIVERSIFIED BUSINESS WITH A GLOBAL FOOTPRINT ENCOMPASSING 100 COUNTRIES.

WE CATER TO THE ASPIRATIONAL LIFESTYLE NEED OF THE NEW-AGE CONSUMER FOR BEST-IN-CLASS PRODUCTS, DESIGNED TO TRANSFORM THEIR HOME AND WORKSPACES THROUGH NEW-AGE SOLUTIONS. WE PROVIDE SOLUTIONS FOR EVERY SPACE – FROM FLOORING TO WALLS, TO COUNTERTOPS AND BATHWARE.

Making spaces matter

Incorporated in 1995 as Karnavati Fincap Private Limited, AGL started its Tiles operations in 2001. It is today a leading new-age luxury surfaces and bathroom solutions company headquartered at Ahmedabad, Gujarat. AGL has, over the years, grown into a multi-product company, engaged in the business of creating distinctive spaces that make a difference to homes and buildings globally.



OUR VISION

- Aspire to beautify world by attaining global leadership through innovative ceramic products, customer delight and satisfying all stakeholders
- Remain undisputed leader in Marble & Quartz in India

OUR MISSION




- Growing profitably across the AGL Group
- To be pioneer in bringing latest technology and provide best quality products
- Create competitive advantage in market and lead the industry by innovations
- To create healthy & productive work environment for all employees and associates
- To empower communities for working towards safe, clean and green environment



Products that redefine luxury

AGL has leveraged its in-depth expertise and understanding of building materials over the years to diversify its base and evolve as a brand providing integrated solutions under one umbrella. Our product portfolio is crafted to give a new meaning to luxury, bringing it closer home through a single-window proposition.

We currently manufacture and market a wide range of products, including Floor Tiles, Wall Tiles, Parking Tiles, Glazed Vitrified Tiles (GVT), Polished Vitrified Tiles (PVT), Double Charge Tiles, Countertops, Quartz Surfaces, Marble Surfaces, Sanitaryware, Bathware, CP Fittings, Faucets and Construction Chemicals.

 <p>TILES 4,333 SKUs</p>	 <p>ENGINEERED MARBLE & QUARTZ STONE 97 SKUs</p>	 <p>BATHWARE & FAUCETS 530 SKUs</p>
<ul style="list-style-type: none"> • Vitrified and ceramic, including polished, double charged, glazed, unglazed, rustic, matt, homogenous and non-homogeneous body, etc. • Catering to consumer needs across price points • Ceramic floor & parking tiles – 950 SKUs • Wall tiles – 2,361 SKUs • Polished vitrified tiles & DC tiles – 116 SKUs • Glazed vitrified tiles – 906 	<ul style="list-style-type: none"> • Varied thickness, design, shape and color range • Catering to the middle to upper-middle segment • Quartz – 55 SKUs across 7 Series • Composite Marble – 42 SKUs across 9 Series 	<ul style="list-style-type: none"> • Faucets and sanitary ware such as wash basins, urinals, one piece and wall hung water closets, among others • Features like anti-bacterial, twin flushing technology, scratch, chemical and stain resistant, etc. • Sanitaryware & Bathware - 180+ SKUs • Faucets & CP Fittings - 350+ SKUs



OUR CORE VALUES



Integrity

We are fair and ethical while taking every decision.



Innovation

Being innovative is the belief and priority of AGL. It defines us and contributes greatly to our purpose of making lives more beautiful.



Quality and customer focus

AGL strives to provide highest quality products with an objective to add value to the success of our customers.



Discipline

We create and adhere to a strict code of conduct.



Continuous improvement

We consistently strive to improve our products, services, internal practices, skills and overall culture of the organization through incremental and breakthrough progress.



Teamwork

We are committed to creating an environment of teamwork. Every member of AGL team is valued and respected for their contribution.

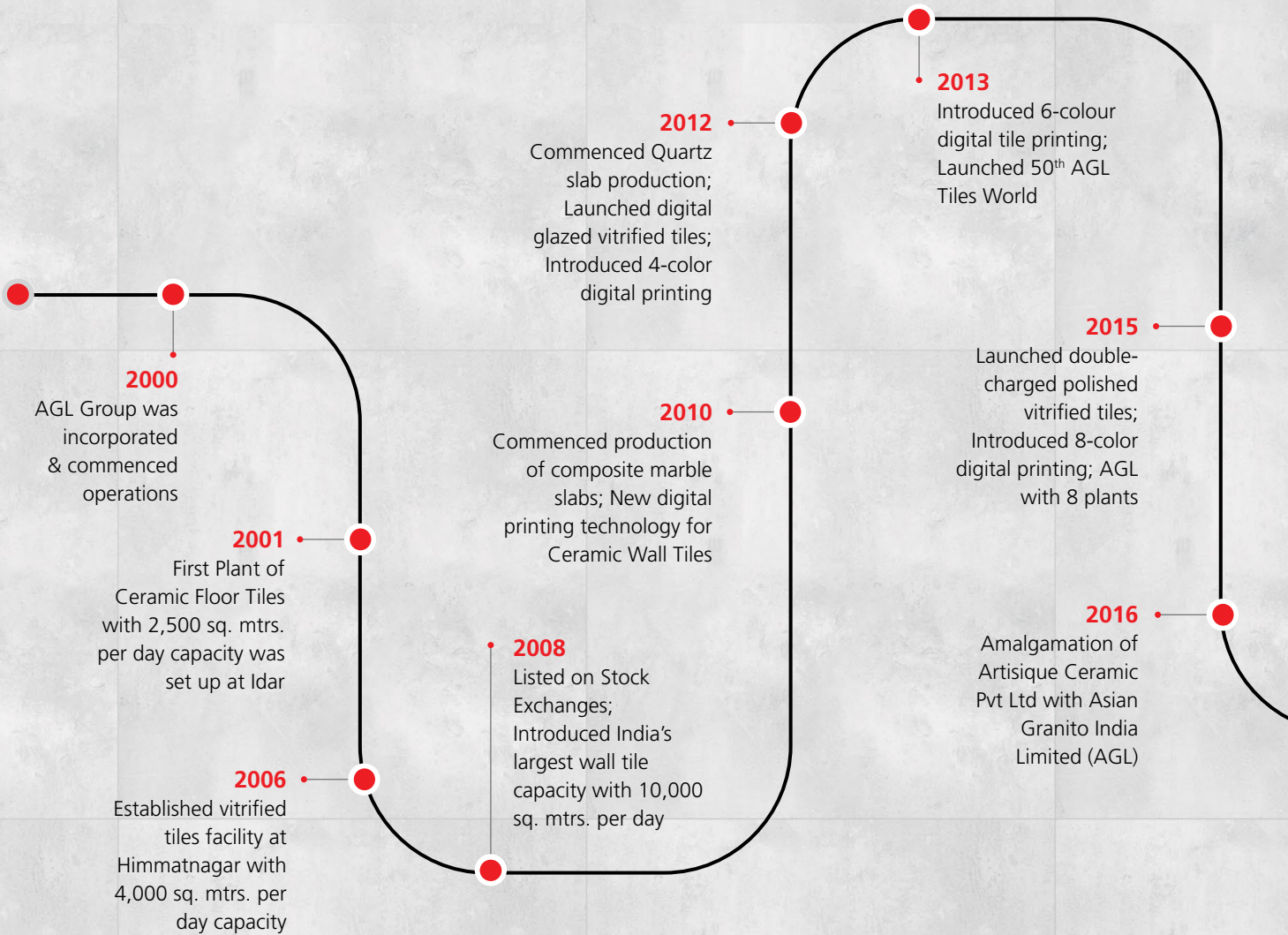


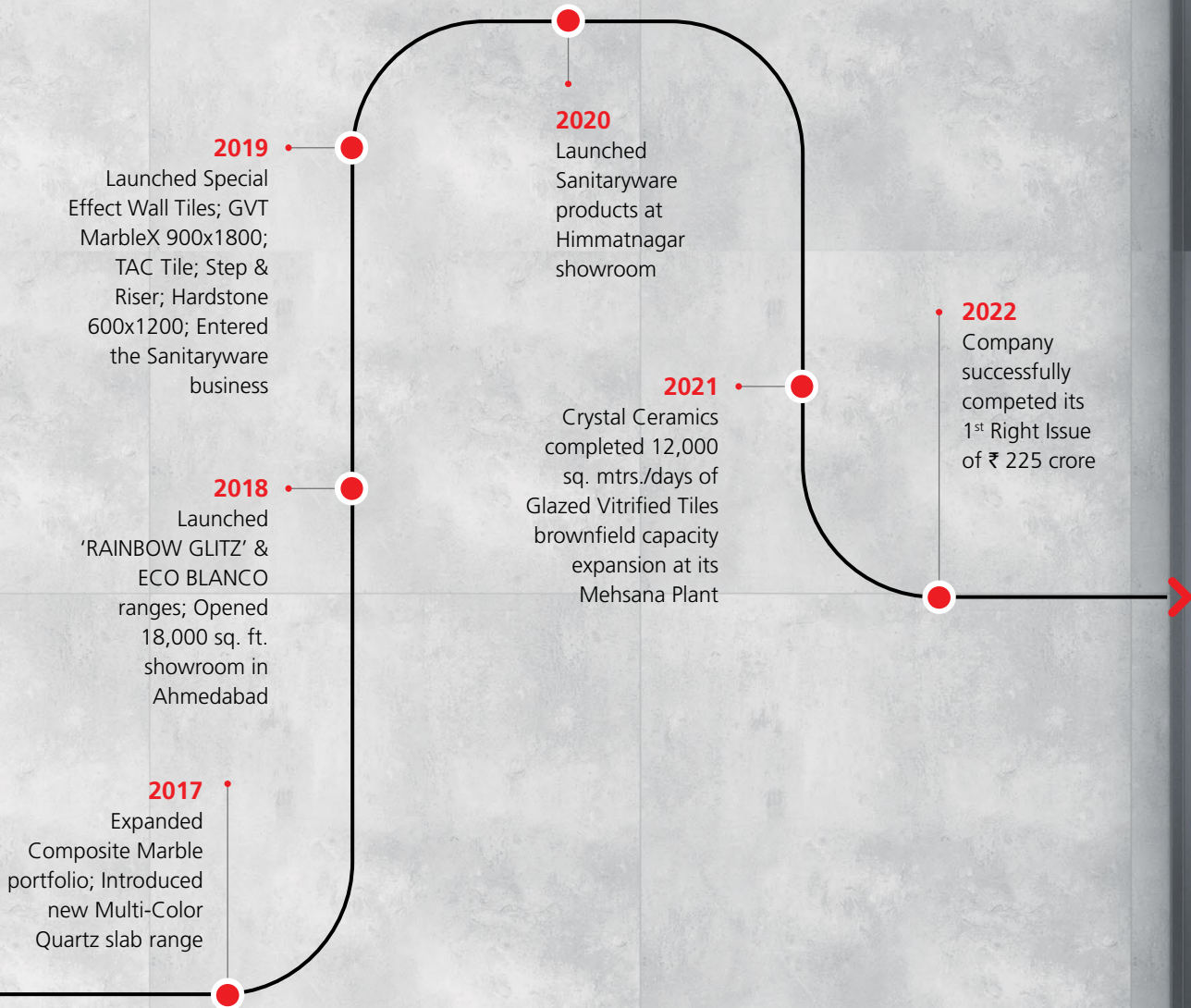
Transparency

We share every learning and failure with the world and are open to feedback.



TRANSFORMING SPACES... THROUGH THE YEARS!





2017
Expanded Composite Marble portfolio; Introduced new Multi-Color Quartz slab range

2018
Launched 'RAINBOW GLITZ' & ECO BLANCO ranges; Opened 18,000 sq. ft. showroom in Ahmedabad

2019
Launched Special Effect Wall Tiles; GVT MarbleX 900x1800; TAC Tile; Step & Riser; Hardstone 600x1200; Entered the Sanitaryware business

2020
Launched Sanitaryware products at Himmatnagar showroom

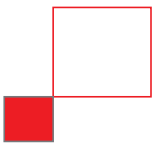
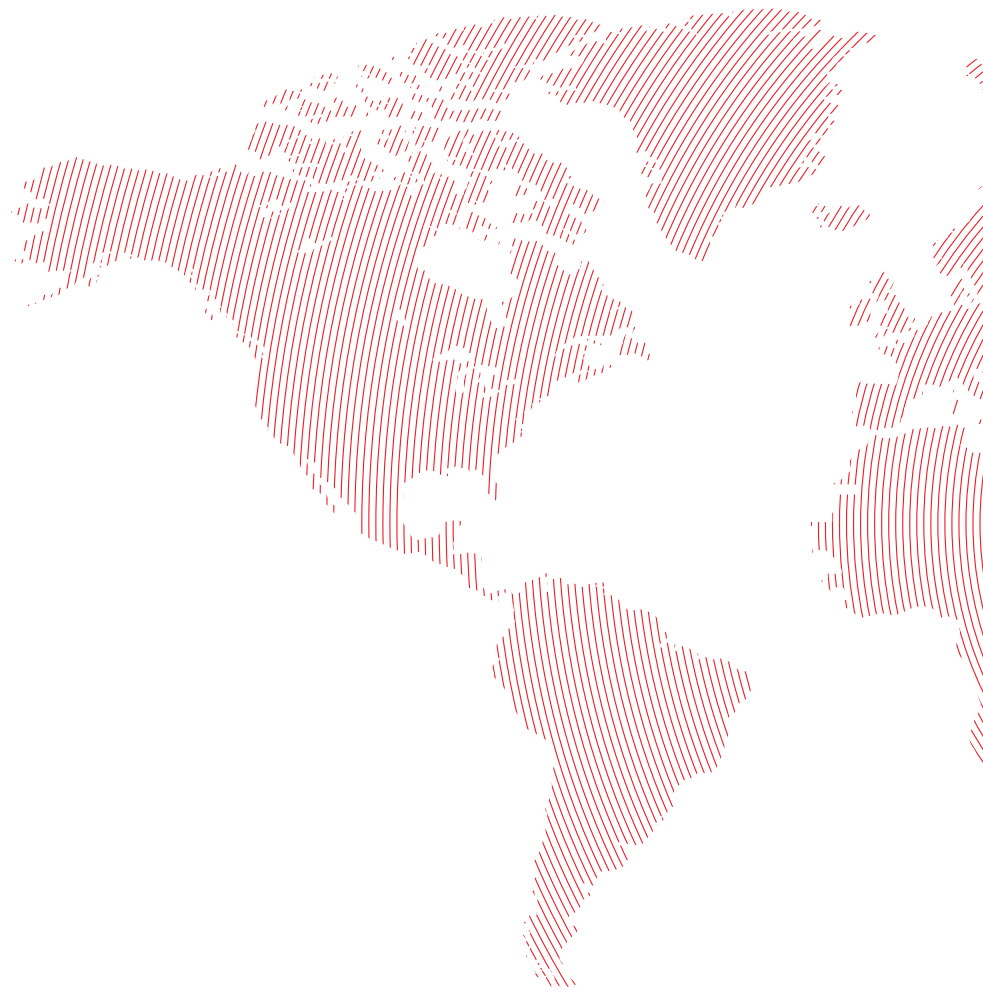
2021
Crystal Ceramics completed 12,000 sq. mtrs./days of Glazed Vitrified Tiles brownfield capacity expansion at its Mehsana Plant

2022
Company successfully completed its 1st Right Issue of ₹ 225 crore



MAKING LIFESTYLE CHANGES... AROUND THE GLOBE

PROPELLED BY OUR DEEP INSIGHTS INTO THE EVOLVING MARKET AND CONSUMER TRENDS, AND POWERED BY OUR LARGE AND DIVERSIFIED PRODUCT PORTFOLIO, WE HAVE EXPANDED OUR BUSINESS OUTREACH TO 100 COUNTRIES ACROSS THE WORLD. WITHIN INDIA, OUR PRESENCE SPANS 35 STATES AND UNION TERRITORIES.



4th Largest

Listed Ceramic Tiles Company

35

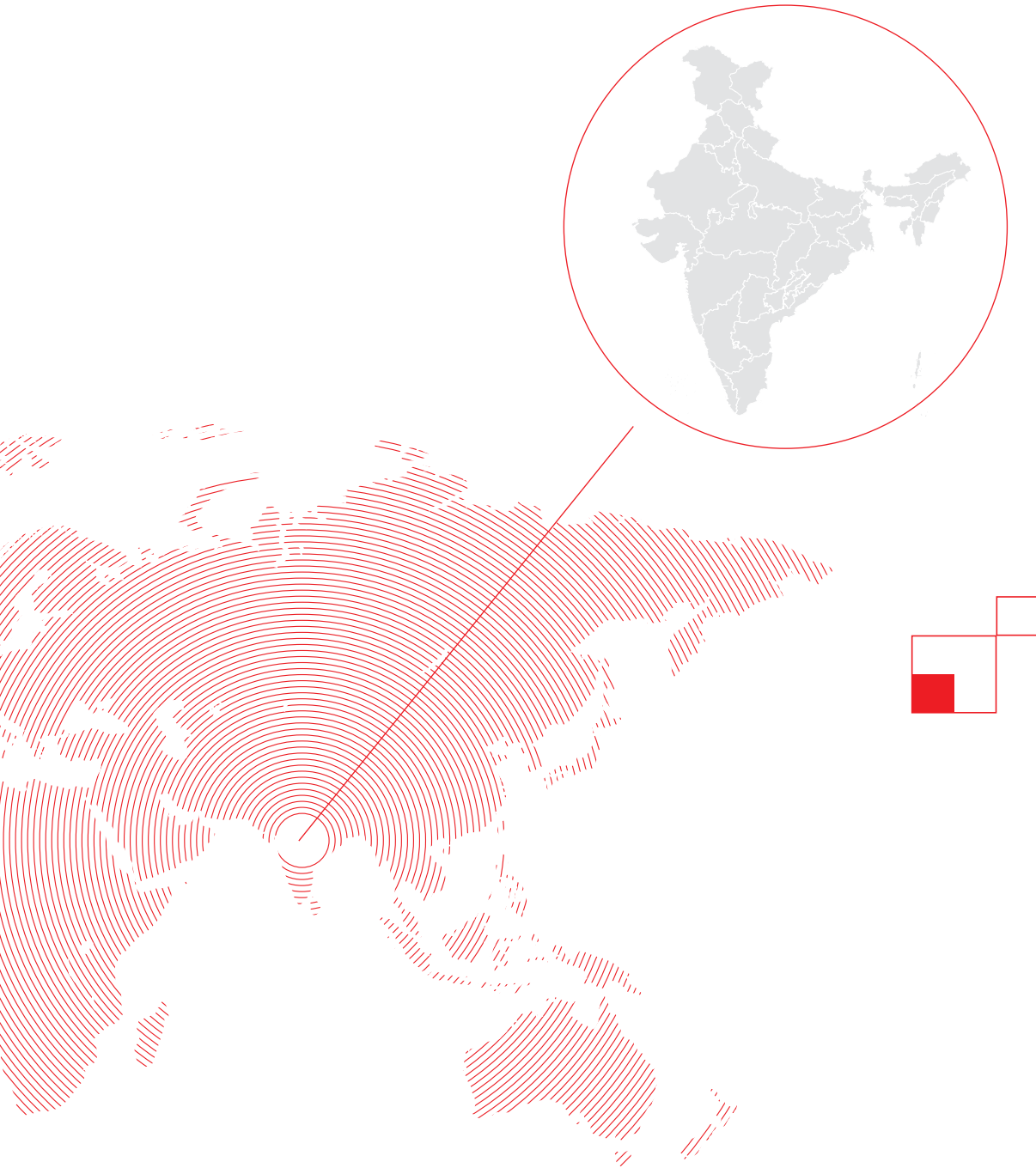
States & UTs of Presence in India

67

Distributors at Strategic Locations
across 14 States & UTs

2,700+

Dealers & Sub-Dealers
across 33 States & UTs



100

Countries of Export

6,500+

Touchpoints

299

Exclusive AGL Franchise Partners
across 24 States & UTs

12

Company Owned Display
Centers across 7 States

(As on 31 March, 2022)



LIVING THE LIFESTYLE CHANGE

AT AGL, WE ARE CONTINUOUSLY TRANSFORMING OUR INNER CORE TO LIVE THE CHANGE WE WANT TO SEE IN THE REST OF THE WORLD. WE INNOVATE CONTINUOUSLY ON OUR SYSTEMS AND PROCESSES TO CURATE PRODUCT INNOVATIONS. WE EMBRACE TECHNOLOGY TO CREATE A VARIETY OF HIGH-TECH, ROBUST AND RESILIENT SPACES. WE DESIGN THE ORGANIZATIONAL TOOLS IN A WAY THAT IS ALIGNED WITH THE ASPIRATIONAL LIFESTYLE CHANGES THAT CONSUMERS SEEK IN THEIR SPACES.

Our core strengths, including our internal R&D expertise, manufacturing capabilities, well-established quality assurance system, production designing experience, along with marketing and distribution relationships, have enabled us to become a part of the global change process. They have led to AGL's evolution from a single-product company into a multi-solutions business group.

Our marquee corporate, institutional and projects clientele endorse the quality ethos underlined by every AGL product. The growing scale and consistent performance of our business underscores the deep-rooted core strengths that we have steadfastly built to create an industry-leading organization.

AGL HAS GROWN FROM A ₹ 0.88 CRORE BUSINESS IN 2000 INTO A ₹ 1,563 CRORE COMPANY AS OF FY 2021-22. THIS EXTRAORDINARY PACE OF GROWTH IS MATCHED BY OUR GROWING PORTFOLIO, EXPANDING REACH, AND ENHANCED CAPACITIES. OUR TOTAL CAPACITY HAS GONE UP FROM 0.83 MILLION SQ. MTRS. PER ANNUM IN 2000 TO 34.5 MILLION SQ. MTRS. PER ANNUM IN FY 2021-22.



Our stringent compliance with internal quality controls and international standards of quality have enabled us to expand our operations internationally to 100 countries, including China, Israel, United States of America, Germany, Spain, Italy, Korea, Thailand, Myanmar, Canada, Indonesia, Australia, Bangladesh, Vietnam, Brazil, GCC Countries, Kenya, etc. Apart from manufacturing products for our dealers and distributors, we are also selling to builders, government supplies, project customers and overseas customers.



INNOVATING LIFESTYLES THAT EPITOMIZE LUXURY

INNOVATION IS AT THE HEART OF OUR STRATEGIC APPROACH TO DELIVER LIFESTYLE TRANSFORMING PRODUCTS AND SOLUTIONS TO CUSTOMERS AROUND THE WORLD. OUR INNOVATION STRENGTH IS EVIDENT IN OUR LARGE PORTFOLIO OF DIVERSIFIED PRODUCTS DESIGNED TO MEET VARIED NEEDS AND DESIRES OF CUSTOMERS, ACROSS REGIONS, CATEGORIES AND PRICE POINTS. IT IS DRIVEN BY OUR ROBUST IN-HOUSE RESEARCH & DEVELOPMENT (R&D) FACILITIES, LED BY COMPETENT AND QUALIFIED TEAMS OF PROFESSIONALS.



STORY OF MANY 'FIRSTS'

Our innovation thrust is reflected in our various first-time products, solutions and other initiatives.

- **First to introduce 450X450 Outdoor Tiles with 12 MM thickness**
- **Pioneer in Water Jet Technology**
- **Launched pioneering Slimgres Tiles**
- **Introduced Grestek XXL Large Format Tiles**
- **First to introduce White Double Charge Vitrified Tiles - Carrara White**
- **30 MM thickness Multi Color Quartz Slab**
- **Introduced Large Format Wall and Vitrified Tiles**
- **First in India to have Digital 9-Color Printing Technology**
- **Introduced 16 MM Thick Heavy Duty Vitrified Tiles – Grestek Hardstone**
- **First to establish Online Vitrified Technology**

OUR CONTINUOUS PRODUCT DEVELOPMENT EFFORTS ENABLE US TO REGULARLY INTRODUCE NEW DESIGNS, MATCH THE CUSTOMER REQUIREMENTS AND EVOLVING MARKET TRENDS, BACKED BY BRAND RECOGNITION AND RECALL. WE BELIEVE THAT MAINTAINING A WIDE RANGE OF DESIGNS AND OFFERING VARIOUS PRODUCT SIZES EMPOWERS US NOT ONLY TO CATER TO THE DIVERSE NEEDS OF DIFFERENT CUSTOMER SEGMENTS BUT ALSO TO CAPTURE A HIGHER MARKET SHARE.

In-house design expertise

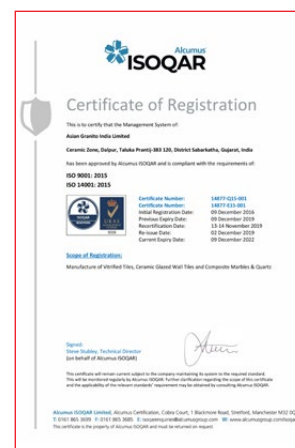
We have developed an expert and experienced in-house product development team, which enables us to innovate products sought by the new-age customers. We also engage closely with our network partners, such as dealers, distributors and customers, to secure insights into the evolving and emerging trends in terms of patterns, sizes and materials. This helps us keep pace with the changing aspirations and trending demands of consumers globally. It has, over the years, led to the expansion, diversification and evolution of our product portfolio, transforming our value proposition from being a pure-play wall tiles player to offering ceramic floor tiles, glazed vitrified tiles, polished vitrified tiles, engineered marble & quartz stone, and bathware solutions providing an integrated set of surfaces and bathware solutions to our customers.

1,400+

Innovative designs in various series and sizes

High quality assurance

Our in-house Quality Control department ensures high level of quality control and assurance, aligned to international standards. We are committed to stringent adherence to global quality benchmarks in all our products and ensure the same through focused design interventions.



SHAPING IDEAS THROUGH PRODUCTION EXCELLENCE

OUR MANUFACTURING STRENGTH IS A KEY DRIVER OF OUR JOURNEY OF EXCELLENCE AND EXPANSION. IT HELPS US GIVE SHAPE TO OUR INNOVATION-LED IDEAS, TO TRANSFORM EVERY SPACE INTO A VIBRANT INTERFACE THAT CAN CONNECT WITH THE USER.



WE FOLLOW A WORKER-FRIENDLY POLICY AND MAINTAIN CORDIAL RELATIONS WITH OUR WORKFORCE, WHICH HELPS US IN ENSURING SMOOTH PRODUCTION PROCESS IN OUR FACILITIES.

34.5 Million Sq. Mtrs. Per Annum

Total installed capacity

AGL currently owns five state-of-the-art manufacturing facilities and one windmill in Gujarat. Each of our manufacturing facilities has the ability to manufacture various ranges and sizes of tiles, and the products can be inter-changed to address the requirements of customers. Our Company is CE compliant and SASO certified. We also manufacture products through job work basis, for which our Company has entered contracts with vendors for manufacturing at their respective facilities.

Our wind mill, situated in Kutch, helps meet the power requirements of our production facilities, thus reducing the usage of fossil fuel and lowering our carbon footprint.

Our manufacturing units

Plant	Location	Products Manufactured	Installed Capacity
Plant I (3 units)	Dalpur, Himmatnagar	Ceramic Wall Tiles, Glazed Vitrified Tiles, Engineered Marble, Quartz Stone	22,100 sq. mtrs. per day
Plant II	Dholka, Gujarat	Ceramic Wall Tiles	7,000 sq. mtrs. per day
Plant III	Idar, Sabarkantha	Ceramic Floor Tiles	8,000 sq. mtrs. per day
Plant IV	Mehsana, Gujarat	Operated through our material subsidiary Crystal Ceramics Industries Limited	36,000 sq. mtrs. per day
Plant V	Dalpur, Gujarat	Operated through our material subsidiary Amazoone Ceramics Limited	6,500 sq. mtrs. per day

Our production edge

- Our facilities are multi-purpose and designed to allow a certain level of flexibility, enabling us to manufacture various sizes of products
- This flexibility also lends us the ability to modify and customize our product portfolio to address the changing requirements of customers with minimal future capital investments
- Our continuous investments in our manufacturing infrastructure support our growing product portfolio requirements and reach
- All our facilities are supplemented by vital basic utilities, such as water, power, effluent treatment plant, etc.
- We use Management Information Systems (“MIS”) tools for monitoring our efficiency in operations, with our trained and experienced manpower constantly endeavoring to improve the production process to deliver maximum efficiency through optimum utilization of resources

Quality that bespeaks luxury

At AGL, we have prioritized quality compliance as vital for the Company's growth and expansion into new markets and geographies. Our products underscore the highest standards of quality, and signify the best in luxury spaces.

Our Plant I and Plant III are ISO 9001:2015 and ISO 14001:2015 certified. All our units have quality control facilities, comprising quality assurance with quality control teams to check and test products through the value chain – from the raw material to the finished product stage. The Quality Control Facility at each unit also carries out tests through the stages of our manufacturing processes to ensure that the quality is maintained at every step of the process. This ensures that our products meet the highest applicable and industry recognized standards.

Carving exceptional spaces with best-in-class equipment

Technology is a critical enabler of our manufacturing excellence, and the engine which helps us create appealing places. Our units are equipped with high-end machinery purchased from Italy, China, India, etc., besides having a range of testing equipment. We utilize high-end technologies such as water jet cutting technology, online vitrification, digital color printing machine, pressing, drying and heating with waste heat utilization plant, effluent treatment, nano filtration, evaporator, etc., wastewater reuse and recycle, etc. This not only enables manufacturing of various sizes of products but also helps minimize human labor involvement and promote cost efficiencies.

Strategic location ensuring logistics ease

The strategic location of our plants ensures smooth and cost-effective procurement of key raw materials from the quarries in Rajasthan. Our units are based across the state of Gujarat, located in the neighborhood of Rajasthan, and are easily accessible by road. Proximity to raw materials enables us to maintain cost efficiency and lower our raw material inventories. The state of Gujarat also is well connected through multiple transportation mediums, providing ease of mobility for our products to reach our various touchpoints on time. Timely and cost-effective deliveries enable us to ensure customer loyalty, expansion into new markets, and good business margins.



BUILDING SPACES AROUND RELATIONSHIPS

CENTRAL TO AGL'S VALUE PROPOSITION IS ITS STRONG SALES AND DEALER RELATIONSHIPS. WE BELIEVE THESE RELATIONSHIPS TO BE A CORE PILLAR OF THE ASPIRATIONAL SPACES THAT WE STRIVE TO CREATE FOR OUR CUSTOMERS. WE HAVE DEVELOPED A ROBUST MARKETING MODEL FOR OUR DOMESTIC AND EXPORT OPERATIONS. THE MODEL IS DIVIDED MAJORLY INTO SUPPLY OF OUR PRODUCTS THROUGH DEALER-DISTRIBUTION NETWORK, AND SUPPLY OF PRODUCTS FOR INFRASTRUCTURE-RELATED PROJECTS TO GOVERNMENT AS WELL AS PRIVATE ENTERPRISES AND PRIVATE CUSTOMERS.

Global presence

Of 2,700+ registered dealers, including sub dealers, across the globe

Showcasing products

We facilitate display and sales from owned as well as rented showrooms, in addition to setting up our Company's exclusive dealer showrooms. AGL currently has 310+ showrooms across the country. These include 299+ franchise-owned and franchise operated (FOFO) exclusive showrooms and 12 company-owned and company-operated (COCO) display centers.

Setting trends

We believe our dealer relationships are led primarily by our ability to develop new and trending designs. This ability also

equips us to meet stringent quality and technical specifications, and provide better pricing and delivery terms than those of our competitors. Our strong dealer relationships facilitate us in maintaining high customer retention.

Our dealer network is aided by our in-house sales and marketing team, which liaises with the dealers on a regular basis for customer inputs, market demands, design improvements and new product development. The team also helps in better positioning of our products vis-à-vis competition.

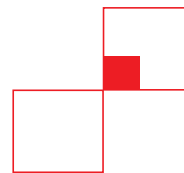
CRAFTING A LIFESTYLE-CENTRIC BRAND

ENHANCING BRAND VISIBILITY REMAINS AN IMPORTANT PILLAR OF OUR LONG-TERM STRATEGIC GROWTH PLAN. WE ARE MAKING CONTINUAL INVESTMENTS IN BRAND PROMOTION, WITH A VIEW TO ENSURE STRONG BRAND RECALL FOR AGL AND ITS OFFERINGS.

We have adopted various new-age tools and means to enhance our brand visibility over the years. We are expanding and leveraging our social media presence, which we continue to follow through with targeted campaigns and influencer marketing.

Our growing social media presence is endorsed by our increasing follower base across platforms.

AGL IS THE HIGHEST FOLLOWED TILES BRAND ON FACEBOOK IN INDIA.



1.3 Million

Followers on Facebook

35K

Followers on Instagram

4K

Followers on Twitter

Going forward

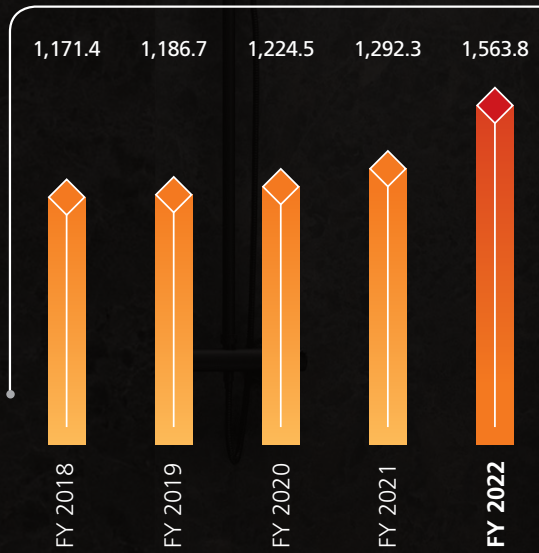
Moving ahead, we plan to induct a well-known and respected celebrity icon as brand ambassador to enhance the AGL brand visibility. We shall open a host of experience centers at high footfall locations around the country to further strengthen our brand. Advertising campaigns, coupled with social media campaigns, marketing drives and other initiatives, will further help create brand awareness and recognition for our offerings, particularly in the under-penetrated markets and segments.

We shall also focus on further expanding our international presence to strengthen the AGL brand proposition in more and more countries, especially the developed nations. In the domestic market, our focus will be on expanding our brand presence through increased retail touchpoints.



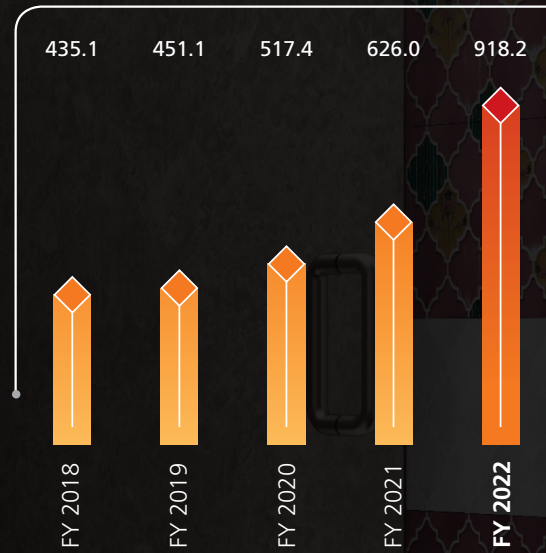
FINANCIAL HIGHLIGHTS

Net Revenue



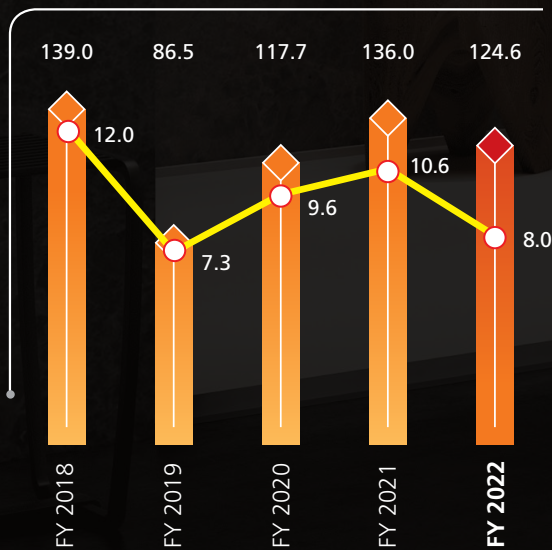
Net Revenue (₹ in crore)

Net Worth



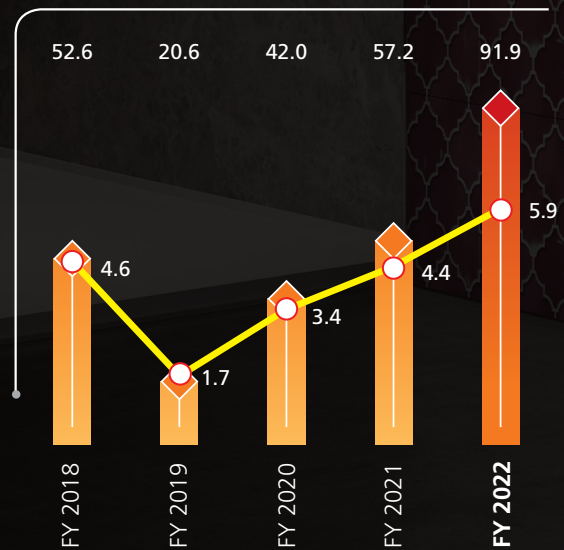
Net Worth (₹ in crore)

EBITDA & EBITDA Margin



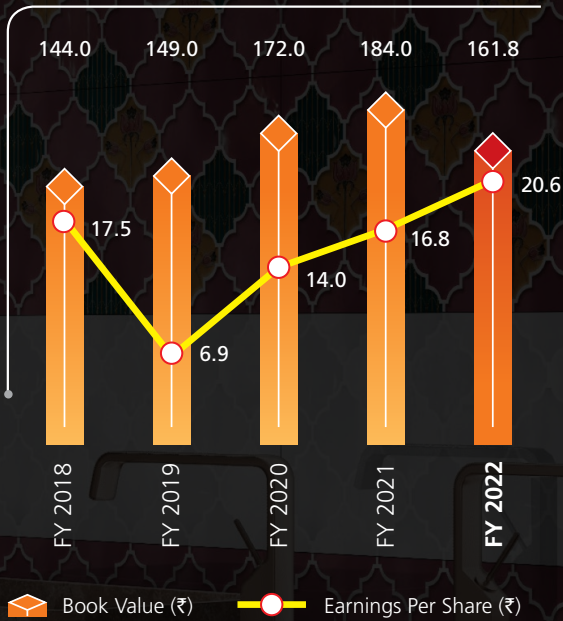
EBITDA (₹ in crore) EBITDA Margin (%)

PAT & PAT Margin

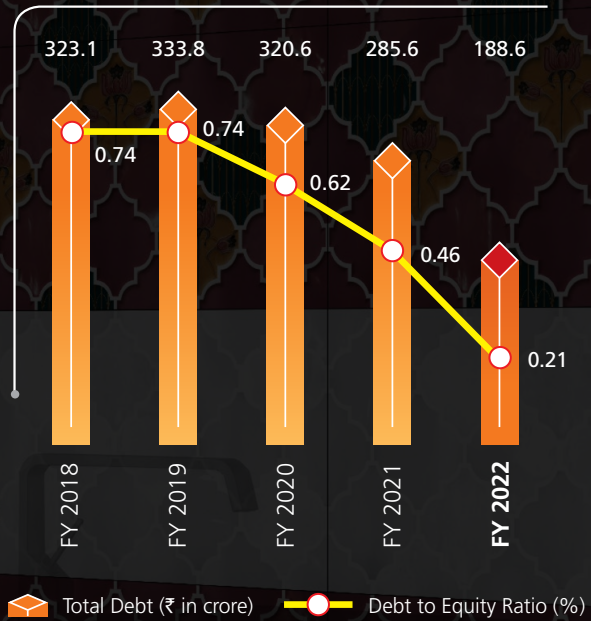


PAT (₹ in crore) PAT Margin (%)

Book Value & Earnings Per Share



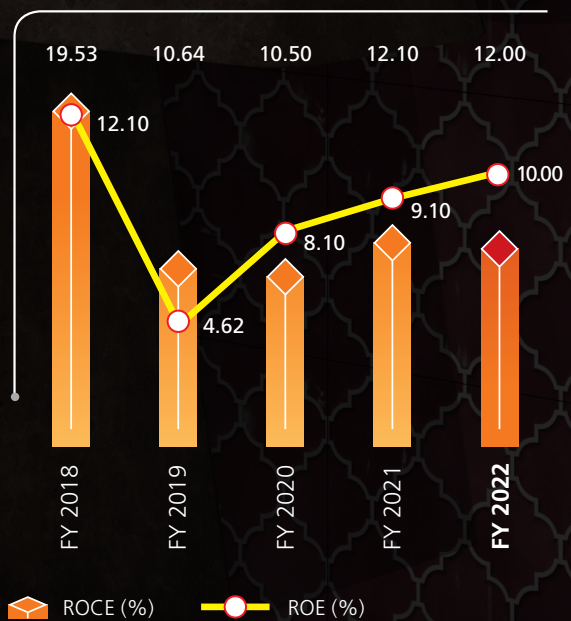
Total Debt & Debt to Equity Ratio



EV/EBITDA & EV/Sales



ROCE & ROE



CHAIRMAN'S COMMUNIQUÉ



Dear Shareholders,

FY 2021-22 – A LANDMARK YEAR FOR THE COMPANY

It gives me great pleasure to share with you the Annual Report of Asian Granito India Limited (AGL) for the financial year 2021-22. FY 2021-22 was a landmark year in the journey of the Company. Led by volume growth and higher realization, the Company reported its highest ever yearly sales and net profit for the year ended March 2022.

Amid an extremely challenging business environment, your Company not only stayed on track with its strategic plans but delivered a better-than-industry performance. Thanks to the efficient product mix and strategy to pass the escalated costs, the Company was able to strengthen its market share and presence in the domestic and global markets.

The credit for this goes to our people and I would like to congratulate them for the commitment with which they partnered us in our growth journey. Their focused efforts

helped the Company to move ahead on its agenda despite the continuing COVID catalyzed disruptions, coupled with the spiking inflation, which led to issues in raw material supply and pricing problems. Availability of containers, and the increasing fuel and gas prices, were other issues that led to pressure on the logistics and transportation front, impacting, in particular, our exports margins. In line with the industry, we also passed on the price increases to our end customers to contain the margin decline. However, we see these pressures easing off significantly in the coming months and quarters and

are optimistic about growth in both the domestic and global markets in the coming years.

In spite of the challenges, the Company continued to progress steadily on the growth path and reported good numbers for the full year of FY 2021-22. For a growing company in the capital-intensive industry of Building Materials, it was a very tough challenge when we first thought of getting debt-free. But thanks to our focused approach, strong cash flows, exit from non-core assets, and through proceeds of the rights issue, we could achieve this goal and achieve another major milestone of FY 2021-22 by getting 'Debt Free' status on the standalone basis. We aim to be 'Debt Free' on the consolidated basis too in the next few years.

Further, to focus on the core business of building materials, the Company exited its non-core investment in Astron Paper Board Mill Limited with a LTCG free profit of ₹ 38 crore to focus on its core business. During FY 2021-22, the Company also successfully completed its first rights issue of ₹ 225 crore. The funds from the rights issue and proceeds of Astron Paper Board Mill Limited stake-sell were utilized to fund the Company's expansion plans, reduce debt, and strengthen its balance sheet. The Company expects to continue the growth momentum in the years to come and expects to cross ₹ 2,000 crore sales in FY 2022-23. Thanks to all the strategic initiatives, rating agency ICRA also upgraded the rating of Asian Granito India Limited to **"A Positive with a Stable Outlook"**.

The Company has taken many important initiatives in the recent past, including strengthening the core business, debt reduction, shift from B2B to B2C business model, focusing on Asset-light and Capital-light model for expansion, becoming a strong retail brand in the domestic as well as exports markets with a vision to become the most preferred tiles brand, and focusing on high margin and value-added premium products to achieve leadership in key business segments. We are aggressively strengthening our dealer-distributor network, AGL exclusive showrooms, and the Company display centers as a part of our retail strategy.

The strategic growth initiatives, operational efficiencies, financial prudence, geographical and product expansion along with low capex have started to show results, with growth in the revenue and margins for the Company. Even during and post the COVID period, the Company's management was able to turn around the operations very fast.

INDIAN CERAMIC INDUSTRY

The Ceramic industry in India has faced extraordinary pressure on inputs costs in FY 2021-22, including gas prices, raw material, coal prices and international freight costs, etc. Exports during the year grew marginally, mainly on account of higher shipping freight costs and shortage of containers across the industry. However, in the coming times, we expect the sea freight costs and container availability issues to settle to normal levels. As Indian manufacturers focus more on quality and adoption of the latest technologies to match the requirements

of the exports markets globally, and as the shift from Chinese imports to Indian imports inches further towards permanency, India's Ceramic Tiles industry is headed well to grow at the highest pace globally.

India is the second largest market, as well producer of tiles in the world. India's tiles manufacturers are in head-on competition with Chinese manufacturers in the global market. Indian tiles are nowadays not only superior in quality in comparison with Chinese tiles, but also available at very competitive prices. Growing urbanization, upward demand for the commercial real estate and rising disposable income have resulted in the need for higher standards of living and contributed in the overall growth of the industry. Along with rising domestic demand, faster adoption of Innovation and Technology and special focus on industry clusters, the government's push for Smart Cities, Affordable Housing and Make In India are the catalyst for the bright future of the Ceramic industry.

GROWTH PLAN OF THE COMPANY IN SHORT TO MEDIUM TERM

Under its mega expansion plans, the Company is setting up three state-of-the-art manufacturing facilities at Morbi, Gujarat in Value Added Luxury Surfaces & Bathware Segments, including GVT Tiles, Sanitaryware and SPC Flooring. It also plans to set up one of India's largest Display Centers at Morbi.

In May 2022, the Company completed land acquisition and necessary due diligence, including land payment, registration and stamp duty fees, for setting up plants under Future Ceramics Pvt Ltd, AGL Sanitaryware and AGL Surfaces Pvt Ltd. Civil and engineering works at the sites will begin very soon. The Company has acquired 69,506 sq mtr for Future Ceramics plant, 18,715 sq mtr for AGL Surfaces Plant and 45,122 sq mtr for AGL Sanitaryware plant, respectively. The Company is expected to strengthen its leadership position and generate sales of ₹ 1,000 - 1,200 crore per annum from the three plants and the display center.

Expansion Plans:-

- To capture the vast opportunities in the GVT space, Future Ceramic Pvt Ltd (wholly-owned subsidiary) is setting up a new manufacturing facility to manufacture value-added large-format glazed vitrified tiles 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 is around ₹ 174 crore.
- To strengthen and scale up the Sanitaryware segment, AGL Sanitaryware Pvt Ltd (wholly-owned subsidiary of AGL) plans to establish in-house manufacturing unit of Sanitaryware products. It is setting up a 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 ₹ 46 crore. The plant is expected to generate revenue of around ₹ 100 crore at optimum capacity.
- AGL Surfaces Pvt Ltd (wholly-owned subsidiary of AGL) plans to manufacture innovative new-age Stone Plastic Composite (SPC) flooring. It is incorporated as part of the Company's



strategy to expand its 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 AGL Surfaces is around ₹ 33 crore.

- The Company is also setting up one of the world's largest display centers 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 center is conceptualized 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 a single place and is also expected to enhance the Company's brand and reach.

The Company's Enhanced Strategic Integration Program (ESIP) is targeted to expand the margins and place the Company further up in the league table of Luxury Surfaces and Bathware Solutions Players. Our vision is to achieve ₹ 6,000 crore in topline in the medium-to-long term for AGL Group. AGL Group is fully committed towards its vision and is progressing as per the well-defined growth roadmap. The growth will be more balanced as the Company has laid out a well-planned strategy to focus on both domestic and international markets to harness the growth. The Company has identified five key growth drivers: i) Expansion of Multi-material Portfolio, ii) Brand Visibility and Enhancement, iii) Global Go-to-market Expansion, iv) High-margin In-house Manufacturing, v) Innovation and Value-Added Products, as a long-term focused strategic growth acceleration and excellence plan to achieve its vision. The first step in this regard has been taken by lining up mega expansion plans in the India's ceramic hub - Morbi.

ESG and EHS

Environmental, Social and Governance are the essential pillars for the success of any corporate in the long term. In today's era, it has become a top priority and responsibility for any corporate to align its interests with them. Started as a small 30-employee venture, today, AGL Family has grown to a team of over 6,000, who are committed to making the brand a global leader. The Company values its talent pool and works hard to retain its best talent by providing ample opportunities to grow. Ensuring high productivity, employee satisfaction, unflagging motivation, and high retention rate are the key focus areas of the HR team. Over time, the Company has changed to adapt and evolve with the changing economic landscape, while keeping its core values firmly entrenched. At AGL, intellectual capital is considered as one of the key resources for the Company to ensure business sustainability and growth.

We continuously endeavor to minimize our adverse environmental impact and demonstrate our commitment to protect the environment. We believe that Environment,

Health and Safety (EHS) are essential and paramount pillars for sustainable growth of our business. We have developed policies and guidelines which take our EHS compliance beyond the regulatory requirements. All the Company's plants are energy-efficient and run on natural gas instead of coal, the use of which has been banned in the Ceramic industry by the National Green Tribunal (NGT) in Gujarat to combat rising pollution. Our manufacturing units comply with ISO 9001 and ISO 14001 standards, underscoring our unwavering commitment to quality and environment.

Ecological sustainability is another area where we shall focus aggressively in the coming years, in tandem with our ethos of corporate responsibility. As a futuristic organization, AGL started adopting environment-friendly systems, processes and policies even before ESG auditing became a mandate for companies in India. We have already achieved the goal of becoming a Zero Waste organization, and are also taking several initiatives on the water conservation front, including development of ponds and water harvesting facilities in our manufacturing units. Progressive reduction of energy consumption, with enhanced thrust on use of renewable energy, is another key priority area in which we are actively investing.

CLOSING REMARKS

We believe that these concerted initiatives will help build the foundations of sustainable, long-term growth for the Company. Given the improving situation on the COVID front, as well as the expected stabilization in availability of containers and sea freight costs, we expect the demand for our products to see a massive uptick in the coming months and quarters in the domestic market. Export demand is also likely to see good traction, going forward, driven largely by the Middle East, USA and other Western countries. At AGL, we look forward to expanding our international footprint, while being cautiously optimistic about the future growth prospects across our business segments in the domestic market too.

I am confident that with the continued support of our people and the sustained trust of all our stakeholders, we shall succeed in delivering on this vision to emerge as the preferred choice for discerning customers around the world. Taking forward our vision and strategic approach, we shall evolve into a one-stop luxury solution provider for all kinds of surfaces and bathrooms in the years ahead. I look forward to sharing more milestones and achievements in this journey on which we have embarked actively and aggressively.

Regards,

Kamleshkumar Patel

Chairman and Managing Director

FROM THE MANAGING DIRECTOR'S DESK



Dear Shareholders,

I am happy to present to you the performance report of your Company for FY 2021-22 – a year that saw AGL scale new vistas in its journey to transforming lifestyles with its innovative products and solutions. The Company has reported excellent operational and financial performance for FY 2021-22 and we are very satisfied with the overall performance. Led by healthy volume growth and higher realization, the Company reported its highest ever yearly sales and net profit for the year ended March 2022.

Ceramic industry faced extraordinary pressure on inputs costs in FY 2021-22 i.e. gas prices, raw material, coal prices and international freight costs, etc., In spite of the challenges, the Company was able to progress on the growth path and reported strong numbers for FY 2021-22. For FY 2021-22, the Company has reported net sales of ₹ 1,563.8 crore, higher by 21% over previous fiscal's same period. EBITDA for the year ended March 2022 was reported at ₹ 124.6 crore (EBITDA Margin at 8%). Net Profit for FY 2021-22 stood at ₹ 91.8 crore (PAT Margin 5.9%). Exports for FY 2021-22 was at ₹ 204.9 crore. FY 2021-22 was also a milestone year in the journey of the Company. Company became debt-free at the standalone level and now moving towards the next aim to become debt-free on consolidated level. We expect to continue the growth momentum in the years to come and expect to cross ₹ 2,000 crore sales in FY 2022-23.

Disruptions in the business operations caused due to second wave of COVID was the biggest challenge the Company has faced till date. Being a labor-intensive sector, it was even more critical and challenging for us to manage our operations and supply smoothly on one side and taking care of our employees, workers on the other hand. The collection cycle was also

disrupted and the payments were delayed due to industry conditions. Even in the challenging times of COVID, AGL's team efforts resulted in strong growth across all verticals.

The strategic growth initiatives, operational efficiencies, financial prudence, geographical and product expansion along with low capex were some of the key measures which helped the Company post strong numbers and growth in the revenue and margins for the Company. Capacity utilization for the year stood at 85%, underscoring the ability of the Company to overcome complexities and harness opportunities.

Delivering excellence in a difficult year

By all accounts, FY 2021-22 was an exceptional year for your Company, which leveraged its core strengths and capabilities to capitalize on the healthy demand in the domestic market to post growth. Exports, however, witnessed only marginal growth, mainly on account of the increased shipping freight costs and shortage of containers across the industry. The rise in gas prices globally also impacted our export business, while concurrently causing the domestic market to be adversely affected.

In line with the industry trend, your Company also gradually passed on some of the price hikes to the end customers to maintain its business momentum and ensure performance positivity by keeping the decline in margins to the minimum. Our EBITDA margins for FY 2021-22 declined by 255-basis points to 8.0%, against 10.5% in FY 2020-21, as a result of the cumulative impact of the escalation in the prices of gas, coal, freights and other inputs.

Over the last few years, the Company has gradually shifted from B2B to B2C business model, focusing on Asset-light and Capital-light model for expansion, becoming strong retail brand in the domestic as well as exports markets and achieve leadership in key business segments. Asian Granito is a prominent and one of the top selling brand in the rural, semi-urban, Tier II and III markets. While demand from metros and mega cities had taken a hit during COVID, demand from rural and semi-urban markets had remain intact, which helped the Company to deliver good growth during the last few years. The Company is banking big on the 'Bharat' markets to drive the sales growth from these markets. Rural, Semi-Urban, Tier II, and Tier III towns contribute around 60-70% of the Company's sales.

Enhancing capabilities to drive quality

As a quality-led new-age luxury surfaces and bathware solutions company, AGL focused its energies more aggressively during the year on driving impactful changes across the organization. From expanding capacities to augmenting its nationwide distribution and dealer network, the Company pushed the bar of its performance across every facet of its operations. Taking forward its strategic agenda of offering integrated solutions for every surface and bathroom under one umbrella, AGL leveraged its strong innovation capabilities to foray into new product lines, designed to meet the evolving needs and aspirations of the new-age customer.

Our wide product portfolio, spread across our three business segments, is crafted to transform lives. We took several strategic decisions during the year to build on this portfolio to meet the future demand that we see emerging in each of the areas of our presence. Augmentation of our manufacturing capacities is a key element of this strategy and we successfully acquired land for three new plants, which are expected to become operational by the third quarter of fiscal 2023. In the Tiles segment, we plan to set up a new GVT plant, while in the Ceramics business, we have commissioned a new wall tiles plant under our two newly incorporated subsidiaries respectively. Our associate concern is also commissioning a new Mega Slab plant at Morbi to scale up our presence further in Ceramics.

In our Marble and Quartz segment, too, we see immense potential for future growth and have accordingly planned the expansion of the Quartz capacity at Dalpur and install a new Quartz line in Amazoone Ceramics. At the same time, we have decided to foray into manufacturing of the fast-growing product segment of Stone Plastic Composite (SPC) Flooring with a new manufacturing unit at Morbi under a newly incorporated wholly-owned subsidiary of the Company. We see a lot of upcoming opportunity in this new-age innovative flooring, which will further help us to expand on our core theme of 'Single Roof Offerings'.

The Sanitaryware and Bathroom Fittings segment is also set for a massive scale-up, as we move from sourcing from third-party vendors to our own production, in line with our strategic approach of going for high-margin in-house manufacturing. We have decided to set up a new manufacturing unit under our newly incorporated wholly-owned subsidiary 'AGL Sanitaryware Private Limited', and will leverage the emerging opportunity in this segment to innovate a new level of lifestyle transformation for our young and millennial customers as well as the working women.

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. The range is made with tuff guard plus anti-bacterial glazing made of Silver Ions homogeneously distributed throughout the matrix that hinders the growth of bacteria and germs which comes in contact. The Company received excellent response from both the domestic and export market.

Steering our visionary journey

The strategic growth acceleration path on which we have embarked as part of our excellence plan to achieve our 2030 vision is clearly laid out before us. Innovation, with value-added productions and brand augmentation, are key facets of the roadmap for this journey. FY 2021-22 witnessed significant efforts by your Company to expand this value proposition with the launch of a new MarbleX division to innovate large size format tiles to capture the growing demand for such products.

The Company has taken various initiatives to increase its retail presence with a vision to become the most preferred tiles brand. We are also constantly evaluating and evolving ways in which we can reach consumers. We are scaling our marketing and branding initiatives and are leveraging iconic engagement platforms to create strong brand awareness among consumers. The Company has made significant investments in marketing and brand building activities to foster customer engagement on a wide range of platforms through electronic and digital media across India. Additionally, we are leveraging various engagement platforms such as social media, radio, and magazine, to enhance our brand awareness and build aspirational values. We promote our new range of products through launching amongst the trade partners and creating awareness to end users through digital platform as well as inviting interior designers and architect community with special arrangements and events at Company Display centers. The Company from time to time has arranged many events with builders, architects, dealer-distributor to strengthen the association.

In the domestic markets, we see considerable demand traction for innovatively-designed surfaces and bathroom interiors, and are partnering with architects to connect with the people's aspirations. The focus of this strategic approach is on growing our retail outreach through addition of retail outlets across the length and breadth of the country over the next three years. Besides enabling a more direct connect with the end customers, these outlets will aid our efforts to deepen our understanding of the evolving needs of customers. Further, to engage more closely with our retail customers, we are setting up several large Company-owned Display Centers in our targeted domestic markets.

Branding and go-to-market expansion are other areas on which we are focusing proactively to enhance the AGL brand proposition and expand our market presence. We plan to tie with a celebrity icon to propel our efforts to further augment the AGL brand visibility, not just in sanitaryware and bathroom fittings but also in tiles, which are conventionally among the least visible products in homes and offices. Expansion of our dealer and distributor network in both the domestic and international markets will also play a central role in steering this strategy. Within India, we are also strengthening our exclusive franchise network to expand our market reach and presence.

The way forward

Moving forward, our strategic future proposition will continue to be centered around a blend of manufacturing, branding and go-to-market initiatives, with value-added innovative products a key facet of this approach. Led by our strong customer-centric philosophy, we shall focus on building further on our core strengths to create an enviable single-window portfolio of contemporary luxury products, crafted to meet the transforming aspirations of customers across the globe.

The emerging opportunity for high-quality luxury products in our business segments is large, and AGL is ideally positioned to harness the same, within and outside India. The systemic consumer preference shift from unorganized to organized market players is a key propeller of this opportunity. Other growth drivers include rapid urbanization, increasing consumption power with rising disposable income, growing Millennial and Gen Z population, increasing in per capita tiles consumption and favorable Government policies. As a leading organized player in the industry, your Company is well poised to maximize the benefits of this potential growth.

Our current investments in infrastructure development, capacity expansion, innovation, branding and marketing are the anchors on which our future growth strategy is positioned. With our customer-centric approach, we will continue to endeavor to add greater value to their lives by innovating new products and solutions to transform their lifestyles.

In conclusion, on behalf of the Board, I would like to thank our customers, as well as our other stakeholders, including our investors, shareholders, partners and vendors for their unwavering trust in the Company. I would also like to express our heartfelt gratitude to our employees for their sustained support and commitment to the Company. It is their hard work and dedication that is enabling us to maintain our growth momentum even in these testing times. With your continuing cooperation and confidence, AGL will continue to create engaging offerings to usher in a new era in luxury surfaces and bathroom fittings around the world.

Regards,

Mukesh Patel

Managing Director



BUSINESS SEGMENT OVERVIEW

TILES

Our Tiles business is structured to enhance spaces around the world. This segment consist of four verticals of Commodity products – Ceramic, Vitrified, Glazed Vitrified Tiles, and Outdoor Tiles.

Innovation, reliability, adaptability, competitive pricing and quality edge are the key drivers of our business growth in this segment. We have strategically focused on building a differentiated portfolio of innovative designs to create contemporary products suited to the evolving needs of customers globally.



100 countries

Of export

93,500 sq. mtrs.

Daily tile manufacturing capacity

24.82 million sq. mtrs.

Total production in FY 2021-22

₹ 1,012.51 crore

Total sales in FY 2021-22

₹ 1,206.68 crore

Consolidated revenue in FY 2021-22

Ceramic Tiles (Wall & Floor)

Wall Tiles, Polished Porcelain, Tuff Guard Floor

Outdoor Tiles (Heavy duty Vitrified Tiles)

Grandura +, Eco Blanco Roof Tiles

Polished Vitrified Tiles (PVT) & Double Charge (DC)

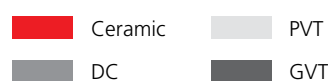
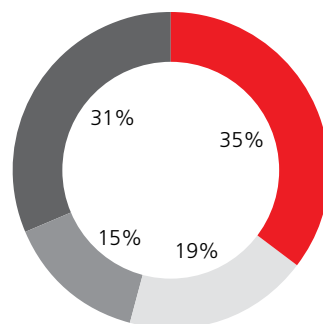
Soluble Salt, Twin Charge, Double Charge, (Jumbo & Imperio)

Our Products

Glazed Vitrified Tiles (GVT)

Grestek, Hardstone, MarbleX, Splendour Series, XXL Series, Slimgres, Marvel Series

Consolidated revenue break-up (FY 2021-22)



We see the opportunity for growth in this segment rising exponentially, with India surpassing Spain to become the second largest exporter of ceramic tiles globally, after China, in CY 2020.

Within India, the demand for ceramic tiles is on the rise, fueled by rapid urbanization and increase in per capita consumption, at the back of increased demand for new homes in the cities. The commercial real estate growth in India's top cities is also on the uptick. The Government's policy push, through Affordable Housing and Smart Cities schemes among others, is also adding to the opportunity matrix. AGL leads as a player ideally positioned to harness this potential and expand the pie of its share in the business.



MARBLE & QUARTZ

As a leader in this segment within India and a growing presence in the global market, AGL is at the forefront of ushering lifestyle changes among its customers. We started manufacturing of Quartz slabs in 2012, and followed it up with our Marble portfolio. We have expanded our presence in this segment significantly over the past few years.

Our edge in this segment comes from the high level of durability and scratch resistance of our quartz marble as compared with granite. It also has a higher surface hardness and low porosity, making it ideally suited for use in households, educational institutions and medical facilities on account of being less vulnerable to bacterial growth.

10 countries

Of export

4,100 sq. mtrs.

Daily marble & quartz manufacturing capacity

₹ 279.79 crore

Total sales in FY 2021-22

0.88 million sq. mtrs.

Total production in FY 2021-22

₹ 279.79 crore

Consolidated revenue in FY 2021-22

Marble

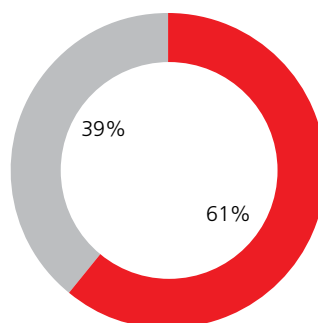
Multi-colored Marble, Marble, Imported Natural Marble, Onyx Marble

Our Products

Quartz

Multi-colored Quartz, EStone

Consolidated revenue break-up (FY 2021-22)



■ Marble ■ Quartz

Going forward, we plan to expand our capacities in Quartz surfaces and also launch a new project to meet the burgeoning demand in this segment. We are looking at increasing our dealer networks and retail touchpoints to ensure a bigger outreach and timely delivery of our products to the end customers. Given the growing demand for real estate project-based businesses, we are also partnering with architects and interior designers to grab a larger pie in this segment. With premiumization and a growing middle class population steering the demand in the Indian modular kitchen market, we have identified this as a key area for future growth.



BATHWARE

Our foray into the bathware business in 2019 marked the strategic diversification of our product portfolio. With this foray, we also strengthened our reach in the domestic and international markets, driven by the large penetration opportunities offered by the segment. The Company manufactures some of the bathware products on contractual basis and imports some of the products. Innovation remains the key to our growth and expansion in this business.

Our aim, in this segment, is to become a 'Complete Bathroom Solutions' provider by harnessing the strength of our pan-India distribution network during FY 2021-22.

Sanitaryware

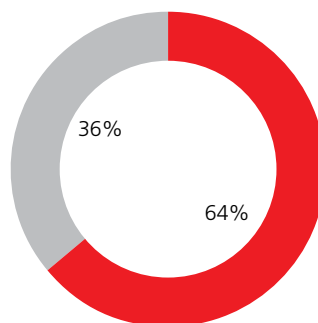
Water Closets, Basins,
Urinals, Cisterns,
Seat Covers

**Our
Products**

**Faucets & Bath
Fittings**

Taps, Bathroom
Accessories, Showers,
Allied Items

**Consolidated revenue
break-up (FY 2021-22)**



■ Sanitaryware
■ Faucets & Bath Fittings

We shall continue to leverage the growing demand for premium and luxury household furnishings, including bathroom fittings, to expand our presence in this segment. We shall strengthen our dealer relationships to capitalize on the demand in Tier II and III cities. We plan to set up exclusive AGL showrooms to reach out to the end consumer.



BOARD OF DIRECTORS



Mr. Kamleshkumar Patel
Chairman & Managing Director

M M M C M



Mr. Mukesh Patel
Managing Director

M C



Mr. Suresh Patel
Executive Director



Mr. Bhavesh Patel
Executive Director



Mr. Kanubhai Patel
Executive Director



Mr. Bhogilal Patel
Executive Director

Audit Committee Nomination & Remuneration Committee Stakeholders Relationship Committee
 Corporate Social Responsibility Committee Risk Management Committee

Chairman Member



Mr. Hemendrakumar Shah
Independent Director

M



Mr. Mukesh Shah
Independent Director

C



Ms. Dipti Mehta
Independent Director



Mr. Kandarp Trivedi
Independent Director

C M M



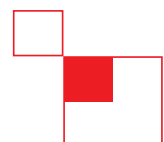
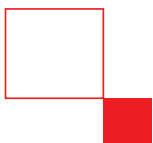
Mr. Maganlal Prajapati
Independent Director

M M



Dr. Indira Nityanandam
Independent Director

C M



Note: All Committee details are as on 31 March, 2022

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economic Overview

CY 2021 saw the world economy grow 6.1%, to get back on the path to recovery after a period of severe disruptions on account of COVID-19 related restrictions. Most advanced economies were positively benefited by the rapid and effective vaccination programmes, though many of the emerging markets and developing economies witnessed vaccination sluggishness during the year. However, as the world entered CY 2022, challenges resurfaced, with emerging geopolitical tensions and re-emergence of fresh COVID-19 pandemic waves leading to severe inflation across the globe.

In this backdrop, the global growth is projected to slow to 3.6% in 2022 and 2023, mainly on account of the Russia-Ukraine conflict, continued COVID-19 flare-ups, diminished fiscal support, and lingering supply bottlenecks. The growth in advanced economies is expected to slow from 5.2% in 2021 to 3.3% in 2022 and 2.4% in 2023. The emerging market and developing economies (EMDEs) are expected to be more badly impacted, with growth estimated to slow from 6.8% in 2021 to 3.8% in 2022 and 4.4% in 2023. More limited policy support and generally slower vaccination, with output expected to remain below the pre-pandemic level, are the factors contributing to the slowdown in EMDEs. Higher, broader and more persistent price pressures have also led to a tightening of monetary policy in many countries. Overall, the risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging.

Inflation is expected to remain elevated for a long time, driven by geopolitical tension-induced commodity price increases and broadening price pressures. Global growth is expected to decline to 3.3% over the medium term, beyond 2023, due to this sustained inflationary pressure. Gradual resolution of supply-demand imbalances and a modest pickup in labor supply is slowly expected to ease price inflation, though uncertainty prevails. Central banks, having started with the first round of interest rate hike, are expected to remain aggressive throughout 2022.

Source: World Economic Outlook April 2022, IMF

Indian Economic Overview

After witnessing a historical GDP decline of 8.3% in FY 2020-21, the Indian economy is projected to post a GDP growth rate of 8.7% for FY 2021-22, as per the provisional estimates by National Statistics Office (NSO). Though the economy was impacted by the second COVID-19 wave and the rising international commodity prices emanating from geopolitical conflicts, strong projected performance of all major sectors, including services, agriculture, manufacturing, mining, utility, construction, finance, in FY 2021-22 has put India on the path to a sustained economic recovery. The vigorous countrywide vaccination drive further helped to reduce the severity of

the third wave, with minimal disruptions to mobility and economic activity. The Government's policy to improve logistics infrastructure, along with its incentives to facilitate industrial production, asset monetization, taxation, telecom and banking sectors, will support the country's accelerated recovery in future. Measures to improve farmers' income are also expected to aid the growth recovery, going forward.

The Union Budget 2022, with its strong focus on boosting government capex and reviving private sector lending, is further projected to push India's economic growth prospects. The budget has extended the PLI schemes, with additional fund allocation to support large-scale manufacturing in India. Led by the Government's strong vision of making India self-reliant, the country is poised to become the hub for all manufacturing activities for global requirements. The focus on infrastructure development also augurs well, leading to stronger demand for Indian products and attracting investment in the country. Several recent policy reforms will further help build India's manufacturing sector and the economy at large. These reform measures include reduction in corporate tax rates, focus on reducing the regulatory burden, minimizing the logistics cost by augmenting the logistics infrastructure and the proposed National Logistics Policy, as well as consolidation of the labor laws. The measures are also expected to help attract FDI, as global corporations are looking at diversifying their supply chains. This, in turn, will lead to job creation and boost exports in the manufacturing sector.

As per IMF, strong fiscal, monetary and budgetary interventions by the Government of India are expected to keep India on track to remain one of the fastest growing economies in the world. Pegged at USD 3.1 Tn in CY 2022, India is chasing a target of becoming a USD 5 Tn economy by CY 2025, as the government pushes ahead with various economic reforms to drive manufacturing capacity and domestic consumption. The global supply chain vacuum caused by socio-political changes also works in India's favor and is expected to give additional impetus to the country's economic growth trajectory as India becomes a key natural choice for sourcing.

Source: IMF, NSO

INDUSTRY OVERVIEW

Global Tiles Industry

Post two years of downturn, the global tile industry witnessed some recovery in CY 2020, despite the pandemic led disruption. World tile consumption increased 2.5% to 16,035 Mn square meters (sq. mtrs.), while the world production of tiles went up 1.7% to 16,093 Mn sq. mtrs. Many countries were previously facing temporary plant interruptions, leading to hindrances in production. A significant share of the world production comes from the Asia Pacific region, with China being the biggest manufacturer of ceramic tiles in the world, followed by India.

Production in Asia, which constitutes 74% of global production, grew 2.8% to 11.9 Bn sq. mtrs. in CY 2020, mainly due to the increase in volumes produced in China, India and Iran, which offset contractions in Vietnam and Indonesia. Production in the European Union (EU) fell 6.6% to 1,218 Mn sq. mtrs., while it grew in non-EU Europe by 11.9% to 638 Mn sq. mtrs. on account of sharp growth in Turkey. Production in America fell to 1,409 Mn sq. mtrs., with North America witnessing a 2.7% decline and Central and South America witnessing a steep 7.6% fall, led by the extended lockdowns. Production in Africa increased 6.1% to 918 Mn sq. mtrs..

World tile consumption grew 2.5% to 16,035 Mn sq. mtrs., with broad-based recovery. In Asia, constituting 71.5% of global consumption, demand grew 2.8%. Demand in EU grew 1.4%, while in non-EU European markets it grew 11.3%. Demand remained stable in America and grew 1.4% in Africa.

In CY 2020, global export flows decreased 2.4% to 2,769 Mn sq. mtrs., mainly due to the sharp 20% contraction in Chinese exports, marking its seventh consecutive year of decline. Chinese exports reduced across the globe due to introduction of tariffs on Chinese imports in the US and the overall anti-China sentiment. Exports from Asia fell 4.5% to 1,385 Mn sq. mtrs., equivalent to 50% of world exports. The EU's exports remained stable, and those from non-EU European countries grew 11.9%, largely due to the significant growth in exports from Turkey. Export volumes from Central and South America declined 10%, and from North America they fell 8.9%. Exports from Africa went down by 8%. The two Asian giants, China and India, and the two largest European producers - Spain and Italy, together accounted for 65% of global exports. Italy and Spain extended their lead in terms of export share, respectively at 86.5% and 92.4% of production, compared to 65% in the United Arab Emirates, 44% in Poland, 40% in Iran, 36% in Turkey, 33% in India and just 7% in China.

TOP MANUFACTURING COUNTRIES							
COUNTRY	2016 (Sq. m Mill.)	2017 (Sq. m Mill.)	2018 (Sq. m Mill.)	2019 (Sq. m Mill.)	2020 (Sq. m Mill.)	% on 2020 World Production	% var. 2020/2019
1. China	10,265	10,146	9,011	8,225	8,474	52.7%	3.0%
2. India	955	1,080	1,145	1,266	1,320	8.2%	4.3%
3. Brazil	871	867	872	909	840	5.2%	(7.6)%
4. Vietnam	485	560	602	560	534	3.3%	(4.6)%
5. Spain	492	530	530	510	488	3.0%	(4.3)%
6. Iran	340	373	383	398	449	2.8%	12.8%
7. Turkey	330	355	335	296	370	2.3%	25.0%
8. Italy	416	422	416	401	344	2.1%	(14.2)%
9. Indonesia	360	307	383	347	304	1.9%	(12.4)%
10. Egypt	250	300	300	300	285	1.8%	(5.0)%
TOTAL	14,764	14,940	13,977	13,212	13,408	83.3%	1.5%
TOTAL WORLD	17,110	17,414	16,557	15,827	16,093	100.0%	1.7%

Source: Fonte: Mecis / Acimac Research Dept. 'World Production and Consumption of Ceramic Tiles', 9th Edition 2021

TOP CONSUMPTION COUNTRIES							
COUNTRY	2016 (Sq. m Mill.)	2017 (Sq. m Mill.)	2018 (Sq. m Mill.)	2019 (Sq. m Mill.)	2020 (Sq. m Mill.)	% on 2020 World Consumption	% var. 2020/2019
1. China	9,245	9,244	8,163	7,453	7,859	49.0%	5.4%
2. India	785	861	876	910	885	5.5%	(2.7)%
3. Brazil	789	765	775	802	829	5.2%	3.4%
4. Vietnam	412	580	542	467	400	2.5%	(14.3)%
5. Indonesia	369	336	450	413	357	2.2%	(13.6)%
6. USA	274	284	289	273	264	1.6%	(3.3)%
7. Mexico	235	242	236	238	242	1.5%	1.7%
8. Turkey	239	251	236	185	241	1.5%	30.3%
9. Saudi Arabia	248	203	176	190	238	1.5%	25.3%
10. Egypt	215	252	236	239	237	1.5%	(0.8)%
TOTAL	12,811	13,018	11,979	11,170	11,552	72.0%	3.4%
TOTAL WORLD	16,859	17,229	16,426	15,650	16,035	100.0%	2.5%

Source: Fonte: Mecis / Acimac Research Dept. 'World Production and Consumption of Ceramic Tiles', 9th Edition 2021



In CY 2020, the top 10 largest importing countries imported a total of 1,104 Mn sq. mtrs., up 6.4% and accounting for 39.9% of global import/export flows. With the sole exception of Indonesia, which imported just 20% of its consumption, the other top 10 countries' imports covered more than 65% of their domestic demand, with peaks of 99.4% in Iraq and between 90% and 95% in France, Germany, Israel and the UK. While the United States continued to be the world's largest tile importers, it reported 3.4% decline in imports to 197 Mn sq. mtrs., in line with the 3.3% decline in domestic demand (264 Mn sq. mtrs.).

In the first half of CY 2021, Chinese production was up 14.7%; Brazil was up 52% while production in Spain grew 34%, in Iran by 10% and in Mexico it was up 48%. Italian production was also expected to bounce back to pre-pandemic levels, driven by increasing exports amid double-digit growth rates in several key markets in the first half of the year.

The world tile production is expected to reach 20 Bn sq. mtrs. by CY 2025 at 4.7% CAGR, led by Asia and Africa. The import-export dynamics during 2020 confirm the emerging trend of tiles being produced closer to markets.

Indian Tiles Industry

India has the right mix of strengths to catalyze a huge potential of foreign direct investment and make the country a tile manufacturing hub. Its abundant ceramic raw material natural resources and world-class manufacturing facilities, adhering to the highest international tiles quality standards, position India as a likely preferred choice for FDI in the coming years. There are also strong possibilities that the world's leading tiles brands will forge sourcing tie-ups and JVs in India, and also set up their tiles and ceramics (sanitaryware) manufacturing plants in the country.

The ceramic tiles industry in India was estimated at ₹ 35,000-40,000 crore in CY 2019. Nearly ~40% of the industry was organized, while 60% was largely unorganized, comprising players from Morbi, Rajkot and other clusters. The Gujarat-based Morbi Ceramic Industry is the largest cluster of ceramic, contributing more than 80% of the Indian tiles production. The Morbi Porcelain Slab Tiles producers are current exporting large format porcelain tile slabs to China, apart from the rest of the world. The industry is gradually expected to tilt towards the organized sector, with leading tile manufacturers entering into JVs with smaller unorganized players or outsourcing to them. These JVs or associate concern partners will eventually enter the organized space, benefiting the entire industry in the future.

The Indian tiles industry is mainly classified into two broad product segments, namely ceramic tiles and vitrified tiles, constituting 44% and 56% of the total share respectively. Based on the consumers, the floor and wall tiles market is segmented into residential, commercial and others. The residential sector is expected to dominate the market, mainly due to the increasing population and growth in disposable income.

The tiles industry grew at 9% CAGR from FY 2007-08 to FY 2018-19. Between FY 2007-08 and FY 2011-12, it witnessed a healthy 15% CAGR, supported by increased real estate construction activity, while the FY 2011-12 to FY 2018-19 period witnessed single-digit growth of 6%, primarily due to the slowdown in the real estate sector – the key consuming sector for tiles. During FY 2017-18 and FY 2018-19, growth was in the lower single digit, hampered by the implementation of the GST and the RERA, which resulted in poor housing demand and a significant drop in new launches. Despite the housing demand slowdown, the industry managed to arrest a major decline in growth on account of the rising exports, which grew by 33% each in FY 2018-19 and FY 2019-20.

As in the case of production, India is also the second largest consumer of ceramic tiles in the world after China, with a consumption quantum pegged at 750 Mn sq. mtrs. and accounting for almost ~6% of the world consumption. While exports offer huge growth opportunities, there is also a significant scope of growth in the Indian domestic market.

The industry is marked by increased Government spending on infrastructure, rapid urbanisation, consumer preference shift towards more durable tiles, and growing demand for tiles in residential and commercial buildings across the country. The demand for tiles is not only high in new projects but is also increasing in application of tiles in replacement and renovation projects. With its tiles industry spanning the entire range, from aesthetic ceramic to the toughest porcelain tiles, and from small tiles to large format slab tiles, India caters to the whole range of the global tiles importers' demand.

In CY 2020, India maintained its position as the second largest tile producer with 4.3% volume growth, from 1,266 to 1,320 Mn sq. mtrs., overtaking Spain as the world's second largest exporter. While the pandemic caused a 2.7% decline in domestic consumption to 885 Mn sq. mtrs. in 2020, India's exports continued to grow, rising by 21%, from 360 to 437 Mn sq. mtrs.. With volumes almost doubling in the previous four years, Indian exports, constituting one third of the country's total production, account for 15.8% of world exports. In value terms, exports reached € 1,350 Mn, equivalent to an average selling price of € 3.1 per sq. mtrs. - one of the lowest values amongst all major exporter countries.

Saudi Arabia remained India's largest export market, with a 20.8% share of total exports and a 24.8% increase in sales from 73 to 91 Mn sq. mtrs.. India's sales in its other main export markets also grew strongly, with 26% growth in Iraq to 23 Mn sq. mtrs., 22% growth in Indonesia to 22 Mn sq. mtrs. (started importing from India only post 2018), besides the United Arab Emirates accounting for 8.5% to 20.6 Mn sq. mtrs.. In the United States, the sales of Indian tiles doubled from 9.2 to 18.6 Mn sq. mtrs.. Indian exports also increased significantly in South Africa to 12.6 Mn sq. mtrs., posting 145% growth, and in Poland to 11.4 Mn sq. mtrs. marking a growth of 65%. In Russia, Indian exports witnessed 400% growth to 5.6 Mn sq. mtrs..

Overall, the Asian continent absorbed 62% of India's exports at 270 Mn sq. mtrs., posting 14% growth.

Continent	% of Total Share in India's Tiles Exports	Sales in Mn Sq. Mtrs.	Sales Growth over Previous Year in %
Asia	62.0	270	14
Africa	14.0	60	27
North America	9.0	39	33
Europe	11.6	50	61
South America	3.5	15	17

Stone Plastic Composite Flooring Market

Stone Plastic Composite (SPC) flooring is a new type of eco-friendly flooring, developed with high-end technology, with zero formaldehyde, besides being mildew-proof and moisture-proof, and having fire prevention and pest control features, along with simple installation facility. These characteristics have boosted demand for SPC flooring, which is devoid of solvents, preservatives and other chemicals that can exacerbate allergies and asthma. SPC utilizes polyvinyl chloride, which is an environmental-friendly and non-toxic renewable resource. SPC flooring provides a luxurious view as its thicker design makes it more comfortable and stable underfoot than other flooring types, with low maintenance and a long-lasting aesthetic look.

Residential SPC (4.5 mm thickness) flooring has a lifespan of approximately seven years. In contrast, commercial SPC (7.5 mm thickness) flooring has a lifespan of around 15 years, making SPC flooring superior to traditional flooring materials such as hardwood. SPC flooring has emerged as a popular choice for shopping malls, banks and showrooms. It is used in residential buildings as a durable and attractive flooring option. As a result, stone plastic composite flooring is widely used to construct public and private complexes, and in renovation and retrofitting of commercial and residential properties.

Growing residential construction and renovation in urban areas, coupled with the increasing consumer demand for luxury flooring, is the primary factor driving demand for SPC floorings. SPC flooring favors minimalism and is well suited for an open floor plan of modern buildings, being an ideal choice for buildings requiring versatile and luxury flooring options. Apart from minimal emissions, SPC flooring exhibit stain-resistance, fire-resistance, anti-slip properties and minimal impact of UV light exposure. Its rigid stone composite polymer core makes it unsusceptible to water and sudden shocks. This makes SPC flooring ideal for bathrooms, kitchens, rooms with heavy sunlight exposure, gyms and sports centers, etc.

The global SPC flooring market stood at USD 22.35 Bn in CY 2020 and is expected to double to USD 45.12 Bn by CY 2026. The Indian SPC flooring market stood at USD 965.4 Mn in CY 2020 and is projected to grow to USD 2.4 Bn by CY 2027. In India, the SPC flooring market is dominated by the commercial segment owing to its high price. The commercial market segment for SPC flooring is expected to reach USD 1.9 Bn by CY 2027, from USD 754 Mn in CY 2020. The residential market for SPC flooring is also expected to grow in India - from USD 211 Mn in CY 2020 to more than double to USD 557 Mn in CY 2027. Though the demand for SPC

was impacted by the COVID-19 constraints, the SPC flooring market gained momentum in mid-2021 and is expected to reach normalcy by the end of CY 2022.

SPC flooring has been increasingly preferred due to the rising preference for contemporary and aesthetically appealing interiors in residential and commercial complexes. In most buildings, the SPC floors, including single, double and regular double layers, have been increasingly preferred to add color and define rooms with subtle visual cues. Thus, the adoption of SPC flooring is expected to increase with the emergence of globalization and the growing trend of contemporary style known for its neutral elements and bold color. High durability, longevity and waterproof nature of SPC flooring makes it more viable than laminate flooring.

Further, with do-it-yourself (DIY) becoming largely popular, the adoption of SPC flooring is expected to see tremendous rise due to its easy installation. It can be easily placed on top of many different types of subfloors or existing flooring without the need for complicated glues. Millennials, younger generations and working women are increasingly adopting the DIY trend – a key driver of demand for such flooring.

Consumers primarily choose SPC flooring due to its durability and sound-proof feature. However, low awareness of SPC flooring among some consumers, the hard foot nature of the flooring, and noise pollution caused by it pose challenges to the use of SPC flooring. Further, the exorbitant price of SPC flooring and its raw material limestone is hampering its utilization globally. However, proper management of raw materials and the long-term benefits of low maintenance and repair costs of SPC flooring can gradually control the price of stone plastic composite flooring and assist in overcoming this restraint.

Source: 360i Report on Stone Plastic Composite Flooring Market

GROWTH DRIVERS

The Indian tile industry is being driven by increased spending on infrastructure by the Government, growing urbanization, emerging trends, and the infrastructure demand pick-up. As lack of proper sanitation can be a barrier to sustainable development and lead to severe infectious diseases, growing awareness among individuals about health and hygiene is also catalyzing demand for tiles, sanitaryware and bathroom fixtures across India.

The Government of India, along with non-governmental organizations (NGOs), are undertaking several initiatives



to ensure that basic sanitation facilities are affordable, accessible, and safe, especially in rural communities. This is offering lucrative growth opportunities for tile manufacturers. In addition, the introduction of functional and decorative products in different sizes, shapes, colors and textures, along with increasing consumer spending on contemporary homes with aesthetically appealing interior designs, is influencing the sales of tiles, sanitaryware and bathroom fixtures, especially amid growing problems of leakage and seepage. The industry is seeing the launch of nanotechnology, antibacterial, stylish and durable products for clinics, hospitals, laboratories and food processing plants, wherein hygiene plays an important role.

In this backdrop, India has a huge potential for replacing Chinese tiles imports in terms of offering competitive price, world-class quality, speedy delivery and, more importantly, reliability in all aspects of the business. A distinguishing and significantly important feature of Indian manufacturers is their ability to handle smaller quantities of each SKU, whereas while trading with China, importers are forced to order higher volume per SKU. Also, it is expected that there will be some relaxation in anti-dumping duty imposed by various countries on Indian ceramic and allied products, while tough norms may be forthcoming for Chinese imports to discourage Chinese ceramic sourcing. The Indian government has created a congenial business environment for ease of doing business in the last few years to attract more global tile importers and foreign direct investments in the Indian tiles industry.

Make in India and other Government Schemes

A considerable amount of growth in the floor and wall tiles market is due to the shift in consumer preference towards tiles and the push given to 'Make in India'. The government's thrust on housing, sanitation development with its Clean India initiative, and favorable demographic profile, is also propelling growth in the Indian tile market. Government schemes like the Pradhan Mantri Awas Yojana (Urban and Gramin) that aims at 'housing for all' with an estimate of providing around 2 crore houses to eligible recipients, is acting as a huge catalyst to drive demand for tiles. To match the expected growth in supply in the affordable segment, measures have also been taken by the Government to improve affordability for the end consumers, especially in the economically weaker section (EWS) and the lower income group (LIG) by providing a credit-linked subsidy.

Urbanization

Urbanization in India is mainly due to the expansion of cities and the migration of people for enhanced income. This has been and will continue to be a major growth driver for the tiles market. Investments are being made in housing, urban transport, power-related infrastructures, smart cities, and other forms of urban expansion by the Government. The growing income levels of the middle-class are also a contributing factor in the tiles market growth.

Housing Shortage

According to the Ministry of Housing and Urban Affairs, there was an affordable housing shortfall of approximately 10 Mn houses in India. With the government addressing

this housing shortage, the ceramic tile industry is expected to receive huge traction. Government schemes like Pradhan Mantri Awas Yojana (Urban) aim to build 1 crore houses by CY 2022, of which ~122.7 lakh houses were sanctioned till July 2022 and >61.5 lakh houses were completed. Building houses is expected to give rise to demand of tiles. Similarly, under the Pradhan Mantri Awas Yojana (PMAY-Gramin), the Government has assured to provide 1.95 crore houses to eligible beneficiaries with amenities such as LPG, electricity and toilets. This could further boost the demand for ceramic tiles.

Low per Capita Consumption

India's per capita consumption of tiles at 0.6 sq. mtrs. is much lower than in countries like China and Brazil at 4.0 sq. mtrs. and 3.4 sq. mtrs. respectively. The world average is 1.4 sq. mtrs. India is the fourth largest exporter of ceramic tiles, with the export quantum pegged at 274 Mn sq. mtrs. compared to 228 Mn sq. mtrs. in 2017, accounting for a global share of 10%.

Home Extension and Home Improvement Needs

According to the 2011 Census, 41% of households were living in smaller than one-room homes and only 53% households were in a good condition, implying a need for home improvement and home extension. Owing to this, the ceramic tiles and sanitaryware industry is expected to witness good growth, led by rise in disposable incomes and the growing desire to own a beautiful home.

Hotel and Commercial Sector Demand

The hotel industry in India is projected to grow to ₹ 1,211 Bn by CY 2023, expanding at ~13% CAGR between CY 2018 and CY 2023, on the back of high arrival rate of foreign tourists and business delegates once the world normalizes. This could boost the ceramic tile and sanitaryware market.

India's six major cities registered 15.5% increase in gross office space absorption at 36.9 Mn sq ft in CY 2021 amid economic activity resuming normalcy and improving confidence. This has helped boost the ceramic tiles and sanitaryware market.

Evolution of Large Format Tiles and Slabs

With the global demand for tiles shifting from Double Charge tiles towards large format GVT and Porcelain slabs, the Indian market is also witnessing the launch of new designs and thicknesses, led by innovation of glazing and digital printing technologies for ceramic tiles. Indian players are increasingly targeting this new market to establish an early large presence in the global landscape. The past few years have witnessed large capacity addition in the GVT and large slabs segment, focused on both domestic and exports markets. Large format tiles and slabs are increasingly being used as countertops, kitchen tops, floorings, facades, wall cladding, etc. across the globe, giving tough competition to other hard surface products. This shift towards value-added products like GVT and DCVT is expected to result in improvement in sales realization and profit margins, especially for the organized players.

Anti-China Sentiment

In order to boost the domestic tiles industry and protect it from cheaper imports from China, the government had imposed up to USD 1.87 per sq. mtrs. anti-dumping duty on import of Chinese tiles during 2016 for five years. Post its expiration in 2021, the Finance and Commerce Ministries decided to extend the duty for a period of another five years to support and protect Indian manufacturers from low-cost Chinese players. In addition, post conflicts with China, there is an anti-China sentiment running in the country. Coupled with Make in India and Vocal for Local initiatives, this has led to decline in demand for Chinese tiles.

Removal of GCC-imposed Anti-Dumping Duty on Indian Tiles

To protect the interests of local industry, several Gulf countries like Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, Kingdom of Saudi Arabia and the United Arab Emirates (UAE) imposed an anti-dumping duty of 106% on import of ceramic tiles from China, India and Spain till 2025. Chinese exports were levied with a much lower duty of an average of 23.05%. As exports to GCC comprised nearly 35% of the total Indian tiles exports, it led to a severe hit to the industry. The Indian government covered this aspect while signing the foreign trade agreement with UAE leading to removal of this duty on tile exported from India. This provided a major boost to the Indian tile industry. In addition, exports to other countries increasing manifold due to anti-China sentiment, the Indian tile industry has benefited.

Market Outlook

Tiles, sanitaryware and bathroom fixtures are hygiene essentials used in toilets, bathrooms and kitchens. They are made using hard and soft materials, including glass, metal, granite, plastic, marble, clay, slate, ceramic, cork, recycled paper and perlite. They have glossy surfaces for easy cleaning, and offer resistance to corrosive chemicals and scratches. The Indian tiles, sanitaryware and bathroom fittings market was valued at USD 7,516 Mn in CY 2021 and is expected to reach USD 12,006 Mn by CY 2027, at 8.39% CAGR. The replacement market is expected to witness strong growth in the future, driving the growth of the ceramic tiles market in India.

COMPANY OVERVIEW

Asian Granito India Limited (AGL) is a new-age luxury surfaces and bathroom solutions which was incorporated in 1995 as Karnavati Fincap Private Limited and commenced tiles operations in 2001. The Company, headquartered at Ahmedabad, Gujarat, has strong brand equity in the Indian tiles market. Ranked amongst the top ceramic tiles companies in India, we have the largest pan-India network and a well-established presence in over 100 countries, earning ~13% of our revenues from exports. Leveraging our in-depth expertise and understanding of building materials, we have been able to evolve as a brand providing integrated solutions under a single umbrella. We manufacture and market a wide range of products viz. floor tiles, wall tiles, parking tiles, glazed vitrified tiles (GVT), polished vitrified tiles (PVT), double charge tiles,

countertops, quartz surfaces, marble surfaces, sanitaryware, bathware, CP fittings, faucets and construction chemicals. We are foraying into the SPC flooring space, a new-age innovative flooring, with our upcoming 2.7 Mn sq. mtrs. plant in Morbi, which is expected to commence production from FY 2023-24.

We own five manufacturing facilities with nine state-of-the-art plants at multiple locations and one windmill in the state of Gujarat. The installed capacity is around 34.5 Mn sq. mtrs. The strategic location of the plants enables us to procure key raw materials from the quarries in Rajasthan at cheaper costs. Innovation and technology are deeply ingrained in our processes. We have one of the largest distribution networks of 6,500+ touchpoints and 2,700+ distributors, dealers and sub-dealers, with 311 exclusive Dealer Showrooms. We offer solutions for every surface and bathroom need across India.

Our strong brand equity is a result of delivering products which are reliable, adaptable, innovative and of superior quality. Designers, architects, construction companies and homeowners, not only across India but also globally, use our products. We are working to become an end-to-end solutions provider, encompassing quality assurance, packaging, efficient supply chain management, and adherence to stringent compliance and ethical norms in the industry. We are striving hard to make India a global manufacturing hub for tiles and sanitaryware. We are also the only tiles company to be acknowledged in the Vibrant Gujarat Summit 2015 for achieving phenomenal growth. We look to strengthen our identity as a leader in the Indian ceramic industry by consistently introducing innovative and value-added products in the market to keep pace with the demands and aspirations of our valued customers.

OPERATIONAL PERFORMANCE

Performance of the Tiles Business

Snapshot

- Manufacturing facilities: Dalspur-Himmatnagar, Mehsana, Morbi, Dholka and Idar
- Installed capacity: 93,500 sq. mtrs. daily (including 18,000 sq. mtrs. of contract manufacturing)
- Production in FY 2021-22: 24.82 Mn sq. mtrs.
- Total Consolidated Sales in FY 2021-22: ₹ 1,206.7 crore
- Capacity utilization: 80%
- Sales growth over FY 2020-21: 13.4%
- Contribution of Tiles in total revenue: 77%

Business Overview

We manufacture tiles under four verticals, namely, ceramic, polished vitrified, glazed vitrified and double charged.

The tile revenue increased to 13.4% from ₹ 1,064 crore in FY 2020-21 to ₹ 1,207 crore in FY 2021-22. Exports stood at ₹ 194 crore, contributing 16% to total sales.

Operational Strength

Owing to our wide assortment of products in different sizes, polishes and finishes, along with our wide distribution network



and superior production capacity of 93,500 sq. mtrs. daily through nine state-of-the-art manufacturing units, we rank among the top ceramic tiles companies in India. Our strong focus on innovative and value-added products resonates well with our customer base, both in domestic and global markets.

Retail Strength

We have a strong franchise base comprising around 300 franchisee-owned and franchise-operated Exclusive Brand Outlets and 13 Company-Owned and Company-Operated display centers. In addition, a 15,000 sq ft ‘AGL Export House’ at Morbi has been established to boost exports. We aim to expand our network to over 10,000 touchpoints and 500 exclusive brand showrooms.

Performance of the Marble and Quartz Business Snapshot

- Manufacturing facilities: Dalpur
- Installed capacity: 4,100 sq. mtrs. daily
- Capacity utilization: 65%
- Consolidated sales in FY 2021-22: ₹ 279.8 crore
- Contribution to the total revenue FY 2020-21: 18%

Operational Strength

With over a decade of rich experience, we offer unique and innovative products led by strong R&D capabilities and in-depth understanding of the consumer needs. Our product range includes multi-color quartz with 99.9% silica content against the standard offering having 97% silica concentration. Our Quartz products range includes multiple products with thickness of 20 mm and 30 mm against standard 15 mm thickness products available in the market. Such differentiated and superior products help us earn high dividends from satisfied customers.

Performance of the Sanitaryware Business

Since inception in 2019, AGL Bathware range, with 30+ plus SKUs of faucets, showers and bathware accessories along with our previously launched sanitaryware and CP fittings range, provides complete bathroom solutions under the AGL brand. We strongly believe in the growth prospects of the segment and are striving to become a prominent bathware brand in the domestic market, riding on our unparalleled distribution reach and brand equity. (We also plan to build a standalone network of 500+ touchpoints through more than 100 distributors for faucets and sanitaryware over the next 12-18 months).



OUR COMPETITIVE STRENGTHS

State-of-the-art Manufacturing Facilities with Strong Focus on Design and Quality

Our manufacturing units, integrated from raw material handling to finished goods and warehousing processes, are equipped with high-end technology/machinery, such as kiln, spray dryer, press, digital printing, glazing line, etc. This enables us to manufacture various sizes of products, minimize human labor involvement and achieve cost efficiencies. The machines are imported and also domestically procured, and match international quality standards. We have an in-house research and development department to facilitate new varieties, in addition to enabling tests and analysis of various products. The multi-purpose facilities are designed to allow a high level of flexibility, giving us the ability to modify and customize our offerings to address the changing requirements of customers with minimal future capital investments. We aim to further develop our technological systems and enhance our processes to increase asset productivity, improve operating efficiencies and strengthen our market competitiveness.

Wide Product Portfolio of more than 1,400+ Unique Designs

We have diversified and expanded our product offerings, from being a pure-play wall tiles player to ceramic floor tiles, glazed vitrified tiles, polished vitrified tiles, engineered marble & quartz stone, and bathware solutions. We are now providing an integrated set of surfaces and bathware solutions. With over 1,400 unique designs, we have built a strong brand equity. We focus on market research and development through constant engagement with network partners like dealers, distributors and customers. This helps us understand the pulse of the market in terms of ongoing trending patterns, as well as prevalent sizes and types of materials. It also enables us to innovate and launch market-ready products and designs which are well appreciated. Our in-house laboratory helps us to closely monitor quality. Our wide product range, coupled with strong R&D and quality control, gives us an edge over competition.

Widespread Sales and Dealers Network of 2,700+ Backed by 310+ Showrooms

We have a well-established dealer-distributor network to supply our wide range of products to private customers, and infrastructure related projects to government as well as private enterprises. Our vast dealer network comprises 2,700+ registered dealers, including sub dealers, across the globe. In addition, we facilitate display and sales from owned, rented and exclusive dealer showrooms. We own 310+ showrooms across the country, including 299+ franchise-owned and franchise operated exclusive showrooms and 12 Company-owned and Company-operated display centers. Strong product portfolio, focus on innovation, vigorous quality control and state-of-the-art manufacturing facilities have enabled us to build a robust dealer network. High customer retention is the end result of these strong dealer relationships. Our in-house sales and marketing team strives to liaise with the dealers regularly for customer inputs, market demands, design improvements,

new product development, and product positioning to help us sustain our competitive edge.

Experienced Management and Dedicated Employee Base

Our management team boasts of rich industry experience, with execution capabilities in technical, operational and business development domains. The promoters and directors have been associated with the Company since inception and have an experience of more than two decades in the tiles industry. Such rich experience enables us to anticipate and address market trends, manage and grow operations, and maintain and leverage customer relationships. We have also employed suitable technical and support staff to manage key areas of activities allied to operations. Our rich experience, quest for knowledge and deep routed business relationships are bound to help us to secure our future growth prospects.

Strategic Proximity and well connected to Raw Material Sources and Customer Locations

Our manufacturing units are strategically located near Rajasthan, where all the key raw materials used in production are available in large quantities and easily accessible by road. This provides cost efficiency and the advantage of operating at lower inventories. Additionally, the state of Gujarat is well connected through multiple transportation mediums, providing ease of mobility for products to reach customer touchpoints on time.

Efficiency of Production Processes

Our manufacturing plants are equipped with the latest modern technologies, conforming to international standards. We remain focused on monitoring labor and productivity related issues, and have also adopted a policy of constant improvement across the major processes. In addition, the use of Management Information Systems (MIS) tools aids in accurate monitoring of operational efficiency. Process improvement is an ongoing activity wherein trained and experienced manpower strive to improve the production process to deliver maximum efficiency through optimum utilization of resources. Employee-friendly HR policies have enabled us to build strong relationships with all our employees, enabling smooth and continuous production and ease of business.

BUSINESS STRATEGY

Domestic demand for tiles continues to remain reasonably strong, driven largely by growth in real estate, government spending on low-cost housing, commercial demand and retail demand. However, input cost pressure may increase production cost and may dent margin due to lower ability to further increase prices. In the past six months, we have passed on cost escalations to the end consumer. We expect export demand to see good traction, largely driven by the Middle East, USA and other Western countries. We remain cautiously optimistic on demand, and cognizant that input cost pressure will continue to weigh on margins.



As Indian manufacturers focus more on quality and adoption of latest technologies to match the requirements of the exports markets, and as the shift from Chinese imports to Indian imports inches further towards permanency, India's ceramic tiles industry is headed well towards accelerated global growth. The challenges of shortage of containers, freight escalation, etc. are expected to be short-lived. In the longer term, the Indian ceramic tiles industry is expected to lead the world at the first position. With strong focus on technology, product assortment, innovation and quality, we stand in a good position to emerge as leader in the lucrative exports market.

To achieve our publicized vision to be a global leader in providing innovative lifestyle solutions and create long-term stakeholder value, we plan to implement the following strategies:

a) Setting up of New Manufacturing Units to Expand our Premium

To achieve margin expansion and enhance our premium and value-added product bouquet, we have planned the establishment of three new manufacturing units:

1. GVT Plant at Morbi, Gujarat, with an installed capacity of 6.6 Mn square meters of GVT tiles per annum to manufacture large format GVT tiles in 800x1600 mm and 800x2400 mm formats
2. Sanitaryware plant at Morbi, Gujarat, with an installed capacity of 0.66 Mn pieces of sanitaryware products per annum to reduce dependencies and higher costs of sourcing of sanitaryware products from third-party manufacturers
3. SPC plant at Morbi, Gujarat, with an installed capacity of 2.97 Mn sq. mtrs. of flooring per annum with the aim to gain early mover advantage in this segment globally

b) Invest in Brand Recognition and Visibility through Brand Promotion Campaigns and Enhance Customer Engagement

Currently, we reach out to end customers through our vast network of dealers, exclusive franchise outlets and Company owned display centers. We intend to make consistent efforts to strengthen our brand and enhance brand visibility by undertaking various brand promotion initiatives, including celebrity endorsements, opening up of experience centers at high footfall locations, advertising campaigns, social media campaigns and other brand promotion initiatives. This will help create brand recognition and visibility amongst the untapped segment of end customers, providing them more knowledge about our offerings and competitive pricing, among others. Also, this will provide us an opportunity to engage with customers, resulting in better understanding of their buying preferences, patterns, thoughts and experience with our products, etc. This knowledge can help us in right product and brand positioning and in growing our retail customer base.

c) Expand our International Footprint by Establishing Dealers and Distributors Relationships

We export to more than 100 countries, including China, Israel, United States of America, Germany, Spain, Italy, South Korea, Thailand, Myanmar, Canada, Indonesia, Australia, Bangladesh, Vietnam, Kenya, Sri Lanka, Brazil, South Africa, Iraq, Saudi Arabia, UAE, Oman, Qatar, Kuwait, Bahrain, etc. among others. We plan to further expand our export operations globally by establishing dealer, distributor and franchise relationships. Given the tailwinds in the export of ceramic tiles post the outbreak of COVID-19, India has emerged as one of the fastest growing ceramic tiles hubs in the world, outperforming the largest manufacturing countries. Amid growing worldwide demand, and India being the second largest producer and exporter of ceramic tiles, there is tremendous potential for AGL to grow in the international markets by leveraging these opportunities. We are further expanding our premium product range by exporting products matching global preferences, including GVT, large and mega format slabs, SPC flooring, etc. We intend to expand our global footprint and become a widely recognized global brand.

d) Further Leverage our Existing Sales & Marketing Channels and Expand our retail touchpoints to Accelerate Growth

We have an extensive network of 1,400+ dealers spread across the country. We continuously endeavor to enhance our dealer, distributor and franchise network through our marketing and branding efforts. We strongly believe that this network is the backbone of our retail segment, helping us secure a deep understanding of the customers' evolving buying preferences, behavior and ongoing trends, thereby helping in timely product innovation at competitive prices. We constantly strive to grow the network of our retail touchpoints and aim to further accelerate our plan to enhance our retail presence. Extensive retail presence would help us in generating higher margins, better credit terms and efficient management of working capital, in addition to boosting our revenue growth.

e) Enhanced focus on Efficiency, Cost and Return on Capital through Optimization of Working Capital Cycles, Diversification of Product Mix and Innovative Technologies

We intend to continuously improve the efficiency of our operations, reduce costs and improve margins, thereby generating higher returns on the capital employed, while still focusing on sustainable growth. We also intend to improve our working capital management by diversifying our business mix, thereby reducing dependency on external debt and generating higher stakeholders' returns. In the past few years, the industry has witnessed rapid evolution in technology around the globe, with multiple players coming out with innovative solutions to enhance efficiencies across the entire array of the

production process. Over the next few years, we intend to emulate and imbibe the technological advancements to further strengthen our brand positioning and improve cost efficiencies. We believe that, collectively, these measures will help improve our business profitability and return on capital employed in the long term.

f) Maintain and Expand long-term Relationships with Clients through Cost-effective Model

We have, over the years, built relationships with clients across our business segments by offering products aligned with their requirements, in addition to providing aftersales service. This is the result of continued efforts to supply products to the largest commercial and business organizations, large project builders, governments, etc. Since this model has earned tremendous success, we aim to further develop new relationships to expand our product and service offerings, which would help us in improving our working capital management and enhancing margins.

FINANCIAL REVIEW

Profit and Loss Account Analysis

- **Consolidated Revenue from Operations**
Total revenue from operations increased 21% to ₹ 1,563.8 crore in FY 2021-22 from ₹ 1,292.3 crore in FY 2020-21. The growth was led by good volume growth and increase in realization. We witnessed healthy demand for our product basket in the domestic market. Capacity utilization for FY 2021-22 stood at around 85%.

Export revenues grew 5% to ₹ 204.9 crore from ₹ 195.1 crore in FY 2020-21. The growth was restricted mainly on account of higher shipping freight costs and shortage of containers across the industry.
- **Consolidated EBITDA Profit**
Operating profit (EBITDA) declined 8.3% to ₹ 124.6 crore from ₹ 136.0 crore in FY 2020-21. EBITDA margins contracted 255 basis points to 8.0% from 10.5% in the previous year. The decline is attributable to high input costs of gas, coal, freights and other inputs. Escalation in gas prices has been gradually passed on to the end customers, thereby keeping the decline in the margins to the lowest.
- **Consolidated Finance Costs**
Consolidated finance cost decreased 30.1% to ₹ 22.9 crore from ₹ 32.8 crore in FY 2020-21. Post completion of the rights issue, the Company has become completely debt free at standalone level, and is further planning to reduce the debt at the consolidated level as well.
- **Total Comprehensive Income**
Consolidated net profit grew 60.5% to ₹ 91.8 crore from ₹ 57.2 crore in FY 2020-21, including an exceptional income of ₹ 38.1 crore in FY 2021-22. Net profit margin expanded 144 basis points to 5.9%.

Balance Sheet Analysis

- **Consolidated Net Worth**
As on 31 March, 2022, our consolidated net worth stood at ₹ 918 crore as compared to ₹ 626 crore as on 31 March, 2021.
- **Consolidated Loan Profile**
Our total long-term debt for FY 2021-22 reduced to ₹ 188.7 crore from ₹ 285.6 crore in FY 2020-21.

RISKS, CONCERNS AND MITIGATION

We have in place a well-devised comprehensive risk management framework which helps us to closely monitor the various risks that may have a bearing on our business operations. The risk management framework helps us closely review the existing risks while identifying new and emerging risks. It also helps enumerate the strategies which will be useful in avoiding or minimizing the impact of the risks.

Competitive Risk

Being a part of a highly fragmented industry with a significant unorganized segment, we face immense competition, especially on the pricing front. Also, given the high growth opportunities in both domestic and global tiles, as well as in the bathroom and sanitaryware market, we are exposed to significant competition from both domestic and international players.

- **Mitigating measures:** Our strong focus on innovation, with in-depth market research, enables us to launch innovative and differentiated products, keeping pace with the market pulse. We strive to maintain our competitive edge through unwavering focus on technology, innovation, superior quality, cost efficiency, strong brand equity, distribution network and state-of-the-art manufacturing facilities.

Product Risk

In the event that our products fail to keep up with the changing market, or become obsolete and undesirable, it will severely impact our business growth.

- **Mitigating measures:** We carefully curate our product offerings, based on extensive market research and strong R&D capabilities. We strive to launch innovative specialized products with unique features, to capture significant mindshare of the customer. Our focus on being the pioneers for different forms of tiles in our industry has built a strong brand equity for our products, which resonate well with the customers. Our constant focus on innovation helps us to keep our product portfolio fresh and new.

Brand Reputation Risk

It is imperative to have a strong brand equity to achieve business excellence and pricing power. In its absence, our profitability will be at risk.

- **Mitigating measures:** Apart from launching new technologically advanced products, we ensure appropriate dealer engagement while introducing new products in



the market. In addition, we run various campaigns to enhance our connect with dealers and consumers.

Substitution Risk

In the event that a substitute product category emerges, making our offering obsolete or redundant, it may impact our financial performance and business continuity.

- **Mitigating measures:** We constantly engage with market participants to understand the needs of the consumer and upgrade our portfolio to suit the changing needs. Our innovations are technologically driven, ensuring the robustness of our portfolio. We closely monitor all significant developments in the market to ensure we remain relevant with emerging trends.

Operational Risk

Our business operations face the risk of being impacted by unforeseeable unfavorable external or internal events, which may have a significant impact on our profitability.

- **Mitigating measures:** Our robust internal control system ensures that all operational and financial operations are conducted as per defined policies. Regular and periodic reviews and audits ensure strict adherence to these controls, and any variances are promptly looked into.

Distribution Risk

Since our success is highly influenced by our strong distribution network, any negative impact on any of our touch points may diminish our brand equity, resulting in reduced profitability.

- **Mitigating measures:** With one of the largest distribution networks of 6,500+ touchpoints and 2,700+ distributors, dealers and sub-dealers with 311 exclusive dealer showrooms, 13 display centers and exports to over 100 countries, the Company has created a robust distribution network. Our dedicated sales and support team supports our distribution network, minimizing any risk in both domestic and international markets.

Geographical Risk

Concentration of revenue in a particular geography may reduce our margins in case of unfavorable events in that geography.

- **Mitigating measures:** We have a well-diversified business portfolio, with revenue spread across the length and breadth of the country without significant dependence on a particular region. East, West, North, and South markets contribute 10%, 35%, 28%, and 26% respectively to our domestic revenues. Also, we earn 13% of our revenues from exports to over 100 countries. This significantly reduces our revenue dependence on a particular region or geography.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have devised comprehensive internal control systems, commensurate with the size and nature of the business and industry in which we operate, by instituting a comprehensive documentation system for all our operational and financial functions. The internal control systems are built in compliance with applicable laws and statutes. The systems ensure adequate safeguard of assets and efficient productivity at all levels. The control systems are crucial for securing sensitive data, easing the audit process, maintaining proper accounting records, reliable financial reporting, monitoring operations, conservation of assets, preventing frauds and errors, executing authorized transactions, safeguarding assets from unauthorized use and ensuring compliance with corporate policies. Our internal audit team periodically reviews the adequacy of the internal control framework, and ensures it abides by all applicable rules and regulations. Any deviations or observations thus encountered are discussed with the Management and the Audit Committee. We keep a close eye on the internal control systems through periodic audits by the internal audit team. Any recommended measures and suggestions for improvement are duly considered. We can ensure robustness of our internal control systems as majority of the branches are electronically integrated with the Head Office. This ensures strict business compliance in accordance with applicable laws and statutes.

INFORMATION TECHNOLOGY

All aspects of our business, including production, market research, product development and distribution network, are highly automated for higher operational efficiency, better productivity and cost-effectiveness. We use technically advanced programs to eliminate redundancies, and improve operational efficiencies and productivity. Automation of operations enables employees across the organizational framework to work more efficiently.

QUALITY CULTURE

Our constant efforts to offer superior quality, technologically driven and innovative products enable us to develop and nourish deep customer relationships. With unwavering focus on innovation, brand equity, technology adoption, quality adherence to international standards and investment in R&D, we relentlessly strive to improve the loyalty of both institutional and retail customers. This enables us to gain large-scale acceptance in both Indian and overseas markets. Our investment and focus in R&D have enabled us to launch first-time superior products, giving us an edge over competition. In addition, it also helps us to expand customer base and command a premium in the market. We strive to leverage our R&D investments to increase profit, create moat, and build long-term shareholder value.

HUMAN RESOURCES

We believe that human capital plays a crucial role in business growth. Our talented and dedicated employee base has enabled us to achieve our strategic goals. Our HR policies are employee-friendly, nurturing a safe, conducive and productive work environment. This not only enables sustainable business growth but also ensures high productivity, employee satisfaction and motivation, and superior retention ratio.

We regularly conduct skills upgradation and personal development trainings for all our employees. This enables them to stay updated with current happenings and paves the way for all-round development, which in turn positively impacts business growth, productivity and the overall working environment. Our open-door policy enables a transparent and superior work culture, providing ample opportunities to employees to freely express their views. Direct communication with the management provides significant boost to employee morale.

We have adopted a performance-based reward culture which enables us to offer merit-based growth opportunities and

foster an equitable workplace. Our rich organizational culture helps create utmost loyalty among employees, encourage team-work, and attract new talent. As on 31 March, 2022, our total employee strength was 1,616.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis section describe the Company's objectives, projections, expectations and estimations, which may be forward-looking in nature. These statements are made within the meaning of applicable securities laws and regulations. Past performance of the Company is not necessarily indicative of its future results, and actual results could differ materially from those expressed and implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent development, information or events.

Directors' Report

To,
The Shareholders,

Your Directors have the pleasure of presenting the 27th Annual Report of your Company together with the Audited Financial Statements for the year ended 31 March, 2022.

FINANCIAL RESULTS

The Company's financial performance for the year ended on 31 March, 2022 is summarised below:

(₹ in crores except per share data)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operation	1,349.10	1,036.18	1,563.82	1,292.30
Profit before Interest and Depreciation	132.48	101.31	169.50	141.41
Less: Interest	(6.95)	(16.99)	(25.57)	(34.94)
Profit Before Depreciation	125.54	84.32	143.93	106.48
Less: Depreciation	(17.86)	(18.46)	(30.07)	(29.35)
Profit Before Tax	107.68	65.87	113.86	77.13
Less: Provision for taxation	19.75	16.64	21.77	19.52
Profit After Tax	87.93	49.22	92.09	57.61
Transfer from Comprehensive Income	(3.00)	0.21	(12.00)	0.25
Dividend Paid	(1.71)	(2.17)	(1.71)	(2.17)
Balance carried forward	86.19	47.26	72.37	55.07
Balance brought forward from previous year	338.69	291.43	401.75	346.69
Balance carried to Balance Sheet	424.88	338.69	474.12	401.75
Earnings per Share	19.73	16.04	20.63	18.57

Financial highlights and state of affairs of the Company

(₹ in crores)

Particulars	2021-22	2020-21	Increase/ Decrease
Net Sales	1,346.12	1,031.09	315.03
EBIDTA	132.48	101.31	31.17
Profit before tax	107.68	65.87	41.81

CONSOLIDATED OPERATING RESULTS

The consolidated sales and operating income increased to ₹ 1,564 crores from ₹ 1,292 crores in the previous year showing a growth of 21 %. The consolidated EBT margin for the year was ₹ 114 crores as against ₹ 77 crores in previous year. The consolidated net profit during the year 2021-22 was ₹ 92 crores compared to consolidated net profit amounting to ₹ 58 crores in the previous year.

THE STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of Tiles (Wall/Vitrified/ Ceramics), Marble, Quartz and Bathware and any other businesses as may be specified in the object clause of MOA of the Company.

EXCEPTIONAL ITEM

During the year under review, the Company has divested / sold its stake from M/s. Astron Board and Paper Mill Limited

on 10 August, 2021 comprising 87,75,000/- Equity Shares (18.87%) at price of ₹ 53.50 per share amounting to total profit of ₹ 46.95 crores which is part of the Statement of Profit and Loss for the year.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analysed in the Management Discussion and Analysis section which forms a part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front, forms an integral part of this Report.

APPROPRIATIONS

A. Dividend

The Board of Directors at its meeting held on 24 May, 2022 have recommended a payment of final dividend of ₹ 0.70 (7%) per equity share of the face value of ₹ 10/- each for the financial year ended 31 March, 2022, in accordance with the Dividend policy. The Dividend Distribution Policy of the Company, in terms of Regulation 43A of SEBI (LODR) Regulations, 2015 (as amended) is available on the website <https://aglasiangranito.com/policies/Dividend-distribution-Policy>. As per Finance Act, 2020, now the Dividend is taxable in the hands of the Shareholders at the applicable tax rates of the respective shareholders. The total Dividend payable with respect to the year under review was of ₹ 0.70/- per equity share amounting to ₹ 8.87 crores.

B. Transfer to Reserves

The Board of Directors of the Company has decided not to transfer any amount to the Reserves for the year under review.

RIGHTS ISSUE

A. During the year 2021-22

The Board of Directors of your Company at its meeting held on 14 July, 2021 inter-alia considered and approved the raising of funds by way of Rights Issue for an amount not exceeding ₹ 225 crore. Your Company evaluated various options and was of the view that rights issue was an equitable mode of fund raising as it gives its shareholders an equal opportunity to participate in the growth of the Company. The purpose/object to raise capital was to meet its part payment /pre-payment of certain secured loans availed from lenders, to meet working capital requirements and for General Corporate Purposes.

Accordingly, your Company came out with issue of 2,24,64,188 fully paid up equity shares of face value of ₹ 10/- each (the "rights equity shares") for cash at a price of ₹ 100/- per rights equity share (including a premium of ₹ 90/- per rights equity share) not exceeding ₹ 224.64 crores on a Rights basis to the existing eligible equity shareholders in the ratio of 19 Rights equity shares for every 29 fully paid-up equity shares held by the eligible equity shareholders on the record date, i.e. on 09 September, 2021 (the "issue"). The Rights Issue opened on 23 September, 2021 and closed on 07 October, 2021. The issue was oversubscribed and the company received bids for 2,58,86,126 number of Rights Equity shares. On 16 October, 2021, the Board of Directors of the Company approved the allotment of 2,24,64,188 equity shares of face value ₹ 10/- each to the eligible equity shareholders as fully paid up. Your Company has received Listing Approvals and Trading Approvals from the exchanges. The numbers of issued shares of the Company increased from 3,42,87,446 equity shares to 5,67,51,634 equity shares post allotment of the rights issue equity shares. Thus your Company has raised funds of ₹ 224.64 crores through a said rights issue.

B. During the year 2022-23

The Board of Directors of your Company at its meeting held on 04 February, 2022 inter-alia considered and approved the raising of funds by way of Rights Issue for an amount not exceeding ₹ 500 crore. Your Company evaluated various options and was of the view that rights issue was an equitable mode of fund raising as it gives its shareholders an equal opportunity to participate in the growth of the Company. The purpose/object to raise capital is mentioned in Offer Letter.

Accordingly, your Company came out with Issue of 6,99,93,682 fully paid up equity shares of face value of ₹ 10/- each (the "rights equity shares") for cash at a price of ₹ 63/- per rights equity share (including a premium of ₹ 53/- per rights equity share) not exceeding ₹ 440.96 crores on a Rights basis to the existing eligible equity shareholders in the ratio of 37 Rights equity shares for every 31 fully paid-up equity shares held by the eligible equity shareholders on the record date, that is on 12 April, 2022 (the "issue"). The Rights Issue opened on 25 April, 2022 and closed on 10 May, 2022. The issue was oversubscribed and the company received bids for 8,88,24,321 number of Rights Equity shares. On 16 May, 2022, the Board of Directors of the Company approved the allotment of 6,99,93,682 equity shares of face value ₹ 10/- each to the eligible equity shareholders as fully paid up. Your Company has received Listing Approvals and Trading Approvals from the exchanges. The numbers of issued shares of the company increased from 5,67,51,634 equity shares to 12,67,45,316 equity shares post allotment of the rights issue equity shares. Thus your Company has raised funds of ₹ 440.96 crores through a said rights issue.

HUMAN RESOURCES

Your Company values its employees and believes that the Company's success is a result of the Team Work of all of its employees. The Human Resource Development team strives to create a positive work environment that influences employees' ability, motivation and creates opportunities for them to perform. Our safe, secure and harassment free work environment encourages high performance work culture with focus on employee health / safety, welfare, engagement, development, diversity, productivity, Cost and Quality. Comprehensive policies of the Company covers the entire spectrum of the life cycle of an employee from recruitment to retention. We are committed to hiring, nurturing and developing exceptionally talented human resources. Company's unique culture and robust People Practices and Policies, inspire and ensure that every employee aspires to grow in the organization.

During the pandemic, the Company's top priority was the health and safety of its employees. Safety awareness programs and counselling sessions were critical in spreading necessary knowledge and assisting employees in dealing with the challenges of working in the midst of the COVID pandemic. Distribution and use of mask, related medicines and sanitizers was promoted for all employees and visitors of the Company.



On the Industrial front, the Company continued to foster cordial Industrial Relations with its workforce during the year.

The Company has a diverse workforce of 1,616 employees as on 31 March, 2022 vis-a-vis 1,503 employees as on 31 March, 2021. Going forward, the Company will continue to focus on nurturing the right talent to achieve the business goal.

SHARE CAPITAL

A. Authorised Share Capital

- As on 01 April, 2021, the Authorised Share Capital of the Company was ₹ 47,50,00,000/- consisting 4,75,00,000 Equity shares of ₹ 10/- Each.
- As on 12 August, 2022, the Authorised Share Capital of the Company was ₹ 65,00,00,000/- consisting 6,50,00,000 Equity shares of ₹ 10/- Each (Due to increase in Authorised Share Capital from ₹ 47,50,00,000/- to ₹ 65,00,00,000/- in Extra-Ordinary General Meeting dated 12 August, 2021)
- As on 31 March, 2022, the Authorised Share Capital of the Company is ₹ 1,27,00,00,000/- consisting 12,70,00,000 Equity shares of ₹ 10/- Each. (Due to increase in Authorised Share Capital from ₹ 65,00,00,000/- to ₹ 1,27,00,00,000/- in Extra-Ordinary General Meeting dated 28 February, 2022).

B. Paid Up Share Capital

- As on 01 April, 2021, the paid up share capital of the Company was ₹ 34,05,44,460/- consisting 3,40,54,446 Equity shares of ₹ 10/- Each.
- As on 05 April, 2021, the paid up share capital of the Company was ₹ 35,38,44,460/- consisting 3,53,84,446 Equity shares of ₹ 10/- Each. (Due to allotment of 1,33,000 Equity shares pursuant to conversion of warrants into equity)
- As on 07 April, 2021, the paid up share capital of the Company was ₹ 35,39,44,460/- consisting 3,53,94,446 Equity shares of ₹ 10/- Each. (Due to allotment of 1,00,000 Equity shares pursuant to conversion of warrants into equity)
- As on 16 October, 2021, the paid up share capital of the Company was ₹ 56,75,16,340/- consisting 5,67,51,634 Equity shares of ₹ 10/- Each. (Due to allotment of 2,24,64,188 Equity shares on account of Rights Issue)
- As on 31 March, 2022 the paid up share capital of the Company was ₹ 56,75,16,340/- consisting 5,67,51,634 Equity shares of ₹ 10/- Each.
- As on date, the paid up share capital of the Company is ₹ 1,26,74,53,160/- consisting 12,67,45,316 Equity shares of ₹ 10/- Each, which was increased on account of allotment of 6,99,93,682 Equity Shares on Rights basis during Financial Year 2022-23.

BORROWINGS:

The Company has long-term borrowings outstanding amounting to ₹ 5.35 crores as on 31 March, 2022.

DEPOSITS

Your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 and read together with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) for the year ended on 31 March, 2022. None of the deposits earlier accepted by the Company remained outstanding, unpaid or unclaimed as on 31 March, 2022.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Details of Loans granted, Investments and Guarantees given and made during the year by Company under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in various notes to the Financial Statements.

INTERNAL CONTROL SYSTEMS WITH RESPECT TO FINANCIAL STATEMENTS

The Company has adequate Internal Financial Control ('IFC') procedures commensurate with its size and nature of business in alignment with the requirement of Companies Act, 2013 and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The Company has appointed in-house Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors approves the annual internal audit plan and periodically reviews the progress of audits as per approved audit plans along with critical internal audit findings presented by internal auditors, status of implementation of audit recommendations, if any, and adequacy of internal controls.

The Board reviews the effectiveness of controls documented as part of IFC framework, and take necessary corrective and preventive actions wherever lapses are found on the basis of such reviews. No significant events had been identified during the year that have materially affected, or are reasonably likely to materially affect our IFC. The Statutory Auditors of the Company has audited the IFC with reference to Financial Reporting and their Audit Reports is annexed to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements respectively.

RELATED PARTY TRANSACTIONS

All contracts/arrangements entered into by the Company during the financial year under review, with related parties (as defined in the Act and Listing Regulations) were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contract/arrangement/transaction with related parties which could be considered as material in accordance with the Policy of the Company on Materiality of Related Party Transactions (RPT Policy) or which is required to be reported in Form No. AOC-2

in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Related Party Transactions Policy as approved by the Board is hosted on the Company's website i.e. <https://www.aglasiangranito.com/investor-relation>

MATERIAL CHANGES

- i) During the Financial Year 2022-23, the Company came out with Rights Issue of 6,99,93,682 fully paid up equity shares of face value of ₹ 10/- each (the "rights equity shares") for cash at a price of ₹ 63/- per rights equity share (including a premium of ₹ 53/- per rights equity share) aggregating to ₹ 440.96 crores. The funds are being currently utilised as per object mentioned in the Letter of Offer.
- ii) The Income Tax Department had carried out a search operation at Company's business premises on 26 May, 2022. The Company had extended full co-operation to the income tax officials during the search and provided all the information sought by them. The Company has not received any further communication or demand from the department. The company does not foresee any material impact on the current or future business operations.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and other stakeholders to report genuine concerns has been established. The Company has built a reputation for doing business with honesty and integrity over the years, and has shown zero tolerance for any sort of unethical behaviour or wrongdoing. The Audit Committee reviews the functioning of the Whistle Blower mechanism on a quarterly basis. During the year under review, no instance has been reported under this policy. Whistle-blower Policy and Code of Business Conduct have been hosted on the website of the Company <https://www.aglasiangranito.com/investor-relation>

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is an equal opportunity Company and has zero tolerance for sexual harassment at workplace. It has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. In this regard, the Company has organized a number of interactive awareness workshops for its employees. During the year, no complaints were received under this policy.

RISK MANAGEMENT

Risk Management is an integral part of our strategy for stakeholders' value enhancement and is embedded in to governance and decision-making process across the Organisation. The Company has in place the Risk Management

Policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organisation.

As per Risk Management Policy all the risks are discussed in detail with the functional heads to identify, evaluate, monitor and minimize the identifiable business risk in the Organization. The Risk Management Committee meets periodically to assess and deliberate on the key risks and adequacy of mitigation plan. Inputs from risk assessment are also embedded into annual internal audit programme. Key risks and mitigation measures are summarised in Management Discussion and Analysis section of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company was required to spend ₹ 0.76 crores (2% of the average net profit of the past three financial years and surplus arising at implementing agency level from temporary investment of funds for FY 2020-21). The total amount spent during the year was ₹ 0.76 crores. The CSR Activities undertaken by the Company were under the thrust areas of Community Healthcare, Sanitation and Hygiene, Education and Knowledge Enhancement and Social Care and Concern. The Brief details of CSR Expenses is annexed herewith as "Annexure-A" forming part of this Annual Report.

The CSR policy of the Company is hosted on the website at https://aglasiangranito.com/-policies/CSR_policy.pdf

ENVIRONMENT, HEALTH AND SAFETY (EHS)

We believe that Environment, Health and Safety (EHS) are essential and paramount pillars for sustainable growth of our business.

We have developed policies and guidelines which take our EHS compliance beyond the regulatory requirements. The policies also ensure consistent and continuous implementation of the EHS requirements throughout the Company.

Our sincere and focused endeavours in EHS domain has substantially helped to lead to safe and healthy working environment for our work force at large.

Our workplace environment is designed to make our employees feel valued, respected, empowered and inspired to achieve our EHS goals.

During the year, Company at all its facilities has implemented a COVID-19 guidelines and strictly adhered to it to de-risk employees' health and uninterrupted and consistent productivity. The Company as a responsible corporate had comprehensively worked in strategising and implementing various government guidelines to curb the spread of pandemic disease at large.

A responsibility towards the environment is part of our mandate. We continuously endeavour to minimize adverse environmental impact and demonstrate our commitment to protect the environment.

During the year, all our manufacturing plants remained compliant with applicable EHS regulations.



HOLDING, SUBSIDIARIES, ASSOCIATE, JOINT VENTURE COMPANIES AND THEIR PERFORMANCE

The Company have nine subsidiaries as on 31 March, 2022, out of which two is step down subsidiaries. There are no joint venture companies. Further, Company was having Astron Paper & Board Mill Limited as associate Company wherein your Company was in capacity of Corporate Promoter and has divested / sold 87,75,000 equity shares (18.87%) on 10 August, 2021. There has been no material change in the nature of the business of the subsidiaries.

A report on performance and financial position (Form AOC-1) of each of the subsidiaries as per the Companies Act, 2013 is provided as **"Annexure-B"**, which forms part of this Annual Report.

The annual accounts of the Subsidiary Companies will be made available to any Member of the Company seeking such information at any point of time and are also available for inspection by any Member of the Company at the Registered Office of the Company on any working day during business hours up to the date of the Annual General Meeting. The annual accounts of the Subsidiary Companies are also available on the website of the Company at <https://www.aglasiangranito.com/investor-relation>

INSURANCE

The Company's plant, property, equipments and stocks are adequately insured against major risks. The Company also has appropriate liability insurance covers particularly for product liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Board of Directors:

Your Company has well constituted Board, in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company.

All Independent Directors (IDs) have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details terms of appointment of IDs are disclosed on the company's website with following link <http://aglasiangranito.com/index.php/investor-relation>

Mr. P. R. Chaudhari, an Independent Director has passed away on 29 April, 2021. Mr. Amrutbhai Patel, Independent Director has resigned w.e.f. 23 June, 2021 and Mr. Maganlal Prajapati and Mr. Kandarp Trivedi have been appointed as an Additional Independent Directors on the Board effective from 26 May, 2021 and 26 June, 2021 respectively and have been regularized in the Extra Ordinary General Meeting held on 12 August, 2021. Further, Mrs. Dipti Mehta, Independent Director has resigned from the Board w.e.f 08 August, 2022.

In the opinion of the Board, the directors appointed / re-appointed during the year possess requisite expertise, integrity and experience (including proficiency) for appointment / reappointment as an Independent Directors of the Company.

As per the provisions of the Companies Act, 2013, Mr. Sureshbhai Patel (holding DIN: 00233565) will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The brief resume and other relevant information of the Director being re-appointed is given in the explanatory statement to the Notice convening the AGM, for your perusal.

ii) Meetings of Board of Directors

During the year, nine Board Meetings and one Independent Directors' Meeting were held, the details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were adhered to while considering the time gap between two meetings. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

During the year, the Board of Directors of the Company has passed 7 Circular Resolutions by majority on 05 April, 2021, 07 April, 2021, 26 May, 2021, 26 June, 2021, 13 August, 2021, 20 September, 2021 and 16 October, 2021 and the Board took note of the same in the next Board Meetings held after circular resolution passed.

iii) Committees to the Board

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has following Committees of the Board as on 31 March, 2022:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Risk Management Committee
- d) Nomination and Remuneration Committee
- e) Corporate Social Responsibility Committee
- f) Administrative Committee

The details with respect to the aforesaid Committees forms part of the Corporate Governance Report.

Board has accepted all the recommendations made by the Audit Committee.

Notes:

- i) The Company has duly constituted Risk Management Committee in its Board of Directors Meeting held on 31 May, 2021.

- ii) Rights Issue Committee was constituted in Board Meeting dated 04 February, 2022 for Rights Issue 2022-23, which was temporary in nature, which met on 06 March, 2022 and 17 March, 2022 and which gets dissolved once the Rights issue is over.

iv) Familiarization Programme of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter alongwith necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals to familiarize the Independent Directors with the strategy, operations and functioning of the Company. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

The Independent Directors also met with senior management team of the Company in formal/informal gatherings.

The details of such familiarization programmes for Independent Directors in terms of provisions of Regulation 46(2)(i) of the Listing Regulations are posted on the website of the Company and can be accessed at <https://www.aglasiangranito.com/investor-relation>.

v) Board Performance Evaluation

Pursuant to the provisions of companies Act, 2013 and SEBI Listing Regulations, the Board has carried out annual performance evaluation of its own performance, its Committees and the Directors including Chairman.

The evaluation manner has been carried out and has been explained in the Corporate Governance Report.

vi) Key Managerial Personnel

There was no change in the Key Managerial Personnel during the year under review. However, Mr. Amarendra Kumar Gupta, Chief Financial Officer resigned w.e.f. 09 June, 2022 and Mr. Mehul Shah has been appointed as Chief Financial Officer w.e.f. 10 June, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(3)(c) of the Act, 2013, in relation to financial statements of the Company for the year ended 31 March, 2022, the Board of Directors state that:

- i) In the preparation of the annual accounts for the year ended on 31 March, 2022, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true

and fair view of the state of affairs of the Company as on 31 March, 2022 and the profit of the Company for the year ended 31 March, 2022;

- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Financial Statements have been prepared on a going concern basis;
- v) The Company is following up the proper Internal financial controls and such internal financial controls are adequate and are operating effectively; and
- vi) The Company has devised proper system to ensure the Compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Details of Remuneration under Section 197(12) of the Companies Act, 2013 and details required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also stated in "Annexure-C" which forms part of this Annual Report. Remuneration policy can be assessed at <https://www.aglasiangranito.com/investor-relation>

PARTICULARS OF EMPLOYEES

Your Company does not have any employee drawing remuneration exceeding limits of Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under review.

AUDITORS

i) Statutory Auditors

M/s. R R S & Associates, Chartered Accountants (FRN: 118336W) were appointed by Board on 31 August, 2019 as Statutory Auditors of the Company, which has been approved by shareholders in 24th Annual General meeting held on 30 September, 2019 for the period of five years i.e. upto conclusion of 29th Annual General Meeting of the Company to be held in the year 2024.

M/s. R R S & Associates, Chartered Accountants have carried out the Statutory Audit of the Company for the Financial Year 2021-22 and the Report of the Statutory Auditor forms part of the Annual Report. There were no qualification / observations in the report.

ii) Secretarial Auditor

The Board, pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014



had appointed M/s. RPAP & Co., Company Secretaries as the Secretarial Auditors of the Company to conduct the Secretarial Audit as per the provisions of the Companies Act, 2013 for the year 2021-22.

M/s. RPAP & Co., Company Secretaries have carried out the Secretarial Audit accordingly and their report in and the Report of Secretarial Auditors in Form MR-3 is annexed with this Report as "Annexure-D". There were no qualification / observations in the report.

During the year 2021-22, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CORPORATE GOVERNANCE

The Company is committed to good corporate governance practices. As required by Regulation 34 read with Schedule V of the Listing Regulations, a separate Report on Corporate Governance forms part of the Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from M/s. RPAP & Co., Company Secretaries, confirming compliance with the conditions of corporate governance as stipulated under Clause E of Schedule V of the Listing Regulations forms part of the Corporate Governance Report.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link <https://www.aglasiangranito.com/investor-relation>.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement containing information on Conservation of energy, Technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies

Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure-E" to this Report.

NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 532888 and on National Stock Exchange of India Limited (NSE) with scrip code of ASIANTILES. The Company confirms that the annual listing fees to both the stock exchanges for the Financial Year 2021-22 have been paid.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant material orders passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its operations in future.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors acknowledge with sincere gratitude for the trust reposed by all Stakeholders including Customers, Investors, Vendors, Bankers, Auditors, Consultants and Advisors and look forward to their continued patronage. The Directors are also grateful and pleased to place on record their appreciation for the excellent support, guidance and cooperation extended by the Government and State Government Bodies and Authorities, Financial Institutions and Banks. The Board also expresses its appreciation of the understanding and support extended by the shareholders and the continuing commitment and dedication shown by the employees of the Company.

For and on behalf of the Board of Directors

Kamleshkumar B Patel

Place: Ahmedabad
Date: 12 August, 2022

Chairman and Managing Director
DIN: 00229700

ANNEXURE – A

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company has framed the Corporate Social Responsibility (CSR) Policy in terms of the provisions of Section 135 (1) of the Companies Act, 2013. The CSR policy of the Company focusses on three thrust areas in which CSR activities are planned – (a) Community Healthcare, Sanitation and Hygiene, (b) Education and Knowledge Enhancement, (c) Social Care and concern. The CSR activities are conducted preferably in the areas where Company has industrial or business presence. CSR activities are implemented directly by the Company or indirectly by implementing agencies engaged in CSR activities. The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kamleshkumar Patel	Chairman, Executive Director (Chairman and Managing Director)	4	4
2.	Mr. Mukeshbhai Patel	Member, Executive Director (Managing Director)	4	4
3.	Dr. Indira Nityanandam	Member, Independent and Non-Executive Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

- Composition of CSR Committee: www.aglasiangranito.com/investor-relation
- CSR Policy: www.aglasiangranito.com/policies/CSR_policy.pdf
- CSR projects approved by the Board: www.aglasiangranito.com/investor-relation

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Not applicable

6. Average net profit of the Company as per Section 135 (5): ₹ 11,337.47 lakhs

- Two percent of average net profit as per section 135(5): ₹ 75.58 lakhs
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- Amount required to be set off for the financial year, if any: Nil
- Total obligation for the financial year (7a+7b-7c): ₹ 75.58 lakhs

8. a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 76.02 lakhs			Nil		

b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in lakhs)	Amount spent in the current financial Year (₹ in lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency
				State	District						
Nil											

c) Details of CSR amount spent against other than ongoing projects for the financial year:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount allocated for the project (₹ in lakhs)	Amount spent for the Project (₹ in lakhs)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
			State	District				Name	CSR Registration number
Contribution towards education activities	Clause (ii) Promoting Education	Yes	GJ*	Sabarkantha	₹ 66.31	₹ 66.31	No	Asian Institute of Technology. Wadali, Sabarkantha	CSR00010159
Contribution towards healthcare activities	Clause (i) Promoting healthcare including preventive health care and sanitation	Yes	GJ*	Ahmedabad and Morbi	₹ 9.71	₹ 9.71	Yes	N.A.	N.A.

* GJ – Gujarat

d) Amount spent in administrative overheads: Nil**e) Amount spent on Impact Assessment, if applicable: Nil****f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 76.02 lakhs****g) Excess amount for set off, if any:**

Sr. No.	Particular	₹ in lakhs
i.	Two percent of average net profit of the company as per section 135(5)	75.58 lakhs
ii.	Total amount spent for the financial year	76.02 lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.44 lakhs
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.44 lakhs

9. a) Details of unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs)	Name of the Fund	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		
					Amount (₹ in lakhs)	Date of transfer	Amount remaining to be spent in succeeding financial years (₹ in lakhs)
Not Applicable							

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in lakhs)	Amount spent on the project in the reporting Financial Year (₹ in lakhs)	Cumulative amount spent at the end of reporting Financial Year. (₹ in lakhs)	Status of the project – Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135 (5). Not Applicable

For and on behalf of Board of Directors

Kamleshkumar B Patel

Chairman and Managing Director
and Chairman of CSR Committee,
DIN: 00229700

Mukeshbhai J Patel

Managing Director and Member of
CSR Committee,
DIN: 00406744

Place: Ahmedabad
Date: 12 August, 2022

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures as included in the Consolidated Financial Statements

Part "A": Subsidiaries (as per section 2 (87) of the Act)

Name of the Subsidiaries	Crystal Ceramic Industries Private Limited (Subsidiary)		Amazoone Ceramics Limited (Subsidiary)		AGL Industries Limited (Wholly Owned Subsidiary)		Future Ceramic Private Limited (Wholly Owned Subsidiary)		AGL Sanitaryware Private Limited (Wholly Owned Subsidiary)		AGL Surfaces Private Limited (Wholly Owned Subsidiary)		AGL Global Trade Private Limited (Wholly Owned Subsidiary)		Powergrace Industries Limited (Fellow Subsidiary) #		Gresart Ceramica Private Limited (Step Down Subsidiary)*	
	CIN	U26933GJ2008	U26933GJ2003	U24220GJ2013	U26999GJ2022	U26999GJ2022	U26999GJ2022	U26999GJ2022	U26999GJ2022	U51909GJ2020	U24100GJ2013	U26999GJ2021	U24100GJ2013	U26999GJ2021	U26999GJ2021	PTC126748	PTC126748	PTC126748
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	03 February, 2022 to 31 March, 2023	07 February, 2022 to 31 March, 2023	12 January, 2022 to 31 March, 2023	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	01 April, 2021 to 31 March, 2022	26 October, 2021 to 31 March, 2022			
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital	4029.96	2163.21	187.60	187.60	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	5.00	5.00	1,253.84	
Reserves and Surplus	5,388.41	4,069.64	187.57	187.57	(1.34)	(1.34)	(1.39)	(1.39)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	572.63	572.63	(0.64)	(0.64)
Total Assets	41,384.97	10,426.82	502.61	502.61	502.49	502.49	502.50	502.50	502.27	502.27	502.27	502.27	502.27	502.27	1,072.48	1,072.48	4,401.07	4,401.07
Total Liabilities	31,966.62	3,367.33	127.44	127.44	502.84	502.84	502.89	502.89	502.89	502.89	502.89	502.89	502.89	502.89	494.85	494.85	3,147.87	3,147.87
Investments	26.12	1277.67	258.44	258.44	460.49	460.49	476.50	476.50	476.27	476.27	476.27	476.27	476.27	476.27	0	0	0	0
Turnover	26,757.13	7,898.47	90.24	90.24	0	0	0	0	0	0	0	0	0	0	1,719.94	1,719.94	0	0
Profit Before Taxation	84.17	309.68	29.79	29.79	(1.33)	(1.33)	(1.39)	(1.39)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	189.16	189.16	(0.64)	(0.64)
Provision for Taxation	(48.47)	(98.89)	(7.72)	(7.72)	(0.01)	(0.01)	0	0	0	0	0	0	0	0	(46.77)	(46.77)	0	0
Profit After Taxation	35.70	210.79	22.07	22.07	(1.34)	(1.34)	(1.39)	(1.39)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	(1.62)	142.39	142.39	(0.64)	(0.64)
Proposed Dividend	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
% of shareholding	70.00	97.77	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	0.00#	0.00#	61.00*	61.00*

* Gresart Ceramica Private Limited (incorporated on 26 October, 2021) is subsidiary of Amazoone Ceramic Limited (subsidiary company of Asian Granito) holding 61% of equity shares;

Powergrace Industries Limited is wholly owned subsidiary of AGL Industries Limited;

Notes:

1. During the year, there are three subsidiaries incorporated which are yet to commence its operations.
2. There is no subsidiary which has been liquidated or sold during the year.
3. The amounts given in the table above are from the annual accounts made for the respective financial year end for each of the Company.

Part "B": Associates / Joint Ventures (as per Section 2 (6) of the Act)

Name of Associates / Joint Ventures	Astron Paper & Board Mill Limited
CIN	L21090GJ2010PLC063428
Latest Audited Balance sheet date	For the year ended on 31 March, 2022
Latest audited Balance Sheet date	31 March, 2022
Shares of Associate / Joint Ventures held by the company on the year end	87,75,000*
Amount of Investment in Associates / Joint Venture	877.5 lakhs
Extend of Holding %	18.87%
Description of how there is significant influence	Due to Percentage (%) of Share Capital
Reason why the associate / joint venture is not consolidated	N.A.
Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
Profit / Loss for the year	
i. Considered in Consolidation	50.36 lakhs
ii. Not Considered in Consolidation	774.44 lakhs

* The Company in its capacity of the Corporate Promoter has divested / sold 87,75,000 Equity Shares (18.87%) in Astron Paper and Board Mills Limited on 10 August, 2021.

Notes:

1. During the year under review, the Company has divested / sold 87,75,000 Equity Shares (18.87%) and ceased to be Associate Company of Astron Paper and Board Mills Limited on 10 August, 2021, Hence, no Associate Company / Joint Ventures as on the date of signing of this reports.
2. Names of associates or joint ventures which are yet to commence operations: Not Applicable
3. Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

As per our report of even date attached

For and on behalf of the Board of Directors

For **R R S & Associates**
 Chartered Accountants
 ICAI Firm Reg. No.- 118336W

Kamleshkumar B Patel
 Chairman and Managing Director
 DIN: 00229700

Mukeshbhai J Patel
 Managing Director
 DIN: 00406744

Hitesh V Kriplani
 Partner
 Membership No.- 140693
 Place: Ahmedabad
 Date: 24 May, 2022

CA Amarendra Kumar Gupta
 Chief Financial Officer
 Membership No.- 063510
 Place: Ahmedabad
 Date: 24 May, 2022

Dr. Dhruvi Trivedi
 Company Secretary
 Membership No.- A31842



ANNEXURE – C

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- I. Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the Financial Year 2021-22 and the percentage increase in remuneration of Chairman and Managing Director, Managing Directors, Executive Directors, Company Secretary and CFO during the Financial Year 2021-22:

(₹ lakhs in PA)

Sr. No.	Name	Designation	Ratio of Remuneration of each director to median remuneration of employees	Percentage (%) increase in Remuneration
1	Kamleshkumar B Patel	Chairman and Managing Director	33.37	0.00
2	Mukeshbhai J Patel	Managing Director	25.30	0.00
3	Sureshbhai J Patel	Director	22.29	0.00
4	Bhaveshbhai V Patel	Director	13.54	0.00
5	Kanubhai B Patel	Director	14.28	(11.00)
6	Bhogibhai B Patel	Director	9.78	0.00
7	Dhruti Trivedi	Company Secretary	5.40	9.00
8	Amarendra Kumar Gupta	Chief Financial Officer	25.76	9.00

Note:

- a) The Non-Executive Directors of the Company are entitled for sitting fees. The detail of remuneration of Non-Executive Directors is provided in the Report on Corporate Governance and is governed by the Nomination and Remuneration Policy, as stated herein below. The ratio of remuneration and percentage increase for Non-Executive Directors remuneration is therefore not considered for the purpose above.

II.

Sr. No.	Particulars	Details
1	% increase in the median remuneration of employees in the financial year 2021-22	12.54%
2	Total number of permanent employees on the rolls of the Company as on 31 March 2022 (on standalone basis)	1,616
3	The median remuneration of employees of the Company during the year under review	₹ 1.75 lakhs
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>The average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 56.25% as against average percentile increase of 50.00% in the remuneration of Managerial Personnel as defined under the Act.</p> <p>The difference of average percentile increase in employees and Managerial was (7.00%).</p> <p>Annual increase in remuneration is based on different grades, industry pattern, qualifications and experience, responsibilities shouldered and individual performance of managerial personnel and other employees.</p> <p>There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.</p>

- III. The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of Board of Directors

Place: Ahmedabad
Date: 12 August, 2022

Kamleshkumar B Patel
Chairman and Managing Director
DIN: 00229700



Annexure - D

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Asian Granito India Limited
CIN: L17110GJ1995PLC027025
202, Dev Arc,
Opp. Iskon Temple,
Ahmedabad 380 015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASIAN GRANITO INDIA LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31 March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated books, papers, Minutes Book, filing of forms and returns, with applicable statutory authority is responsibility of management of the company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under, to the extent applicable during our Audit Period;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the Reporting Period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the Reporting Period**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the Reporting Period and**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the Reporting Period**
- (vi) As confirmed and certified by the management, there is no law specifically applicable to the Company based on the Sectors / Businesses.

We have also examined compliances with applicable clauses of the following:

- I. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f. 1 July, 2015 amended from time to time and
- II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.



We further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

Based on the above said information provided by the company, we report that during the financial year under review, the company has generally complied with the applicable provisions of the above mentioned Acts including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above except below mentioned:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Schedule B read with Regulation 9(1) of SEBI (PIT), Regulations, 2015. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.	One of the Designated Person executed contra trade of shares without taking pre clearance	Company sought clarification from concerned Designated Person and after considering the gravity of default, the Company had imposed penalty of ₹ 1,00,000/- and transfer gain of ₹ 9,20,150/- to SEBI IPEF account. The total amount of ₹ 10,20,150/- was transferred by Designated Person to SEBI IPEF account on 20 July, 2021. The Company has disclosed the same to the Stock Exchanges within due course of time.

We further report that few compliance related e-forms was filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 by paying additional fees.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors / Committee(s) that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting based on the representation made by the company and its Officers. Majority decision is carried through and that there were no dissenting member's views on any of the matter during the year that were required to be captured and recorded as part of the minutes.
- Based on general review of compliance mechanisms established by the Company and on basis of management representations, there are adequate systems and processes in the Company commensurate with the size

and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the company has responded appropriately to notices received from any statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

We further report that during the audit period the Company has not conducted any actions / events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **RPAP & CO.**
Company Secretaries

Rajesh Parekh

Partner

Mem. No.: 8073

C.P No. : 2939

P/R No: 1305/2021

UDIN: A008073D000376738

Place: Ahmedabad

Date: 24 May, 2022

To,
The Members,
ASIAN GRANITO INDIA LIMITED
CIN: L17110GJ1995PLC027025
202, Dev Arc,
Opp. Iskon Temple,
Ahmedabad 380 015

Our report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I follow provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RPAP & CO.**
Company Secretaries

Rajesh Parekh
Partner

Mem. No.: 8073

C.P No. : 2939

P/R No: 1305/2021

UDIN: A008073D000376738

Place: Ahmedabad
Date: 24 May, 2022



**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Crystal Ceramic Industries Limited
CIN: U26933GJ2008PLC052576
F.F. 101,102, Elanza Vertex,
Nr. Zainobiya,
Sindhu Bhavan Road,
Bodakdev,
Ahmedabad 380059

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CRYSTAL CERAMIC INDUSTRIES LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **31 March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **Not Applicable during the Reporting Period**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: The Company has dematerialized all its securities with CDSL except one certificate of 1,20,000 shares of Asian Granito India Limited which is in process of dematerialization and all the statutory registers including register of members, register of transfer are maintained by the Depository only.

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable during the Reporting Period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable during the Reporting Period**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the Reporting Period**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable during the Reporting Period**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the Reporting Period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the Reporting Period**
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable during the Reporting Period**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the Reporting Period**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the Reporting Period and**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the Reporting Period**
- (xii) During the period under report, no specific law is applicable to the Company.

I have also examined compliances with applicable clauses of the following:-

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f. 1 July, 2015 amended from time to time; and
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
Not Applicable during the Reporting Period.

I further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

I further report that, during the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above .

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors / Committee(s) that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all the directors to schedule the Board Meetings, Agenda and detailed notes on Agenda

were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period the Company has not conducted any actions / events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **RAJESH PAREKH & CO.**
Company Secretary

Rajesh Parekh
(Proprietor)

Mem. No.: 8073

C.P No. : 2939

UDIN: A008073D000355937

Place: Ahmedabad

Date: 20 May, 2022



To,
The Members,
Crystal Ceramic Industries Limited
CIN: U26933GJ2008PLC052576
F.F. 101,102, Elanza Vertex,
Nr. Zainobiya,
Sindhu Bhavan Road,
Bodakdev,
Ahmedabad 380059

Our report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I follow provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RAJESH PAREKH & CO.**
Company Secretary

Rajesh Parekh
(Proprietor)

Mem. No.: 8073

C.P No. : 2939

UDIN: A008073D000355937

Date: 20 May, 2022

Place: Ahmedabad

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AMAZOONE CERAMICS LIMITED
CIN: U26933GJ2003PLC042959
Block No. 83 (old Block No.450),
At: Dalpur Taluka: Prantij,
Sabarkantha
Prantij Sabarkantha
Gujarat 383120

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AMAZOONE CERAMICS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **31 March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **Not Applicable during the Reporting Period**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable during the Reporting Period**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable during the Reporting Period**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the Reporting Period**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable during the Reporting Period**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the Reporting Period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the Reporting Period**
 - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable during the Reporting Period**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the Reporting Period**
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the Reporting Period and**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the Reporting Period**

(xviii) During the period under report, no specific law is applicable to the Company.

I have also examined compliances with applicable clauses of the following:-

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f. 1 July, 2015 amended from time to time; and



- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
Not Applicable during the Reporting Period.

I further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

I further report that, during the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above .

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors / Committee(s) that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and

clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period the Company has not conducted any actions / events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **RAJESH PAREKH & CO.**
Company Secretary

Rajesh Parekh
(Proprietor)

Mem. No.: 8073

C.P No. : 2939

UDIN: A008073D000356179

Place: Ahmedabad
Date: 21 May, 2022

To,
The Members,
AMAZOONE CERAMICS LIMITED
CIN: U26933GJ2003PLC042959
Block No. 83 (old Block No.450),
At: Dalpur Taluka:
Prantij, Sabarkantha
Gujarat 383120

Our report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I follow provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RAJESH PAREKH & CO.**
Company Secretary

Rajesh Parekh
(Proprietor)

Mem. No.: 8073

C.P No. : 2939

UDIN: A008073D000356179

Place: Ahmedabad
Date: 21 May, 2022



Annexure - E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134 (3) (m) of the Act read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

- The steps taken or impact on conservation of energy;
- The steps taken by the company for utilizing alternate sources of energy and
- The capital investment on energy conservation equipments:

VITRIFIED PLANT (2021 TO 2022)												
Sr. No.	Work Done	No of Pieces	KW	Timer			One Time Investment in Rupees	Units/ Year Before Implements	Units/ Year After Implements	Annual Savings		
				Run FREQ	On Time in Min.	Off Time in Min.				Electricity Units	Cost Saving in Rupees	Payback in Month
1	POLISING LINE -2 MACHINE - 2 PROVIDE VFD TO IE2 MOTOR	14	11	49	-	-	1,96,000	3,60,000	2,52,000	1,08,000	9,18,000	2.56
2	POLISING LINE -2 MACHINE - 3 PROVIDE VFD TO IE2 MOTOR	14	11	49	-	-	1,96,000	3,60,000	2,52,000	1,08,000	9,18,000	2.56
3	POLISING LINE -2 NANO - 1 PROVIDE VFD TO IE2 MOTOR	12	7.5	35	-	-	1,68,000	4,19,040	3,22,933	96,107	8,16,909	2.47
4	INSTALL TIMER ON POLISING ETP CHEMICAL STRERAR	1	0.75	Direct	10	10	1,290	2,160	1,080	1,080	9,180	1.69
5	INSTALL TIMER ON GLAZE LINE WEST WATER STRERAR	1	2.2	Direct	10	20	1,290	19,872	6,624	13,248	1,12,608	0.14
TOTAL										27,74,697		

WALL PLANT (2021 TO 2022)												
Sr. No.	Work Done	No Of Pieces	KW	VFD	Timer		One Time Investment in Rupees	Units/ year before Implements	Units/ year after Implements	Annual Savings		
					Run FREQ	On Time in Min.				Off Time in Min.	Electric Units	Cost Saving in Rupees
1	Install Timer for three step Ball Mill RPM change during Raw Material Grinding	6	-	-	-	-	12,600	6,34,500	5,92,000	42,500	3,61,250	0.50
2	Modify Spray dryer suction fan duct size for increase Powder production capacity with same power unit	1	110	-	-	-	-	3,33,960	3,33,960	0	43,000	₹ 3 per Ton Power saving in dust production
3	Provide VFD in compressor with pressure controlling	1	55	Variable	-	-	0	2,57,988	2,20,344	37,644	3,19,974	Immediate effect
4	PLC programming for empty stop and waiting in glaze line	1	-	-	-	-	0	97,308	85,512	11,796	1,00,266	Immediate effect



WALL PLANT (2021 TO 2022)												
Sr. No.	Work Done	No Of Pieces	KW	VFD			One Time Investment in Rupees	Units/ year before Implements	Units/ year after Implements	Annual Savings		
				Run FREQ	On Time in Min.	Off Time in Min.				Electricity Units	Cost Saving in Rupees	Payback in Month
5	Provide VFD in Press Conveyor Belt	7	21	39	-	-	0	34,210	29,720	4,490	40,410	Immediate effect
6	Provide MD controller for minimize overshoot contract demand	1	-	-	-	-	5,200	-	-	-	-	Save MD Penalty from UGVCL
TOTAL										8,64,900		

Ceramic (Floor) Division Idar												
Sr. No.	Work Done	No of Pieces	KW	Timer			One Time Investment in Rupees	Units/ year before Implements	Units/ year after Implements	Annual Savings		
				Run FREQ	On Time in Min.	Off Time in Min.				Electricity Units	Cost Saving In Rupees	Payback In Month
1	COMBINED AGITATOR TANK 2 AND 3, REMOVE ONE MOTOR SET UP IN SLIP HOUSE	1	3.7	-	-	-	0	12,240	11,160	1,080	8,640	0
2	COMBINED AGITATOR TANK 6 AND 7, REMOVE ONE MOTOR SET UP IN SLIP HOUSE	1	3.7	-	-	-	0	14,400	12,960	1,440	11,520	0
3	INSTALL VFD WITH DOUBLE SPEED OF MAIN PUMP IN PRESS	1	90	48 / 25	-	-	60,000	5,68,800	5,59,800	9,000	72,000	10
TOTAL										92,160		

Marble Division												
Sr. No.	Work Done	No of Pieces	KW	Timer			One Time Investment in Rupees	Units/ year before Implements	Units/ year after Implements	Annual Savings		
				Run FREQ	On Time in Min.	Off Time in Min.				Electricity Units	Cost Saving in Rupees	Payback in Month
1	PEST MAKER MIXER	1	3.7	50	8	-	5 LAC	-	-	8,640 / YEAR	6,00,000	9
2	GLASS FILTER VIBRATOR M/C	1	3.7	50	-	-	5 LAC	-	-	-	1,88,000	24
3	MARBLE POLISHING I E 4 MOTOR	17	11	50	16 HRS	-	11,60,000	9,49,248	7,92,576	1,56,672	12,53,376	12
4	QUARTZ POLISHING I E 4 MOTOR	JUST FIXED	-	-	-	-	-	-	-	-	-	-
5	PRESS 3 NEW COVAYER BY PASS LINE MIXER	1 NOT IN USE	-	-	-	-	-	-	-	-	-	-
6	GAS BURNER PIPE LINE THERMAL COATING	1	80 M3	-	24 HRS	-	2,80,000	-	-	-	3,36,000	8
7	ROOF TOP LIGHT	20	2	-	10 HRS	-	98,000	18,000	10,800	7,200	61,200	18

B. TECHNOLOGY ABSORPTION:

a) The efforts made towards technology absorption:

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



machines. The Company has replaced old dryer and kiln by new and upgraded technology dryer and kiln in our wall tiles unit keeping the same production capacity. The Company has equipped a-Energy saving single layer dryer, high efficient firing kiln and compensator for wall tiles unit.

b) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has set up one centralized Ultramodern and well equipped laboratory with all needful instruments as per the requirement of BIS (IS 15622, ISO 13006, EN standards), to test the in process and final products. Company's has continuous ongoing Research and Development Program which during the period under review introduced larger format and various designs of tiles. In addition to development of new products, the Research and Development Department also instituted a comprehensive quality control of all units to ensure that all the Company's products meet or exceed international standards.

Digital print heads and bars are upgraded and replaced as per the latest versions of DPI (Drops Per Inch) in our Vitrified unit and Wall Unit.

The Company has updated with auto switching on and off of converters, blowers, moving plants, lighteners etc. and all conventional light are replaced with LED lights.

Heat recovery system is installed to use 100% waste heat from kilns and dryers. Installed VFD's in the manufacturing units. Modify horizontal dryer heat distribution system for minimize gas consumption in our Vitrified unit and Wall unit.

Insulate Gas burner pipe line and heat supply pipe line with Thermal coating to minimize heat loss and improve the production capacity.

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

i. the details of technology imported: The Company has imported below machineries/ technologies as mentioned in the table:

ii. the year of import: as mentioned herein below:

Year of Import	Imported Technology
2019-20	Energy saving single layer dryer (Wall tiles unit)
2019-20	High efficient firing kiln (Wall tiles unit)
2019-20	Compensator (Wall unit)
2020-21	Nil
2021-22	Nil

iii. whether the technology been fully absorbed: Yes

iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

d) The expenditure incurred on Research and Development: Nil

C. FOREIGN EXCHANGE EARNING AND OUTGO

Particulars	₹ in lakhs)	
	2021-22	2020-21
Earning: Export in terms of actual inflows	16,575.92	17,180.44
Outgo: Imports in terms of actual outflows	18,982.95	5,480.83

For and on behalf of Board of Directors

Kamleshkumar B Patel

Chairman and Managing Director

DIN: 00229700

Place: Ahmedabad

Date: 12 August, 2022



Business Responsibility Report

(Pursuant to Regulation 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Company Information
1.	Corporate Identity Number (CIN) of the Company	L17110GJ1995PLC027025
2.	Name of the Company	Asian Granito India Limited
3.	Registered address	202, Dev Arc, Opposite Iskon Temple, Ahmedabad – 380059, Gujarat, India.
4.	Website	www.aglasiangranito.com
5.	E-Mail ID	info@aglasiangranito.com
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	23913 (Manufacturing Ceramic Products)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company is mainly engaged in the business of manufacturing and selling of Ceramic / Vitrified Tiles, Marble and Quartz and other related products more specifically described in the notes attached to the annual report.
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major five)	No manufacturing plant at International location.
	(b) Number of National Locations	Showroom and display centres at PAN India Level
	Manufacturing Unit:	
	I. Dalpur	Ceramic Zone, Katwad Road, At & Po Dalpur, Taluka Prantij, 383 120 Dist.: Sabarkantha
	II. Dholka	Plot No. 767, Nr. JTI, Kheda – Dholka Highway, Village: Radhu, Dist.: Kheda
	III. Idar	Behind Sardar Plant, Idar – 383 430, Dist.: Sabarkantha
10.	Markets served by the Company – Local / State / National / International	The Company has a significant presence nationally and globally.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital as on 31 March, 2022	₹ 5,675.16 lakhs
2.	Total Turnover	₹ 1,34,910.33 lakhs
3.	Total profit after taxes	₹ 8,792.76 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 76.02 lakhs towards CSR expenditure for the F.Y. 2021-22 which is 0.86% of Profit after tax.
5.	List of activities in which expenditure in 4 above has been incurred:-	Contribution towards Education and Healthcare Activities. (The report on CSR activities forms part of the Directors' Report as Annexure – A).

SECTION C: OTHER DETAILS

1) Does the Company have any Subsidiary Company / Companies?

Yes, the Company has nine subsidiaries out of which two are step-subidiaries as on 31 March, 2022. (The details of the subsidiaries are provided in Form AOC – 1 which forms part of the Directors' Report as Annexure – B).

2) Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

The subsidiary are separate entities and hence they follow BR initiatives as per the laws applicable to them and does not participate in BR initiatives of the Company.

3) Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

No. However, they are encouraged to adopt BR Initiatives and follow the concept / initiatives expected from responsible businesses.



SECTION D: BR INFORMATION**1) Details of Director/Directors responsible for BR****(a) Details of the Director / Director responsible for implementation of the BR policy / policies**

I.	DIN Number	-	00229700
II.	Name	-	Mr. Kamleshkumar B Patel
III.	Designation	-	Chairman and Managing Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	00229700
2.	Name	Mr. Kamleshkumar B Patel
3.	Designation	Chairman and Managing Director
4.	Telephone Number	+91 79 6612 5500
5.	E-Mail ID	cs@aglasiangranito.com

2) Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy / policies:

SEBI has now mandated to include BRR on the following principles as stated in the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs:

P 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P 3	Businesses should promote the wellbeing of all employees.
P 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are dis-advantaged, vulnerable and marginalized.
P 5	Businesses should respect and promote human rights.
P 6	Business should respect, protect and make efforts to restore the environment.
P 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P 8	Businesses should support inclusive growth and equitable development.
P 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for the principles?	Yes, the Company has policy for all the principles.								
2.	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company.								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Company is abiding by various Laws while framing the policies. The Company takes into account the best practices and has adopted various standard specified by the National / International Organisations.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies have been approved by the Board and have been signed by the Chairman and Managing Director of the Company.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company is in process of constituting Business Responsibility and Sustainability Committee ("BRS Committee") to oversee the implementation of the policy. At present the functions are overseen by internal committee of the Board.								
6.	Indicate the link for the policy to be viewed online?	The policies are available on the website of the Company www.aglasiangranito.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been posted on the Company's website for the information of all stakeholders.								
8.	Does the company have in-house structure to implement the policy / policies.	Yes, the Company has necessary structure in place to implement the policies.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, the Company has necessary grievance redressal mechanism to address the grievance of the relevant stakeholder.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	As a part of compliance with ISO Standards adopted by the Company, an external agency evaluates the implementation of ISO Standards. The independent audit has not been carried out by external agency. However, the policies, if required, are evaluated in-house, from time to time and updated whenever necessary.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): Not Applicable

3) Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors / its Committees / Chairman or any authorised officials of the Company, as the case may be, assesses the BR Performance on quarterly, half yearly or annual basis depending upon the type of BR activities.

The assessment is an ongoing activity and is an integral part of corporate functions

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is published annually and the same is annexed to the annual report for the year. The Annual Reports can be accessed from the website of Company at www.aglasiangranito.com.

foster professionalism, honesty, integrity and ethical behaviour. The Board of Directors has approved a Code of Conduct, which is applicable to all Board Members, Key Managerial Personnel and senior management personnel of the Company and which lays down the important corporate ethical practices that shape the Company's business practices and represents cherished values of the Company. The Code is an extension of our values and reflects our continued commitment to ethical business practices across our operations. The core values embedded in our functioning are Integrity, Passion for Excellence, Participative Decision Making, Concern for Society and Environment, Transparency and Fairness with Care.

In the endeavor to create enduring value for all the stakeholders and to ensure highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted 'Whistle Blower Policy.' Through this Policy, the Company encourages its stakeholders to bring to the Company's attention any instances of unethical behaviour, actual or suspected incidents of fraud or violation of Company's Code of Business Conduct that could adversely impact Company's operation, business performance and reputation.

In order to protect investors' interest, the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

The Related Party Transactions Policy of the Company provides the process for the approval of various types of Related Party Transactions (RPTs) and general principles governing RPTs. This brings the necessary transparency in the RPTs and ensures that the transactions are fair and in compliance with the applicable laws and regulations.

The Policy on Materiality of Events or Information brings a consistency in the disclosure of various events or information in accordance with the thresholds determined disclosure to Stock Exchange.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, transparency and accountability

The Company has always believed that highest level of Corporate Governance practices are pre-requisite for growing sustainable and successful business. The sound governance processes and systems guide the Company on its journey towards continued success. The Company has built its Corporate Governance practices on the three inviolable principles of TRANSPARENCY, INTEGRITY and ACCOUNTABILITY.

1) Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company firmly believes and adheres to transparent, fair and ethical governance practices to



2) How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company encourages all its stakeholders to freely share their concerns and grievances. The details of shareholders complaints received and resolved during the financial year are given in the Corporate Governance Report of this Annual Report. No complaint is pending as on 31 March, 2022.

Principle 2: Products Life Cycle sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1) List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

The Company is engaged in manufacturing and selling of tiles, more than 80% of total business has come from tiles business. The Company being a leading tile manufacturer in the world, has been innovating and launching products meeting multiple consumer needs, spanning across various income groups, from young to old and everyone in-between. The Company understands its obligations on social and environmental concerns, risks and opportunities.

The Company has deployed best in class technology and process to manufacture tiles which use optimal resources. The Company is committed to environment sustainability. It constantly works towards reduction and optimal utilization of energy, water, raw material, logistics etc. by incorporating new techniques and innovative ideas. As consumption per unit depends on the product mix, there are no specific standards to ascertain reduction achieved at each product level. The Company has also set up rooftop solar plants.

The Company procures goods and services from the local and small producers for its manufacturing premises and offices. It improves operational efficiency and helps save on transportation costs, inventory management and helps in risk mitigation. Adequate guidance and counselling are also provided to them about system and procedures for regulated markets.

2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

The Company has identified approved vendors for procuring materials and a standard operating procedure is in place for sourcing raw materials. This includes sample approvals, performance trials, plant audit and regulatory clearances.

Majority procurement of materials is from the approved manufacturers.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company promotes to improve systems to minimize the energy and water use, by energy management system, which reduces the power and fuel consumption and thereby reduces related costs. The Company also promote renewable energy in term of solar systems. Thus, the Company always promote conservation, reuse, reduce, recycle and waste minimization throughout process intensification in terms of process time and optimum yield.

3) Does the Company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Sustainability in the operations is critically important if the Company is to deliver continued innovation. In the best interests, the Company endeavours to work with responsible suppliers who adhere to the same quality, social and environmental standards.

The Company has standard operating procedures for the evaluation and selection of its vendors for sourcing of material. This includes the evaluation of the EHS resources and their compliance by suppliers and vendors for raw materials and intermediates. The Company has system of identifying and / or developing alternate vendors where single vendor is considered critical for business continuity.

4) Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company consciously endeavours to sources its procurement of the goods and services from medium and small vendors from the local areas wherever feasible. It improves operational efficiency and saves on transportation cost and inventory management. Further, the Company fulfils its manpower requirement by employing the people from the nearby location to the possible extent.

The training is provided to workforce for occupational health and safety.

- 5) **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company promotes philosophy of the waste reduction hierarchy which consists of reduce, reuse, recover and recycle. The production process of the Company is based on principles of optimising the material and energy resources. Therefore, the Company lays high degree of stress to reduce waste associated with its products.

Principle 3: Employees Well-Being (Figures as on 31 March, 2022)

Business should promote the well-being of all employees.

At Asian, we firmly believe in a people first approach. The Organisation takes pride in its human capital, which comprises of people from diverse backgrounds and cultures. Guided by the core values which are deeply imbibed in each of the employees; the organisation's achievements are an outcome of efforts, dedication and conviction demonstrated by its people.

Various women friendly facilities like maternity leave, women empowerment, Hygienic Menstrual practices include the use of sanitary pads during menstrual flows has supported the women employees in carrying on with their career along with other responsibilities.

Asian's culture promotes an environment that is transparent, fulfilling and purposeful for its employees.

- 1) **Please indicate the Total number of employees:**
The total number of on roll employees are 1,616.
- 2) **Please indicate the Total number of employees hired on temporary/contractual/casual basis:**
The total number of employees hired on temporary / contractual / casual basis are 176 of the Company.
- 3) **Please indicate the Number of Permanent Women Employees:**
The total number of permanent women employees are 69 of the Company.
- 4) **Please indicate the Number of permanent employees with disabilities:**
The Company does not have any permanent employees with disabilities.
- 5) **Do you have an employee association that is recognized by management?**
No, there is no employee association that is recognized by management.
- 6) **What percentage of your permanent employees is members of this recognized employee association?**
Not Applicable.

- 7) **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

During the year, the Company does not employ any child labour or forced / involuntary labour and has not received any complaints of sexual harassment.

- 8) **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year? Following is the respective percentage (rounded-off) for these employees:**

(a) Permanent Employees	: 1,371
(b) Permanent Women Employees	: 69
(c) Casual/Temporary/Contractual Employees	: 176
(d) Employees with Disabilities	: 00

Principle 4: Stakeholder engagement

Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

At Asian, we believe that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. The Company has always partnered with its stakeholders and believed in sharing the fruits of socio-economic progress.

Transparency, one of the core values of the Company, lead to more informed decision making and helps in creating enduring trust among all stakeholders.

- 1) **Has the Company mapped its internal and external stakeholders? Yes/No**
The Company has mapped its internal and key external stakeholders such as employees, shareholders, customers, suppliers, bankers, channel partners, people residing in the vicinity of plants and corporate house, The Company acknowledge their contribution in the growth of sustainable business of the Company.
- 2) **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**
Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders. As a responsible corporate citizen, the Company always attempts to support such stakeholders by means of its CSR projects / programs. During FY 2021-22, the Company had directed its CSR activities as per report on CSR as forms part of this Directors' Report as Annexure – A.
- 3) **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**
The Company works actively to enhance the employability of youth in the nearby locations wherever it operates,



leading to income generation and economic empowerment in the marginalized sections of the communities. The Company's Corporate Social Responsibility (CSR) policy intends to focus on certain initiatives, inter-alia, in the fields of promoting education, health care, eradicating hunger and malnutrition and reducing inequalities by promoting Gender Equality. For details of projects undertaken during the year 2021-22, please refer the report on CSR as forms part of this Directors' Report as Annexure – A.

Principle 5: Human rights

Business should respect and promote human rights. Asian believes in the conduct of its business affairs in a fair and transparent manner, and adheres to the highest standards of ethical behavior and integrate practices that support environment, human rights and labour laws.

The Company's policy also aims to provide adequate safeguards for protection of Women against Sexual Harassment at Workplace and the Whistle Blower Policy are developed and aligned to these principles.

Asian is committed to providing an environment, wherein all employees are treated equally, without fear of discrimination, retaliation or harassment irrespective of their caste, creed, religion and gender.

1) Does the policy of the Company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company believes that its employees shall live with social and economic dignity and freedom, and treated equally regardless of nationality, gender, race, economic status or religion. The Company's support for the fundamental principles of human rights is reflected in the Company's policies and actions towards our employees, suppliers, clients and communities. Presently this policy of the company is confined only to the Company.

2) How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints on breach of human rights were received during the year.

Principle 6: Environment

Business should respect, protect, and make efforts to restore the environment.

1) Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.

The Company is committed to provide and maintain a safe work environment for the health, safety and welfare of the Company's staff, contractors, visitors and others in the vicinity. Periodic training is provided to enable employees to support this policy. The Group is encouraged to adopt the practices of Company.

2) Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the Company is committed towards contributing to manage climate change. The Company has started using renewable energy and to reduce carbon footprint, the Company has installed Solar Rooftop Power Plant at its manufacturing facility. The buildings are designed and constructed on the concept of 'Green Building' having natural lights and ventilation. Various power saving devices viz. more efficient electric drives / LED / machines etc. are being installed.

3) Does the Company identify and assess potential environmental risks? Y/N.

Yes, the Company has identified and assessed several potential environmental risks across its operations.

4) Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Company does not have any specific project related to clean development mechanism. However, most of liquid and solid waste generated during production process is being recycled and reused in the process. Further, all the plants of the Company are based on the principle of minimal environment footprint.

5) Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company has undertaken various initiatives on clean technology, energy efficiency and renewable energy like installation of roof top solar plant in the factory and wind turbine to generate green energy. Further, it has also installed heat recovery systems and latest generation energy lighting and equipment, to save energy and fuel cost.

6) Are the Emissions/Waste generated by the Company within the permissible limits given by Centre Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the Financial Year being reported?

Yes, all hazardous waste and emissions are within the permissible limits of CPCB / SPCB during the financial year.

7) Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

During the year, the Company has not received any such notices from CPCB / SPCB.

Principle 7: Policy Advocacy

Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

As a responsible organization, Asian shares its views through the relevant Industries Associations on the policies related to its business for the benefit of its various stakeholders.

1) Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Gujarat Chamber of Commerce and Industry (GCCCI).

2) Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company, through these trade and industry associations, provides inputs to key decision makers in framing and implementing policies for availability of quality medicines at affordable prices. It also learns from experience of others to educate the relevant people for initiating procedures for improvement in Ceramic Industry.

Principle 8: Equitable Development

Businesses should support inclusive growth and equitable development.

1) Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company has identified specified programmes / projects in the pursuit of the policy related to Principle 8. For details of projects undertaken during the year 2021-22, please refer the report on CSR as forms part of this Directors' Report as Annexure – A.

2) Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company through Trusts / NGOs, supports various CSR initiatives in a project / program mode.

3) Have you done any impact assessment of your initiative?

No formal impact assessment of the initiatives has been undertaken by the Company.

4) What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

For details of projects undertaken during the year 2021-22, please refer the report on CSR as forms part of this Directors' Report as Annexure – A.

5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company undertakes need assessment surveys in villages and community before undertaking CSR initiatives. Community needs are understood and evaluated and their views are taken before project plans are finalized and executed. Community members are continuously consulted with during implementation of initiatives. Further, the Company, ensures that community members participate in the initiatives being undertaken / implemented and that they take responsibility for maintenance and sustenance of projects in future.

Principle 9: Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1) What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The Company obtains the feedback from its various customer(s), from time to time. In case any complaint is received from the customer / consumer, the same is appropriately attended, addressed and resolved by the Company. The customers of the Company have various options to connect with the company's representatives i.e. through email, telephone, website and feedback emails. As on 31 March, 2022, the customer complaints filed against the Company for defects in the products of the Company are not significant in number compared with annual sales volume.

2) Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

Yes, the Company displays all the product information on the product label, which are mandatory. Besides, the Company also displays general information for customer in order to guide them. We adhere to national and international standards with respect to product safety.

3) Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No such case is pending against the Company as on end of the financial year.

4) Did your Company carry out any consumer survey/ consumer satisfaction trends?

The marketing team of the Company regularly interacts with the vendors and other stakeholders and takes their feedback on the Company's products.



Report on Corporate Governance

[Pursuant to Part C of Schedule V to the SEBI Listing Regulations]

1. A brief statement on AGL philosophy on code of governance:

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen. The spirit of Corporate Governance has been prevailing in the Company. The Company believes in the values of transparency, professionalism and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders and all stakeholders. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organisation.

At Asian Granito India Limited, we have institutionalised the right building blocks for future growth. The building blocks will ensure that we achieve our ambition in a prudent and sustainable manner. AGL not only adheres to the prescribed Corporate Governance practices as per the SEBI Listing Regulations which has been continuously fine tuning and upgrading the standards of Corporate Governance applicable to Indian Companies, but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfilment of stated goals and objectives.

2. Board of Directors:

The Board of Directors, being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

A. Composition and Category of Directors:

The Company has a balanced Board with optimum combination of Executive and Non-executive Independent Directors, which plays a crucial role in board processes and provides independent

judgment on issues of strategy and performance. The Board of Directors of the Company consist of eminent individuals from diverse fields having experience and expertise in their respective fields. As on 31 March, 2022, the Board comprises of 12 (twelve) Directors out of which 6 (six) are Executive Directors and 6 (six) are Independent Directors. Independent Directors are appointed in compliance with the definition as defined under Regulation 16 (1) (b) of the SEBI Listing Regulations as amended from time to time. The maximum tenure of the Independent Directors is in compliance with the Act. The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations.

The Company firmly believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation.

In terms of the requirement of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'SEBI Listing Regulations'), the Nomination and Remuneration Committee has been designated to evaluate the need for change in the composition and size of the Board of the Company and to select members to fill Board vacancies.

None of the Directors on the Board is a member of more than 10 (ten) Committees or Chairperson of more than 5 (five) Committees across all listed companies in which he / she is a Director, pursuant to Regulation 26 of SEBI Listing Regulations. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than 7 (seven) Listed Companies.

B. Name of Board of Directors, relationships between Directors, Number of Board Meetings, attendance at the Board Meetings and the last AGM and other Directorship:

The composition of the Board, attendance at the Board Meetings during the year ended on 31 March, 2022 and the last AGM and also the number of other directorships and committee memberships are given below:

Name of Director and Designation	Category	Inter-se Relationships between Directors	Attendance of Meetings during 2021-22		Last Annual General Meeting Attended	Other Directorships/Board Committees (Numbers)			Name of the Listed entity where the person is a director and category of Directorship
			Board Meeting held during his/her tenure	Board Meeting attended during his/her tenure		*Directorships in Other Companies other than Asian Granito India Limited	**Committee Membership other than Asian Granito India Limited	**Committee Chairmanship other than Asian Granito India Limited	
Mr. Kamleshkumar Patel, Chairman and Managing Director	Promoter, Non-Independent	-	9	9	Yes	2	0	0	-
Mr. Mukeshbhai Patel, Managing Director	Promoter, Non-Independent	Brother of Sureshbhai Patel	9	9	Yes	2	0	0	-
Mr. Sureshbhai Patel, Director	Non-Independent and Executive	Brother of Mukeshbhai Patel	9	9	Yes	0	0	0	-
Mr. Bhaveshkumar Patel, Director \$	Promoter, Non-Independent and Executive	-	9	7	Yes	0	0	0	-
Mr. Kanubhai Patel, Director \$	Promoter, Non-Independent and Executive	-	9	8	Yes	0	0	0	-
Mr. Bhogibhai Patel, Director	Non-Independent and Executive	-	9	7	Yes	0	0	0	-
Mr. Hemendrakumar Shah, Director	Independent and Non-Executive	-	9	9	Yes	6	6	4	(1) Deep Energy Resources Ltd- Non- Executive Independent Director (2) Denis Chem Lab Limited - Non- Executive Independent Director (3) Sakar healthcare Ltd- Non- Executive Independent Director (4) Deep Industries Ltd- Non- Executive Independent Director (5) Prism Finance Ltd- Non- Executive Independent Director
Mr. Maganlal Prajapati Director #	Independent and Non-Executive	-	9	9	Yes	2	0	0	-
Dr. Indira Nityanandam, Director	Independent and Non-Executive	-	9	5	Yes	0	0	0	-



Name of Director and Designation	Category	Inter-se Relationships between Directors	Attendance of Meetings during 2021-22		Last Annual General Meeting Attended	Other Directorships/Board Committees (Numbers)			Name of the Listed entity where the person is a director and category of Directorship
			Board Meeting held during his/her tenure	Board Meeting attended during his/her tenure		*Directorships in Other Companies other than Asian Granito India Limited	**Committee Membership other than Asian Granito India Limited	**Committee Chairmanship other than Asian Granito India Limited	
Mr. Kandarp Trivedi Director #	Independent and Non-Executive	-	8	8	Yes	2	2	1	-
Mr. Amrutbhai Patel Director #	Independent and Non-Executive	-	1	1	NA	-	-	-	-
Mr. Mukesh Shah, Director	Independent and Non-Executive	-	9	9	Yes	5	2	1	(1) Adani Power Limited – Non-Executive Independent Director
Mrs. Dipti Mehta, Director #	Independent and Non-Executive	-	9	9	Yes	0	0	0	-
Late P. R. Chaudhari Director #	Independent and Non-Executive	-	0	0	NA	-	-	-	-

*Excluded the directorship held in private limited companies, foreign companies and companies incorporated under Section 8 of the Act as per Regulation 26 of the SEBI Listing Regulations.

**Included only the Membership / Chairmanship in Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies as per Regulation 26 of the SEBI Listing Regulations.

\$Mr. Bhaveshkumar V Patel and Mr. Kanubhai B Patel has been classified as Promoters pursuant to Regulation 31(A)(6)(a) of SEBI LODR Regulations on 02 March, 2022.

However, Late P. R. Chaudhari, an Independent Director has passed away on 29 April, 2021. Further, Mr. Amrutbhai Patel, Independent Director has resigned w.e.f. 23 June, 2021 due to his pre-occupation and Mr. Maganlal Prajapati and Mr. Kandarp Trivedi have been appointed as an Additional Independent Directors on the Board effective from 26 May, 2021 and 26 June, 2021 respectively and have been regularized in the Extra Ordinary General Meeting held on 12 August, 2021. Mrs. Dipti Mehta Independent Director has resigned w.e.f. 08 August, 2022 due to her pre-occupation.

The Company provides information as set out in Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations to the Board and Board's Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

C. Board Meetings:

The Board meets at least once in every quarter to discuss and decide on inter-alia business strategies/policies and review the financial performance of the Company and its subsidiaries and other items on agenda. Additional meetings are held from time to time as and when necessary.

The notice of each Board Meeting is given in writing to each Director of the Company. The agenda along with the relevant notes and other material information are sent to each Director in advance and in exceptional cases tabled at the meeting.

Also, the Board Meetings of the Company have been held with proper compliance of the provisions of Companies Act, 2013, SEBI Listing Regulations and Secretarial Standards, as applicable thereon.

During the year under review, nine Board Meetings were held on 31 May, 2021, 14 July, 2021, 06 August, 2021, 24 August, 2021, 04 September, 2021, 26 October, 2021, 12 November, 2021, 04 February, 2022 and 11 February 2022. The necessary quorum was present for all the meetings. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173 (1) of the Act, and Regulation 17 (2) of the SEBI Listing Regulations and the Secretarial Standards by the Institute of Company Secretaries of India.

D. Board Support:

The Company Secretary attends the Board / Committee Meetings and advises on compliances with applicable laws and governance.

E. Number of shares and convertible instruments held by Non-Executive Directors (Independent Directors) as on 31 March, 2022:

None of the Independent Directors hold any shares of the Company except Mrs. Dipti Mehta holding 500 equity shares. There is no convertible instruments issued by the Company, during the year under review.

F. Familiarisation Programme:

The Company and business familiarisation process for independent directors was an ongoing process during the

financial year and largely carried out by way of special discussions and presentations at Board / Committee Meetings on important matters such as key regulatory changes, material legal matters, changing industry trends, periodic operations review, annual budget review (including CAPEX plan), strategy discussions and exceptional developments, if any, in the Company. The details of such familiarization program have been disclosed on the Company's website at <https://www.aglasiangranito.com/investor-relation>

G. Core Skills / Expertise / Competencies available with the Board:

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Skills / Expertise / Competencies	Director who possess such skills / expertise / competencies	
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	Entire Board
Industry Experience	Experience and / or knowledge of the industry in which the Company operates.	Mr. Kamleshkumar Patel Mr. Mukeshbhai Patel Mr. Sureshbhai Patel Mr. Bhaveshkumar Patel Mr. Kanubhai Patel Mr. Bhogibhai Patel
Financial Expertise	Qualification and / or experience in accounting and / or finance coupled with ability to analyse key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	Mr. Hemendrakumar Shah Mrs. Dipti Mehta Mr. Mukesh Shah Mr. Kandarp Trivedi Mr. Maganlal Prajapati
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	Entire Board
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective	Dr. Indira Nityanandam Late P. R. Chaudhari

H. Confirmation regarding Independent Directors:

On the basis of the annual declarations given by the Independent Directors of the Company, the Board hereby confirms that all the Independent Directors fulfils the conditions as specified in SEBI Listing Regulations as amended from time to time and are independent of the management.

The independent directors confirms on annual basis that they fulfil the criteria prescribed under Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations regarding an independence of Director.

A formal letter of appointment to Independent Directors as provided in the Act, has been issued and disclosed on website of the Company.

A separate meeting of the independent directors was held on 11 February, 2022, without the presence of Non-Independent Directors, inter-alia, to discuss:

- To review performance of Chairperson and non-independent Directors of the company and to review performance of the entire Board of Directors of the Company.
- To assess the quality, quantity and timeliness of flow of information.
- To ensure adequate deliberations on related party transaction.
- To ensure that the company has adequate and functional vigil mechanism.



I. Detailed reasons for the resignation of an Independent Director:

During the financial year ended 31 March, 2022, following of the independent director(s) has resigned from the directorship of the Company before the expiry of his / her term of appointment:

1. Sad demise of Mr. P. R. Chaudhari, (holding DIN 03404647) Independent Director of the Company, on Thursday, 29 April, 2021. Mr. P. R. Chaudhari was appointed on the Board of the Company in 2011 and the Company immensely benefitted from his vision and leadership during his tenure.

Mr. P. R. Chaudhari sudden and unexpected passing away will be an irreparable loss to the Company and all the directors and employees of the Company convey deep sympathy, sorrow and condolences to his family.

2. Mr. Amrutbhai Patel, Independent Director of the Company has resigned from the post of Independent Director of the Company with effect from 23 June, 2021 due to his pre-occupation.
3. Mrs. Dipti Mehta, Independent Director of the Company, who is practicing as Company Secretary, has resigned from the post of Independent Director of the Company with effect from 08 August, 2022 due to her intention to devote more time to the activities of Institute of the Company Secretaries of India.

3. BOARD COMMITTEES:

The Committees of the Board play an important role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers and duties and responsibilities. The recommendation and / or observations and decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held / decisions taken at the Committee Meeting.

Dr. Dhruvi Trivedi, Company Secretary, also acts as a Secretary to all the Committees of the Board and provides secretarial support to the Committees.

All the Committee meetings are attended by the Chief Financial Officer.

The Chairman of all the Committees attended the last AGM held on 24 December, 2021 and EGM's held on 12 August, 2021 and 28 February, 2022.

The Board has constituted the following mandatory and non-mandatory Committees:-

A. Audit Committee:

The Company has complied with the requirements of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act as regards composition of Audit Committee.

I. Terms of reference of Audit Committee:

The powers, role and terms of reference of the Audit Committee covers the areas as mentioned under Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act, besides other terms as may be referred by the Board of Directors. These, inter-alia, include oversight of Company's financial reporting process, internal financial controls, reviewing the adequacy of the internal audit function, reviewing with management the quarterly / annual financial statements before submission to the Board, recommending the appointment of statutory auditors and fixation of their remuneration, approval of related party transactions, evaluation of risk management systems etc.

The role of the Audit Committee inter-alia includes the following:

1. FINANCIAL INFORMATION REVIEW:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. To examine the financial statement and the auditors' report thereon.
- iii. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - A. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report;
 - B. Changes, if any, in accounting policies and practices and reasons for the same;
 - C. Major accounting entries involving estimates based on the exercise of judgment by management;
 - D. Significant adjustments made in the financial statements arising out of audit findings;
 - E. Compliance with listing and other legal requirements relating to financial statements;
 - F. Disclosure of any related party transactions; and
 - G. Modified opinion(s) in the draft audit report.
- iv. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

- v. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.
- vi. To review the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- vii. To review the following details mandatorily:
 - A. Management discussion and analysis of financial condition and results of operations;
 - B. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - C. Management letters / letters of internal control weaknesses issued by the Statutory Auditors if any;
 - D. Internal audit reports relating to internal control weaknesses.
 - E. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - F. Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1) of SEBI Listing Regulations.
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32 (7) of SEBI Listing Regulations.
- viii. To review the financial statements of unlisted subsidiary companies, and in particular, the investments made by them.

2. INTERNAL CONTROLS AND POLICIES FOR VIGIL MECHANISM

- i. Scrutiny of inter-corporate loans and investments.
 - ii. Valuation of undertaking's or assets of the company, wherever it is necessary.
 - iii. Evaluation of Internal Financial Controls and Risk Management systems.
 - iv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - v. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - vi. To review the functioning of the Whistle Blower (Vigil) mechanism.
 - vii. To approve the appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
 - viii. Investigate any activity within its terms of reference and any matters referred to it by the Board.
 - ix. To review the frauds reported by the Statutory Auditors, Cost Auditors and Secretarial Auditors, if any.
 - x. Monitoring the end use of funds raised through public offers and related matters.
 - xi. Reviewing with the Auditors and Management, if required, about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and any related issues there with.
- ## 3. RELATIONSHIP WITH STATUTORY, INTERNAL AND COST AUDITORS:
- i. Recommend to the Board for appointment, remuneration and terms of appointment of Auditors of the Company.
 - ii. Approval of payments to Statutory Auditors for any other services rendered by them.



- iii. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- iv. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- v. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- vi. Discussion with Internal Auditors of any significant findings and follow up there on.
- vii. Reviewing, with the management, performance of Statutory and Internal Auditors of the internal control systems.

4. RISK MANAGEMENT:

- i. Review procedures for risk assessment and minimization for informing the same to the Board.
- ii. Framing and recommending to the Board the Risk Management Policy and Plan.
- iii. Monitoring and reviewing the risk management plan including inter-alia cyber security.

5. RELATED PARTY TRANSACTIONS

- i. Approval or any subsequent modification of transactions of the Company with related parties.
- ii. To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions.
- iii. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

6. OTHER FUNCTIONS:

- i. Perform other activities related to this Charter as requested by the Board of Directors.
- ii. Carry out additional functions as is contained in the listing agreement or other regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee.
- iii. Institute and oversee special investigations as needed.
- iv. Monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

During the financial year ended 31 March, 2022, the Audit Committee met five times on 31 May, 2021, 14 July, 2021, 06 August, 2021, 12 November, 2021 and 11 February, 2022. The maximum time gap between any two meetings was not more than one hundred and twenty days. The composition and details of attendance of members of the Committee are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Hemendrakumar Shah*	Chairman	Independent and Non-Executive	1 out of 1
Mr. Kandarp Trivedi #	Chairman	Independent and Non-Executive	4 out of 4
Mr. Maganlal Prajapati #	Member	Independent and Non-Executive	5 out of 5
Mr. Kamleshkumar Patel	Member	Promoter and Non-Independent	5 out of 5
Late P. R. Chaudhri \$	Member	Independent and Non-Executive	0 out of 0

* Mr. Hemendrakumar C Shah has tendered his resignation from the position of Chairman from Audit Committee w.e.f. 16 June, 2021, however he still holds directorship in Asian Granito India Limited.

Mr. Kandarp Trivedi has been appointed as Chairman of the Audit Committee w.e.f. 26 June, 2021 and Mr. Maganlal Prajapati Independent Director of the Company has been appointed as Member of the Committee w.e.f. 26 May, 2021.

\$ Mr. P. R. Chaudhri passed away on 29 April, 2021.

The committee invites the representatives of the statutory and internal auditor(s) and other related functional executives of the Company as and when required. Further, Chief Financial Officer also attends the Audit Committee meeting(s).

The Committee holds meetings with Statutory Auditors and Internal Auditors on one to one basis as and when it deems fit and had ascertained that they didn't have any unexpressed concerns.

B. Nomination and Remuneration Committee:

In accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the terms of reference of the Committee include the following namely formulation of criteria for determining qualifications, positive attributes and independence of director, recommending to the Board a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of directors performance, devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal.

I. Terms of reference of Nomination and Remuneration Committee:

Terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the SEBI Listing Regulations, as and when applicable and Section 178 of the Act, that inter-alia includes:

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

1. To evaluate and recommend the composition of the Board of Directors and sub-committees thereof.
2. To identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. To determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
4. To specify the manner for effective evaluation of Board, its Committees and individual directors to be carried out either by the Board by the Committee or by an independent external agency and review its implementation and compliance.
5. Devising a Policy on Board Diversity.
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
7. To recommend a Policy to the Board relating to the remuneration for the Directors, KMP and other employees, for its approval.

8. The Committee shall, while formulating the policy, ensure the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Chief Executive Officer / Managing Director / Whole Time Director / Manager (including Chief Executive Officer / Manager, not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

9. To recommend to the Board remuneration proposed to be paid, to Executive Directors, Non-executive Directors (other than Independent Directors), Whole-time Key Managerial Personnel and Senior Management, with proper justification for such remuneration.
10. To seek information from management and have full access to the Company's records relevant to its functioning in discharge of its obligations.
11. To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.
12. To note information on recruitment and remuneration of Senior Officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
13. To formulate criteria for evaluation of performance of independent directors and the Board of Directors.
14. To recommend the Board, all remuneration, in whatever form, payable to senior management.
15. To undertake related activities, functions and duties as the Board of Directors may from time to time, after deliberations, prescribe or as may



be required to be undertaken in terms of any statutory or regulatory provisions.

On the recommendation of the Nomination and Remuneration Committee, the Board has, inter-alia, approved the following evaluation criteria for the Independent Directors:

- Participation in Board in terms of adequacy (time and content);
- Contribution at meetings;

- Guidance / support to Management outside Board / Committee meetings;
- Fulfilment of functions;
- Independent views and judgment.

During the financial year ended 31 March, 2022, Nomination and Remuneration Committee held four meetings on 31 May, 2021, 06 August, 2021, 12 November, 2021 and 11 February, 2022.

The composition and details of attendance of members of the Committee are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Mukeshbhai Shah	Chairman	Independent and Non-Executive	4 out 4
Mr. Hemendrakumar Shah	Member	Independent and Non-Executive	4 out 4
Mr. Kamleshkumar Patel	Member	Promoter and Non-Independent	4 out 4
Mr. Kandarp Trivedi*	Member	Independent and Non-Executive	3 out 3
Mr. Amrutbhai Patel*	Member	Independent and Non-Executive	1 out 1

*Mr. Amrutbhai Patel has tendered his resignation from the directorship of the Company w.e.f. 23 June, 2021 and Mr. Kandarp Trivedi has been appointed as Member of the Committee w.e.f. 26 June, 2021.

II. Performance Evaluation Criteria for Independent Directors and the Board:

The Independent Directors and the Board are evaluated on the basis of the following criteria's i.e. whether they:

- a) Act objectively and constructively while exercising their duties;
 - b) Exercise their responsibilities in a bonafide manner in the interest of the Company;
 - c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
 - d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
 - e) Refrain from any action that would lead to loss of his independence;
 - f) Inform the Board immediately when they lose their independence;
 - g) Assist the Company in implementing the best corporate governance practices;
 - h) Strive to attend all meetings of the Board of Directors;
- i) Strive to attend and participate constructively and actively in the committees of the Board in which they are chairpersons or members;
 - j) Strive to attend the general meetings of the Company;
 - k) Keep themselves well informed about the Company and the external environment in which it operates;
 - l) Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
 - m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
 - n) Abide by Company's Memorandum and Articles of Association, Company's Policies and procedures including code of conduct, insider trading guidelines etc.

The performance of Executive Directors is also evaluated on the basis of Targets / Criteria met by them, as given by the Board from time to time.

III. Details of the Remuneration paid to Directors during the year 2021-22 are as follows:

(₹ In lakhs)

Name of Director	Salary and Perquisites and other allowance	Commission	Sitting Fees	Total
Mr. Kamleshkumar Patel	58.56	-	-	58.56
Mr. Mukeshbhai Patel	44.40	-	-	44.40
Mr. Sureshbhai Patel	39.12	-	-	39.12
Mr. Bhaveshkumar Patel	23.76	-	-	23.76
Mr. Kanubhai Patel	25.05	-	-	25.05
Mr. Bhogibhai Patel	17.16	-	-	17.16
Mr. Amrutbhai Patel	-	-	0.10	0.10
Mr. Kandarp Trivedi	-	-	1.40	1.40
Mr. Maganlal Prajapati	-	-	1.40	1.40
Dr. Indira Nityanandam	-	-	0.50	0.50
Mr. Hemendrakumar Shah	-	-	2.35	2.35
Mr. Mukesh Shah	-	-	2.25	2.25
Mrs. Dipti Mehta	-	-	2.25	2.25

All the executive directors have been paid remuneration as per the limits approved by the Board and shareholders of the Company.

Criteria for making Payments to Non-Executive Directors:

Non-Executive Directors ("NED") may be paid sitting fees for attending the meetings of the Board and of committees of which they may be members within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

Within the parameters prescribed by law, the payment of sitting fees will be recommended by the NRC and approved by the Board.

In addition to the sitting fees, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a Director.

The Nomination and Remuneration policy is hosted on the website of the Company <https://www.aglasiangranito.com/investor-relation>.

C. Stakeholders Relationship Committee:

The role and brief terms of reference of the Stakeholders Relationship Committee are as per Section 178 (5) of the Act and Regulation 20 read with Part D of Schedule II

of SEBI Listing Regulations, the Company has in place, a Stakeholders' Relationship Committee ("SRC").

I. Terms of reference of Stakeholders Relationship Committee:

- The Committee shall resolve complaints related to transfer / transmission of shares, non-receipt of annual report and non-receipt of declared dividends, general meetings, approve issue of new/duplicate certificates and new certificates on split / consolidation / renewal etc., approve transfer / transmission, dematerialization and re-materialization of equity shares in a timely manner and oversee the performance of the Register and Transfer Agents and recommend measures for overall improvement in the quality of investor services.
- The Committee shall review the measures taken for effective exercise of voting rights by shareholders.
- The Committee shall review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- The Committee shall review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- The Committee shall perform any other function required under the (i) Indian Act and rules framed thereunder (ii) the equity listing agreement entered into between Asian Granito India Limited and the stock exchanges



on which its equity shares are listed or by the Board and (iii) SEBI Listing regulations, or any other applicable law from time to time.

- The Committee shall periodically provide updates to the Board.
- The Committee may consult with other committees of the Board, if required, while discharging its responsibilities.
- The Committee shall monitor and review on an annual basis the Company's performance in dealing with Stakeholder grievances.

- The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
- The Committee shall have access to any internal information necessary to fulfill its role.
- The Committee shall also have authority to appoint, remove, obtain advice and assistance from internal or external legal, accounting or other advisors.

During the financial year ended 31 March, 2022, SRC has held four meetings on 31 May, 2021, 05 August, 2021, 12 November, 2021 and 11 February, 2022. The composition of the Committee is in compliance of the provisions of the Act and SEBI Listing Regulations as amended and details of attendance of members of the Committee at the meetings are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Dr. Indira Nityanandam	Chairperson	Independent and Non-Executive	3 out 4
Mr. Kamleshkumar Patel	Member	Promoter and Non-Independent	4 out 4
Mr. Kandarp Trivedi*	Member	Independent and Non-Executive	3 out 3
Mr. Amrutbhai Patel*	Member	Independent and Non-Executive	1 out 1

*Mr. Amrutbhai Patel has tendered his resignation from the directorship of the Company w.e.f. 23 June, 2021 and Mr. Kandarp Trivedi has been appointed as Member of the Committee w.e.f. 26 June, 2021.

The Committee considers and resolves the grievances of the security holders. The Committee also reviews the manner and time-lines of dealing with complaint letters received from Stock Exchanges / SEBI / Ministry of Corporate Affairs etc., and the responses thereto.

II. Status Report of Investor Complaints during the year:

Status of Investor Complaints as on 31 March, 2022 as reported under Regulation 13 (3) of the SEBI Listing Regulations are as under normally the complaints are disposed of within 30 days, if received by the Company:

Number of complaints at the beginning of the year	0
Number of complaints received during the year	20
Number of Complaints resolved during the year	20
Number of complaints pending at the ending of the year	0

III. Name, Designation and Contact Details of the Compliance officer:

Dr. Dhruvi Trivedi

Company Secretary and Compliance Officer
Asian Granito India Limited

Registered Office:

202 Dev Arc, Opposite Iskon Temple SG Highway,
Ahmedabad – 380015.

Ph. No.: +91-79-66125500 / 698

E-Mail: cs@aglasiangranito.com

D. RISK MANAGEMENT COMMITTEE:

As per new amendment in SEBI Listing Regulations, top 1000 listed Companies have to mandatorily form Risk Management Committee. As your Company fall under top 1,000 Listed Companies and was required to form Risk Management Committee.

The terms of reference of Risk Management Committee articulates the roles, responsibilities and powers of the Risk Management Committee under Regulation 21 read with Schedule II (Part D) of the SEBI Listing Regulations, besides other terms as may be referred to by the Board of Directors from time to time.

I. Terms of reference of Risk Management Committee:

- Identifying, assessing and mitigating the existing as well as potential risk (including strategic, financial, operational and compliance risks) to the Company and to recommend the strategy to the Board to overcome them.
- Identifying, assessing and mitigating the existing as well as potential risk (including strategic, financial, operational and compliance risks) to the Company and to recommend the strategy to the Board to overcome them.
- Developing risk management policy, system and framework for the Company.

- Perform such activities related to this policy as requested by the Board of Directors or to address issues relating to any significant subject within its terms of reference.
- Carry out function which shall specifically cover cyber security and any other function as may be prescribed by law, from time to time.

II. Composition, meetings and attendance:

The Committee has been formed on 31 May, 2021. During the financial year ended 31 March, 2022, Risk Management Committee held meetings on 05 August, 2021, 12 November, 2021 and 11 February, 2022. The composition of the Committee is in compliance of the provisions of the Act and SEBI Listing Regulations as amended and details of attendance of members of the Committee at the meetings are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Mukeshbhai Patel	Chairman	Promoter and Non-Independent	3 out 3
Mr. Kamleshkumar Patel	Member	Promoter and Non-Independent	3 out 3
Mr. Maganlal Prajapati	Member	Independent and Non-Executive	3 out 3

E. Corporate Social Responsibility Committee:

In line with the provisions of Section 135 of the Act, read with Schedule VII of the Act, the board has constituted Corporate Social Responsibility Committee ("CSR"), inter-alia, to formulate CSR Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy and to identify the areas of CSR activities and recommended the amount of expenditure to be incurred on such activities.

I. Terms of reference of Corporate Social Responsibility Committee:

- To formulate and recommend to the Board of Directors ("Board"), a CSR Policy which shall indicate the activities, projects or programs, excluding the activities undertaken by the Company in pursuance of its normal course of business of the Company, to be undertaken by the Company as specified in Schedule VII of the Act, or any modifications thereof and includes approach and direction of the Board, guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- Consider and recommend the amount of expenditure (including annual budget) to be incurred for the Corporate Social Responsibility activities.
- Monitor the CSR Policy of the Company from time to time and recommend amendments thereto, as may be required.
- To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy which shall include the list of CSR projects or programmes that are approved to be undertaken; manner of execution of

such projects or programmes; modalities of utilization of funds and implementation schedules; monitoring and reporting mechanism for the projects or programmes and details of need and impact assessment, if any, for the projects undertaken.

- To ensure legal and regulatory compliance from a CSR perspective.
- To approve any report, inter-alia, which may be required to be submitted in pursuance of any statutory or regulatory requirement.
- Collaborate with other companies for undertakings, activities, projects or programs relating to CSR, as required.
- To review, monitor and provide its strategic direction to the Company's sustainable development goals.
- To integrate its environmental, social and governance objectives with its business strategies and assist in crafting unique models to support creation of sustainable value over long term.
- Consider other functions, as delegated by the Board, or as may be stipulated under any law, rule or regulation or as may be required, from time to time.
- To seek information from management and have full access to the Company's records relevant to its functioning in discharge of its obligations.
- To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.



During the financial year ended 31 March, 2022, CSR committee met four times on 31 May, 2021, 05 August, 2021, 12 November, 2021 and 11 February, 2022. The constitution of the committee is in compliance of the provisions of the Act. The composition and details of attendance of members of the Committee are as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Kamleshkumar Patel	Chairman	Promoter and Non-Independent	4 out 4
Mr. Mukeshbhai Patel	Member	Promoter and Non-Independent	4 out 4
Dr. Indira Nityanandam	Member	Independent and Non-Executive	4 out 4

The Policy on CSR has already available on website of the Company at www.aglasiangranito.com/investor-relation

The CSR Report as required under the Act for the year ended 31 March, 2022 is attached to the Board's Report.

The Administrative Committee will also review all the matters prescribed under the Listing Agreement and SEBI Listing Regulations and the Secretarial Standards issued by the Council of the Institute of Company Secretaries of India except matters which are exclusively reserved to be discussed and decided in the Board Meetings.

F. Other Committees:

1) Administrative Committee:

The Administrative Committee was constituted by the Board for considering matters routine in nature and matters require to be resolve between two Board Meetings of the Company such as decision on banking relations, delegation of operational powers, appointment of nominees under various statutes etc.

I. Terms of reference:

The terms of reference of this committee covers the matters prescribed under the Section 179 (3) (d) to (f) of the Act and other rules prescribed thereunder.

The composition and details of attendance of members of the Committee are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Kamleshkumar Patel	Chairman	Promoter and Non-Independent	12 out 12
Mr. Mukeshbhai Patel	Member	Promoter and Non-Independent	12 out 12
Mr. Bhaveshkumar Patel	Member	Promoter, Non-Independent and Executive	12 out 12

III. Purpose:

The Administrative Committee shall carry out the Board's power and responsibilities with respect to a) to borrow monies b) to invest the funds of the Company c) to grant loans or give guarantee or provide security in respect of loans d) monitor compliances with such other powers and responsibility mentioned above or as may be stated herein.

- To borrow funds not exceeding ₹ 500 crores from Banks, Institutions, Companies, Corporations, Societies, Firms, Person or Persons on behalf of and for the Company.

II. Composition, Name of Members and Chairman, Meetings held during the year and attendance at meetings:

During the financial year ended 31 March, 2022, the committee met twelve times on 15 April, 2021, 01 June, 2021, 29 June, 2021, 06 August, 2021, 30 September, 2021, 11 October, 2021, 26 October, 2021, 23 November, 2021, 21 December, 2021, 10 January, 2022, 16 February, 2022 and 17 March, 2022.

- To grant loans, give guarantees or provide securities in relation to loans availed by other bodies corporate including but not limited to the Company's subsidiaries and to invest Company's funds by way of subscription, purchase or otherwise in the securities of other bodies corporate including but not limited to the Company's subsidiaries upto a limit of ₹ 400 crores (as approved by the Board of Directors in its Meeting held on 11 February, 2022).
- To open, close and operate the Bank Accounts held, in the name of the Company.

- iv. To hire or take on lease property of any kind for the purpose of Company's business at such rent and for such period and upon such conditions as it may think fit and proper for the purposes aforesaid, to execute all such agreements, leases and other documents as it shall think fit, which is in normal course of business not exceeding 10% of net worth or 10% of turnover and subject to approval of the Board in a duly convened Board Meeting as and when required as per applicable laws.
- v. To authorize the Director/s, Officer/s and/or other person or persons on behalf the Company to represent the Company before Central and/or State Government(s), Govt. Departments, local bodies, Court of law and other authorities for registration, filing of returns and documents, obtaining of forms, etc. and doing all other acts, deeds and things as may be required to be done from time to time on behalf of the Company, and subject to approval of the Board in a duly convened Board Meeting as and when required by the applicable laws.
- vi. To give authority to any person(s) for any legal matter for signing Vakalatnama, various papers/ documents, power of attorneys as may be required for any legal case.
- vii. To open Branch offices and give authority to any person to carry out legal formalities for such offices.
- viii. To apply for registration/license of/for the company with/from various authorities of any state or center including provident fund authorities, pollution control board/authorities, labour department, land revenue department, sales tax authorities, income tax authorities, shops and establishment authorities, customs and central excise authorities, the Director General of Foreign Trade and to do or perform all acts and deeds relating to such matter.
- ix. To purchase motor vehicles in the name of the Company and to authorize officials of the Company to sign documents for registration of motor vehicles and to do all acts and things for the transfer of any such motor vehicles.
- x. To enter into agreements with banks or financial institutions to transact spot and forwards in foreign exchange and enter

into interest rate and foreign currency swaps, options and any derivatives that may from time to time be used as tools to hedge the company's interest and foreign exchange exposures.

- xi. To enter into agreement with agencies as may be required as per statutory act, Rules and regulation i.e. pollution control and gas etc.
- xii. To do all such acts as required under the Act in day to day affairs except as statutory required under the Act.

The committee reports to the Board and the minutes of these meetings are placed before the Board for their confirmation and approval.

2) Right Issue Committee:

The Board of Directors at its meeting on 04 February, 2022, proposed to form a special committee name and style as "Rights Issue Committee-2022" for the purpose of giving effect to Rights issue and deciding the terms and conditions and giving effect to the Rights issue.

I. Terms of reference:

- a) decide the terms and conditions of the Issue including the total number of Equity Shares, Issue price, rights entitlement ratio, terms and timing of the payment of the Issue price, manner (fully paid-up) and process of making the offer to Eligible Equity Shareholders and other terms and conditions for the issuance of the Equity Shares, and to suitably vary the size of the Issue;
- b) decide the treatment to be given to the fractional entitlement, if any, including rounding upward or downwards or ignoring such fractional entitlements (subject to applicable law) or issue of fractional coupons and the terms and conditions for consolidation of fractional entitlements and application to the Company for the same as well as to decide the disposal of the shares representing the fractional coupons which are not so consolidated and presented to the Company for allotment of whole shares or treating fractional entitlement in the manner as may be approved by the Stock Exchanges;
- c) decide in accordance with Applicable Law, the timing, opening and closing dates, objects and all the other terms and conditions of the Issue and to extend, vary or alter any of the above, including any modification to the Issue



- price as it may deem fit at its absolute discretion or as may be suggested by the SEBI, the Stock Exchanges or any other regulatory authority;
- d) Decide the basis and process of making the offer to Eligible Equity Shareholders within India and outside India;
 - e) appoint and enter into arrangements with SEBI registered intermediaries or persons, including any successors or replacements thereof, and finalizing the respective terms of their appointment and executing, and if deemed fit, terminating various agreements with all such persons, agencies and intermediaries, and authorizing, determining, negotiating and approving the amount of remuneration, commission, brokerage, fees or the like payable to them and to give them such directions or instructions as it may deem fit from time to time;
 - f) finalize the Issue expenses;
 - g) incur expenses including the statutory payments/deposits in relation to/ connected with the Issue as may be appropriate;
 - h) decide the Record Date for the purpose of the Issue in order to ascertain the names of the Eligible Equity Shareholders who will be entitled to the Equity Shares;
 - i) make applications to the Stock Exchanges for in-principle approval and final listing and trading of the Equity Shares and to execute any relevant document to the concerned Stock Exchanges;
 - j) negotiate, finalize, settle and execute the draft letter of offer/letter of offer (including the withdrawal thereof), the issue agreement, registrar agreement, ad agency agreement, underwriting agreement (if any), monitoring agency agreement, composite application form, split application form, abridged letter of offer and all other documents, forms, applications, deeds, agreements and instruments as well as amendments or supplements thereto in connection with the Issue;
 - k) appoint bankers to the issue and open cash escrow, refund and such other account(s) in such style, with them as the Committee may deem fit and empower any officer(s) of the Company to operate such account(s) on its behalf in connection with the Issue;
 - l) dispatch refund orders, if any;
 - m) finalize the basis of allotment of the Equity Shares in consultation with the registrar to the issue and the Stock Exchanges, if necessary;
 - n) issue and allot Equity Shares in consultation with the registrar, the designated stock exchange and to do all necessary acts and execute documents and undertakings with National Securities Depository Limited and Central Depository Services (India) Limited in connection with the Issue;
 - o) take all such actions and give all such directions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise in regard to the creation, offer, issue and allotment of the Equity Shares;
 - p) to dispose of the unsubscribed portion of the Equity Shares in such manner as it may think most beneficial to the Company;
 - q) issue the letters of allotment to the proposed allottees;
 - r) to decide on the marketing strategy of the Issue and the costs involved;
 - s) enter the names of the allottees in the register of members of the Company;
 - t) to open requisite bank accounts with any nationalised bank/private bank/foreign bank for the purpose of the Issue;
 - u) take any and all action in connection with obtaining approvals and consents (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, but not limited to, approvals from the lenders of the Company, other third parties, SEBI, RBI, the registrar of companies and the Stock Exchanges (including in-principle approval and final listing and trading approval);
 - v) to take any steps that may be required for process of credit of rights entitlements in the demat account and renunciation thereof and obtaining separate ISINs, if so required;
 - w) file necessary certificates /returns/ forms with SEBI, RBI, Stock Exchanges, the Registrar of Companies and other authorities;
 - x) issue public advertisements and notices / supplements / addendum / corrigenda in accordance with the SEBI ICDR Regulations in consultation with the relevant intermediaries appointed for the Issue;

- y) to take all actions and give all such directions as may be necessary or desirable and to settle all questions, difficulties or doubts that may arise in relation to the Issue and matter incidental thereto as it may, in its absolute discretion deem fit; and
- z) executing and delivering any and all other documents, papers or instruments and doing or causing to be done any and all acts, deeds or things as they may, in their discretion, deem necessary or desirable for the purpose of the Issue, including to carry out the purposes and intent of the foregoing or the Issue.

II. Composition, Name of Members and Chairman, Meetings held during the year and attendance at meetings:

During the financial year ended 31 March, 2022, the committee met two time on 06 March, 2022 and 17 March, 2022. The composition and details of attendance of members of the Committee are given as under:

Name of the Committee Members	Designation	Category	No. of Meetings Attended during the year 2021-22
Mr. Kamleshkumar Patel	Chairman	Promoter and Non-Independent	1 out 1
Mr. Mukeshbhai Patel	Member	Promoter and Non-Independent	1 out 1
Mr. Mukesh Shah	Member	Independent and Non-Executive	1 out 1

4. General Body Meetings:

The details of location, date and time of the last three AGMs held and any special resolutions passed:

Financial Year	Location of the Meeting	Date and Time	Special Resolution Passed
2018-19	H T Parekh Convention Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015	30 September, 2019 at 11:00 A.M.	Nil
2019-20	Deemed place of Meeting was registered office at 202, Dev Arc, Opp. Iskon Temple, S. G. Highway, Ahmedabad, 380015 through Video Conferencing (“VC”) or Other Audio Visual Means (OAVM)	20 November, 2020 at 11:00 A.M.	(1) To consider and approve Sub division of Shares from ₹ 10/- fully paid up to ₹ 2/- fully paid up. (2) To accord consent to the Board to create, offer, issue and allot securities upto ₹ 400 crores pursuant to section 62(1) (c) and other applicable provisions of the companies act, 2013 and other applicable laws. (3) To make loan and investment or give guarantee or provide security by company upto ₹ 500 crores u/s. 186 of the Companies Act, 2013 (4) To advance loan or give guarantee or provide security in connection with any loan taken by any person in whom any of the Director of the company is interested u/s. 185 of the Companies Act, 2013 (5) To approve Asian Granito India Limited Employees Stock Option Scheme – 2020 (6) Approval of grant of stock options to the employees of subsidiary company (ies) under Asian Granito India Limited Employees Stock Option Scheme – 2020
2020-21	Deemed place of Meeting was registered office at 202, Dev Arc, Opp. Iskon Temple, S. G. Highway, Ahmedabad, 380015 through Video Conferencing (“VC”) or Other Audio Visual Means (OAVM)	24 December, 2021 at 11:00 A.M.	Nil



The details of location, date and time of the EGMs held and any special resolutions passed:

Financial Year	Location of the Meeting	Date and Time	Special Resolution Passed
2021-22	Deemed place of Meeting was registered office at 202, Dev Arc, Opp. Iskon Temple, S. G. Highway, Ahmedabad, 380015 through Video Conferencing ("VC") or Other Audio Visual Means (OAVM)	12 August, 2021 at 11:00 A.M.	(1) Appointment of Mr. Maganlal Prajapati (holding DIN 00564105) as an Independent Director. (2) Appointment of Mr. Kandarp Trivedi (holding DIN 00314065) as an Independent Director. (3) To advance loan or give guarantee or provide security in connection with any loan taken by any person in whom any of the Director of the company is interested.
2021-22	Deemed place of Meeting was registered office at 202, Dev Arc, Opp. Iskon Temple, S. G. Highway, Ahmedabad, 380015 through Video Conferencing ("VC") or Other Audio Visual Means (OAVM)	28 February, 2022 at 11:00 A.M.	(1) Re-appointment of Mr. Hemendrakumar Chamanlal Shah (holding DIN 00077654) as an Independent Director.

No special resolution was required to be put through postal ballot last year. There is no immediate proposal for passing any resolution through postal ballot. Prescribed procedure for postal ballot as per the provisions defined in the Act read with rules made there under as amended from time to time shall be complied with whenever necessary.

5. Means of communication to shareholders:

- The quarterly, half-yearly and annual financial results of the Company are disseminated to the Stock Exchanges immediately through permitted mode after these have been approved by the Board. These are widely published in eminent daily newspapers like Business Standards (English) and Jai Hind (Gujarati) and also uploaded on Company's website: www.aglasiangranito.com.
- Company's official news releases and presentation made to the Institutional Investors and analyst are sent to the Stock Exchanges and the same is made available on the Company's Website: www.aglasiangranito.com.
- Company sends soft copies of Annual Report to those shareholders whose email IDs are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance", an initiative taken by the Ministry of Corporate Affairs. Your company encourages its shareholders to register/ update the e-mail ids for communication purpose thereby contributing to the environment.
- The "Investors" section on the website gives information relating to financial results, annual reports, shareholding pattern. Information about unclaimed dividends is also available on the website of the Company.
- Material events or information, as detailed in Regulation 30 of the SEBI Listing Regulations, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through

BSE Online Portal. They are also displayed on the Company's website.

- Management Discussion and Analysis (MDA) and Business Responsibility Reporting (BRR) forms part of Annual Report.

6. General Shareholders Information:**a) Company Registration Details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110GJ1995PLC027025.

b) 27th Annual General Meeting:

Date and Time: 16 September, 2022 at 11:00 AM
Venue: Registered office (by audio visual means). For details please refer the Notice of the AGM.

c) Tentative Financial Calendar for the year 2023:

Financial year	01 April, 2022 to 31 March, 2023
First Quarter results	On or before 14 August, 2022
Half Yearly results	On or before 14 November, 2022
Third Quarter results	On or before 14 February, 2023
Results for year-end	On or before 30 May, 2023

d) Date of Book Closure:

Saturday, 10 September, 2022 to Friday, 16 September, 2022 (Both days inclusive).

e) Record Date for purpose of Dividend:

10 June, 2022 is the record date for the purpose of Dividend.

f) Dividend Payment date:

Within statutory period of 30 days from the date of approval of members at the ensuring AGM.

g) Listing of Equity Shares on Stock Exchange:

At present, the equity shares of the Company are listed on the National Stock Exchange Limited (Symbol: ASIANTILES) and the BSE Limited (Scrip code: 532888). The Company has paid the listing

fees for the financial year 2022-2023 to above stock exchanges.

National Stock Exchange of India Limited **BSE Limited**

Exchange Plaza, Plot No. – C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051

2nd Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001

h) Payment of Depository Fees:

The Company has paid the Annual Custody / Issuer Fee for the financial year 2022-2023 to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL).

i) Stock Code:

BSE Ltd (Scrip Code)	National Stock Exchange India Limited (Trading Symbol)	ISIN Number for Equity Shares
532888	ASIANTILES	INE022I01019

j) Market Price Data-High / Low during each month in the financial year 2021-2022 on BSE Limited (BSE) and National Stock Exchange of India Limited:

The closing market price of equity share on 31 March, 2022 (last trading day of the year) was ₹ 99 on BSE and ₹ 99.15 on NSE.

(share price in ₹)

SN	Month – Year	BSE Limited (₹)			National Stock Exchange of India Limited (NSE) (₹)		
		High Price	Low Price	Volume (No.)	High Price	Low Price	Volume (No.)
1	April 2021	177.10	146.10	7,50,892	177.25	145.70	76,02,602
2	May 2021	207.55	151.50	11,22,723	207.50	143.55	92,05,942
3	June 2021	208.00	173.00	27,42,765	207.95	172.80	2,75,25,415
4	July 2021	191.95	173.05	15,11,058	192.00	173.45	1,02,78,040
5	August 2021	189.90	150.75	9,81,284	189.90	151.00	1,04,35,824
6	September 2021	171.90	143.40	19,88,933	173.00	141.25	2,05,46,878
7	October 2021	176.00	127.65	10,59,839	176.30	128.70	1,42,80,348
8	November 2021	146.55	122.70	8,18,285	146.50	122.50	60,41,571
9	December 2021	152.90	125.20	11,05,657	153.00	125.40	95,62,761
10	January 2022	145.00	116.55	24,16,191	143.95	116.60	2,38,27,376
11	February 2022	126.15	96.30	10,73,152	126.45	96.00	58,23,888
12	March 2022	113.65	97.40	15,25,209	113.30	97.10	74,17,268

k) Performance in comparison:

Chart A: Asian Share Performance V/s BSE Sensex:

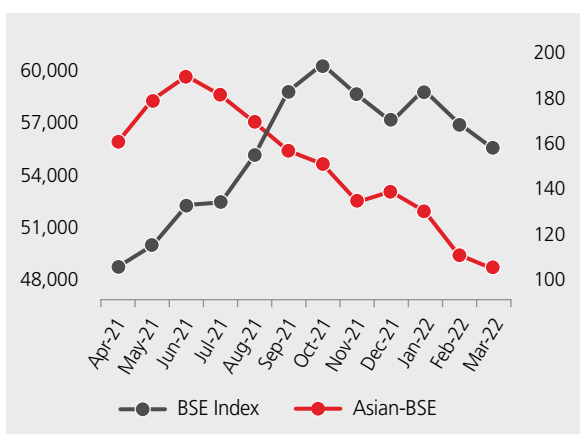
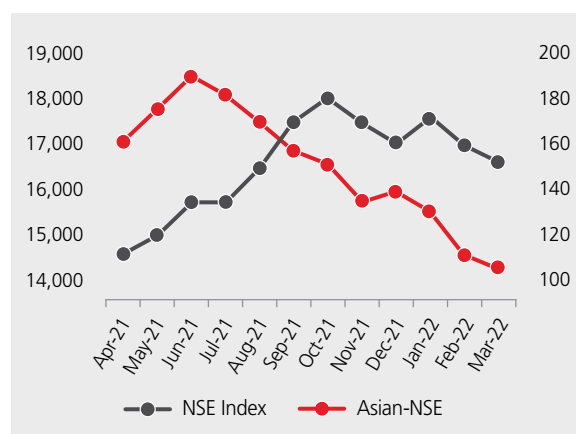


Chart B: Asian Share Performance V/s Nifty 50



l) Registrar and Transfer Agent

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, non-receipt of annual report and any other query relating to the shares of the Company:

Link Intime India Pvt. Ltd.

506 to 508, Amarnath Business Centre - I (ABC - I),
Besides Gala Business Centre,

Near St. Xavier's College Corner, Off C G Road,
Ellisbridge, Ahmedabad, Gujarat, 380006

Tel. 079 26465179/86/87,

E-mail: ahmedabad@linkintime.co.in,

Website: www.linkintime.co.in

m) Share Transfer System

To expedite the transfer of shares held in physical mode the powers to authorise transfers have been

delegated to specified officials of the RTA and Company. The applications and request received by the Registrar and Share Transfer Agent for the transfer of shares held in physical form are processed and the share certificate for the same are sent to the transferee within the stipulated period. The details of transfers / transmission approved by the delegates are noted by the Stakeholders Relationship Committee at its next meeting. The Company obtains from a Company Secretary in Practice an annual certificate of compliance with share transfer formalities as required under Regulation 40 (9) of the SEBI Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited and Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company.

n) The Distribution of Shareholdings as on 31 March, 2022 is as under

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
1 – 500	67,205	86.55	79,42,045	13.99
501 – 1,000	5,350	6.89	40,83,677	7.20
1,001 – 2,000	2,726	3.51	39,97,033	7.04
2,001 – 3,000	861	1.11	21,79,464	3.84
3,001 – 4,000	428	0.56	15,24,710	2.69
4,001 – 5,000	275	0.35	12,89,306	2.27
5,001 – 10,000	440	0.57	32,01,753	5.64
10,001 and above	360	0.46	3,25,33,646	57.33
Total	77,645	100.00	5,67,51,634	100.00

*The above number of shareholders are based on Folios and are not PAN clubbed.

a) Shareholding Pattern as on 31 March, 2022:

Sr. No.	Category	No. of Shares	(%) of Holding
1.	Promoters and Promoter group	1,64,56,567	29.00
2.	Foreign Portfolio Investors	3,15,596	0.56
3.	Bodies Corporate	64,10,359	11.30
4.	Limited Liability Partnership	1,11,884	0.20
5.	NBFCs registered with RBI	22,100	0.04
6.	NRI (Repatriable and Non-Repatriable)	9,21,168	1.62
7.	Individuals	3,05,51,283	53.83
9.	HUF	15,43,507	2.72
10.	Clearing Members	4,15,409	0.73
11.	Investor Education Protection Fund	3,761	0.00
	Total	5,67,51,634	100.00

o) Dematerialisation of Shares and Liquidity

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

As on 31 March, 2022, out of 5,67,51,634 Equity Shares of the Company, have been dematerialised representing 99.99% of the total listed shares. After the closure of the financial year, the company has issued and allotted 6,99,93,682 equity shares, pursuant to rights issue to the eligible shareholders of the Company, the Company has obtained listing and trading approval for all the issued shares from both the stock exchange(s).

• **Physical / NSDL / CDSL Summary Report as on 31 March, 2022:**

Particulars	Shares	Percentage (%)
Physical	483	0.00
NSDL	2,17,65,092	38.35
CDSL	3,49,86,059	61.65
TOTAL	5,67,51,634	100.00

p) Outstanding GDRs / ADRs / warrants or any convertible instrument, conversion date and likely impact on the equity:

As on 31 March, 2022, the Company has not issued GDRs, ADRs.

The Company had allotted 47,00,000 "Fully Convertible Warrants" at price of ₹ 180/- each (at a face value of ₹ 10/- each and Premium of ₹ 170/- Per Convertible Warrant) on 09 September, 2019. Out of which, the Company has allotted 39,67,000 fully paid up Equity Shares pursuant to conversion of Convertible Warrants into Equity in 2020-21. In 2021-22 the outstanding balance of convertible warrants was 7,33,000 warrants out of which Company had issued and allotted 2,33,000 fully paid up equity shares pursuant to conversion of convertible warrants and the remaining 5,00,000 convertible warrants were forfeited as they were not opted for the conversion by the warrant holders.

q) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company transacts business in foreign currencies (primarily USD and EUR). Consequently,

the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by the Board as per established risk management policy. The details of foreign currency exposure as on 31 March, 2022 is provided in Notes to the financial statements.

r) Plant Locations

Ceramic Zone, Katwad Road, At & Po. Dalpur, Taluka Prantij 383120, Dist. Sabarkantha	B/h. Sardar Plan, Idar -383430, Dist. Sabarkantha	Plot No. 767, Nr. JTI, Kheda Dholka Highway Radhu, Dholka, Dist: Kheda
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s) Address for correspondence:

Shareholder's correspondence should be addressed either to the Registered office of the Company or to the Link Intime India Pvt. Ltd., the Registrar and Share Transfer Agent as stated below.

Registered Office:

Asian Granito India Limited

202, Dev Arc, Opp. Iscon Temple, S. G. Highway, Ahmedabad – 380015
Tel No.-91 79 66125500 / 698
Fax No.-91 79 66125600 / 66058672
E-mail - cs@aglasiangranito.com
Website - www.aglasiangranito.com
CIN: L17110GJ1995PLC027025

**Registrar and Share Transfer Agent:
Link Intime India Pvt. Ltd.**

506 to 508, Amarnath Business Centre - I (ABC - I), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad, Gujarat, 380006
Tel. 079 26465179 / 86 / 87
E-mail: ahmedabad@linkintime.co.in
Web site: www.linkintime.co.in

t) Credit Rating:

ICRA Credit Rating for ₹ 254.11 crore Lines of Credit:

During the year under review, the details of credit ratings for long term bank loan facilities has been upgraded to [ICRA] A+ (pronounced ICRA A plus) from [ICRA] A (pronounced ICRA A) and has reaffirmed short term bank loan facilities at [ICRA]A 1 (pronounced ICRA A one).



Annexure: Instrument Details

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (₹ crore)	Rating	Rating Assigned on
Term Loan			
State Bank of India	29.86	[ICRA]A+ (Stable)	26 October, 2021
IndusInd Bank	1.41	[ICRA]A+ (Stable)	26 October, 2021
Working Capital Loan			
State Bank of India	139.00	[ICRA]A+ (Stable)	26 October, 2021
IndusInd Bank	1.00	[ICRA]A+ (Stable)	26 October, 2021
HDFC Bank	27.00	[ICRA]A+ (Stable)	26 October, 2021
Total	198.27		

Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale)	Amount (₹ crore)	Rating	Rating Assigned on
Bank Guarantee and Letter of Credit			
State Bank of India	9.84	[ICRA]A1	26 October, 2021
IndusInd Bank	46.00	[ICRA]A1	26 October, 2021
Total	55.84		

7. Disclosures:

The Company has always ensured fair code of conduct and maintained transparency.

Compliances, rules and regulations as laid down by various statutory authorities has always been observed by the Company since such change over both in letter as well as in spirit.

The Board has obtained certificates / disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the Company at large.

a) Related Party Transactions:

All transactions entered into with Related Parties as defined under Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and comply with the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS-24) has been made in the notes to the Financial Statements.

The policy for related party transactions is available on the website of the Company at https://aglasiangranito.com/policies/Related_Party_Transaction_Policy_1302202-0.pdf

b) Legal Compliances:

The Company periodically reviews and reports the compliance of laws applicable to the Company to the Board. There were no instances of material non-compliance and no penalties were imposed on the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter related to the Capital Markets during the last three years.

c) Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177 (9) and (10) of Act and Regulation 22 of the SEBI Listing Regulations, the Company has formulated Whistle Blower Policy with vigil mechanism for directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. No complaint has been received during the year 2021-22.

The policy on vigil mechanism / whistle blower is available on the website of the Company at https://aglasiangranito.com/policies/Policy_on_Vigil_Mechanism_1302-2020.pdf

d) Details of Compliances with Mandatory and Non mandatory Requirements:

Mandatory Requirements:

The Company has fully complied with the applicable mandatory requirements of SEBI Listing Regulations.

Adoption of non-mandatory requirements under SEBI Listing Regulations:

The Board:

The Company has appointed an executive chairman, being the promoter of the Company.

Shareholders Rights:

The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website www.aglasiangranito.com, the same are not being sent separately to each household of the shareholders.

Website:

The Company's website (www.aglasiangranito.com) contains a separate dedicated section 'Investor Relations' where Shareholder's information is available.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre ("Listing Centre"):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

No complaint from any investors during the year has been registered/pending to resolve on the SCORES.

Audit Qualification:

The Audit Reports on the Financial Statements for the year ended 31 March, 2022 do not contain any modified opinion.

Separate posts of Chairman and CEO/ Managing Director:

As per the Articles of Association of the Company and in accordance with the provisions of the Act, the Company continues to appoint one person as Chairman and Managing Director of the Company.

Reporting of Internal Auditor:

The internal auditor reports to Audit Committee.

e) Subsidiary Companies:

During the year under review Company had one Unlisted Company as Material Subsidiary Company namely Crystal Ceramic Industries Limited and in current Financial Year Amazoone Ceramics Limited has become has been another Unlisted Company as Material Subsidiary Company in terms of Regulation 16 of SEBI Listing Regulations. One of the Independent Director on our Board is also on the Board of Material Subsidiary as per SEBI Listing Regulations. The minutes of the Board Meetings of the subsidiary companies are placed at the meeting of the Board of Directors of the Company on periodical basis. The Audit Committee reviews the financial statements including investments made by the unlisted subsidiary companies of the Company.

The Board of Directors of the Company has approved a policy for determining "material" subsidiaries. The said Policy has been placed on the website of the Company and can be accessed through the following link: <https://aglasiangranito.com/policies/policy-on-material-subsiidiary-13-02-2020.pdf>

f) The Company had allotted 47,00,000 "Fully Convertible Warrants" at price of ₹ 180/- each (at a face value of ₹ 10/- each and Premium of ₹ 170/- Per Convertible Warrant) on 09 September, 2019.

During the year under review, the Company has allotted 39,67,000 fully paid up Equity Shares of ₹ 180/- per equity Shares pursuant to conversion of Convertible warrants into Equity on receiving remaining 75% balance amount (39,67,000 convertible warrants * ₹ 135/-) amounting to ₹ 5,355.45 lakhs.

Further in current Financial Year i.e. 2021-22, the Company had allotted 2,33,000 fully Equity Shares of ₹ 180/- per equity Shares pursuant to conversion of Convertible warrants into Equity on receiving remaining 75% balance amount (2,33,000 convertible warrants * ₹ 135/-) amounting to ₹ 314.55 lakhs.

The funds so received by the Company were utilised for long term capital requirements for future growth of the company, to meet working capital



requirement and reducing debts and to meet General Corporate Purpose.

- g)** The Company has received certificate from RPAP & Co., Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority for the Financial Year ending on 31 March, 2022.
- h)** There is no instances where the Board has not accepted any recommendations of any Committee of the Board, which is mandatorily required in the Financial Year 2021-22.
- i)** During the year, Total fees of ₹ 26.80 lakhs have been paid to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part by the Company and its Subsidiaries on a consolidated basis.
- j)** Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- i. Number of complaints on Sexual harassment received during the year - Nil
 - ii. Number of Complaints disposed off during the year - Nil
 - iii. Number of cases pending as on end of the Financial Year – Nil
- k) Ethics / Governance policies:**
- 1) Code of Business Conduct and Ethics**
In compliance with the SEBI Listing Regulations and the Act, the Company has framed and adopted a Code of Business conduct and Ethics ('the code'). The Company has in place a comprehensive Code of Conduct applicable to all employees and Directors. The code gives guidance and support needed for ethical conduct of business and compliance of laws.
- A Code of Business Conduct and Ethics is available on the Company website www.aglasiangranito.com. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Executive Chairman to the effect forms part of this Report as **Annexure 1**.
- 2) Insider Trading Code**
The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices in

accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company. The code is applicable to Promoters, Promoters Group, all Directors, Key Managerial Persons, Connected Persons and Designated Persons and their immediate Relatives who are expected to have access to Unpublished Price Sensitive Information relating to the Company. The Company Secretary is the Compliance Officer for monitoring the adherence to the said regulations.

3) Policy on Material Subsidiary

The Company has adopted a policy on material subsidiaries. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiaries is available on the website of the company <https://aglasiangranito.com/policies/policy-on-material-subsiidiary-13-02-2020.pdf>

4) Related Party Transactions

In line with requirement of the Companies Act, 2013 and SEBI Listing Regulations, your Company has formulated a Related Party Transaction Policy. The policy on related party transactions is available on the Company's website at https://aglasiangranito.com/policies/Related_Party_Transaction_Policy_13022020.pdf

Pursuant to the provisions of the Act and SEBI Listing Regulations, a statement on all related party transactions is presented before the Audit Committee on a quarterly basis for its review.

5) Policy on Determination of Materiality

The Company has adopted the Policy on Determination of Materiality and the same is also uploaded at the website of the Company <https://aglasiangranito.com/policies/Policyondetermination.pdf>

6) Policy on Preservation of Documents

The Company has adopted the Policy on Preservation of Documents and the same is also uploaded at the website of the Company <https://aglasiangranito.com/policies/Policy%20on%20preservation%20of%20documents.pdf>

7) Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI Listing Regulations on Prevention of Insider Trading and amendments thereto, the Company has in place the Code of Conduct to Regulate, Monitor and Report Trading by Insiders to avoid any insider trading and it is applicable to all the Directors, Officers, KMPs, Designated employees, their dependent relatives and connected persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company has also defined the policy for determination of legitimate purposes. The Company lays down the guidelines which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company. The new code of conduct for prevention of insider trading is uploaded on the website of the Company as https://aglasiangranito.com/code_of_conduct/insider-trading-code-2015.pdf. The Company has also adopted the Policy for determination of legitimate purposes which forms part of Fair Disclosure Code. The Company provides assistance to all concern to understand the provisions of the Insider Trading Code/ Regulations and clarify the doubts thereon.

The Audit Committee reviews cases of non-compliances, if any and the said non-compliances are promptly intimated to the Stock Exchanges in the prescribed format.

l) CEO and CFO certification

The Chairman and Managing Director (CMD) and Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The Executive Chairman and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 (2) (a) of the SEBI Listing Regulations. The Certificate is annexed as **Annexure 2**.

m) Accounting Standards/Treatment

The Company has complied with the applicable Accounting Standards specified u/s 133 of the Act. The financial statements for the year have been prepared in accordance with and in compliance of schedule III notified by the Ministry of Corporate Affairs (MCA).

n) Going Concern

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

o) Share Capital Audit Report

As required by the Securities and Exchange Board of India (SEBI) quarterly audit of the Company's share capital for the quarter ended is being carried out by M/s. RPAP & Co. (CP No.: 2939, ACS: 8073), Company Secretaries with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to Stock Exchanges.

p) Certificate form Company Secretary in Practice regarding appointment and continuation of directors:

The Company has obtained the Certificate from Secretarial Auditors M/s. RPAP & Co. (CP No.: 2939, ACS: 8073), Company Secretaries that none of the Directors of the Company are debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI / MCA or any such authority for the Financial Year ending on 31 March, 2022, which is annexed as **Annexure 3**.

q) Certificate on Compliance with the conditions of Corporate Governance under SEBI Listing Regulations

The Company has obtained the Certificate from Secretarial Auditors M/s. RPAP & Co. (CP No.: 2939, ACS: 8073), Company Secretaries the conditions of Corporate Governance under SEBI Listing Regulations is complied with which is annexed as **Annexure 4**.

r) Unpaid / Unclaimed Dividend

No dividend was declared in financial year 2014-15 hence there is no requirement to transfer unpaid / unclaimed dividend to Investor Education and Protection Fund (IEPF).

s) Reminder to Investors

Reminders for unclaimed shares, unpaid dividends which are going to be transferred to IEPF Account, if any are sent to the shareholders as per records every year.

t) Investor Services

For any assistance mail to: info@aglasianranito.com / cs@aglasiangranito.com



u) Disclosure in Respect of Equity shares transferred in the 'Asian Granito India Limited- Unclaimed Suspense Account' is as under

In terms of Regulation 39(4) of the SEBI Listing Regulations, the Company reports the following details in respect of equity shares transferred from the "AGL Rights 2021 Demat Escrow Account" during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of shareholders	Number of Equity shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year i.e. 1 April, 2021	0	0
Aggregate number of Shares transferred in Escrow Account During Rights Issue on 21 October 2021	31	15979
Number of shareholders who approached the Company / Registrars and Transfer Agents (RTA) for transfer of shares from unclaimed suspense account during the year ended 31 March, 2022	20	12432
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 March, 2022	20	12432
Number of shares transferred to IEPF authority from Unclaimed Suspense Account during the year ended 31 March, 2022	0	0
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year i.e. as on 31 March, 2022	11	3547

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

v) Location of the Depositories

a) National Securities Depository Limited

Trade World, 4th Floor, Kamala Mills
Compound, Senapati Bapat Marg,
Lower Parle, Mumbai – 400013

b) Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 28th Floor,
Dalal Street, Mumbai – 400001

w) Compliance Officer / Nodal Officer of IEPF Authority

Dr. Dhruti Trivedi,
Company Secretary and Compliance Officer
202, Dev Arc, Opp. Iskcon Temple, S. G. Highway,
Ahmedabad – 380015
E-mail: cs@aglasiangranito.com,
Phone No. : 079 – 66125500 / 698 / 699,
Fax No. : 079 - 66058672/66125600

For and on behalf of the Board of Directors

Kamleshkumar B Patel

Place: Ahmedabad Chairman and Managing Director
Date: 12 August, 2022 DIN: 00229700

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT

To
The Shareholders,

Affirmation of Compliance with Code of Business Conduct

I, Kamleshkumar Patel, Chairman and Managing Director, declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Business Conduct for the period from 01 April, 2021 or the date of their joining the Company, whichever is later, to 31 March, 2022 from all Members of the Board and core management team comprising of the members of management one level below the Director and all functional heads.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 12 August, 2022

Kamleshkumar B Patel
Chairman and Managing Director
DIN: 00229700

ANNEXURE 2 TO CORPORATE GOVERNANCE REPORT

CEO AND CFO CERTIFICATE

To the Board of Directors of Asian Granito India Limited:

Mr. Kamleshkumar Patel (CMD) and Mr. Amarendra Kumar Gupta (CFO) of the Company hereby certify to the Board that:

- a. We have reviewed financial results for the quarter and year ended on 31 March, 2022 and that to the best of their knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, **Asian Granito India Limited**

Place: Ahmedabad
Date: 24 May, 2022

Kamleshkumar B Patel
Chairman and Managing Director
DIN: 00229700

Amarendra Kumar Gupta
CFO



ANNEXURE 3 TO CORPORATE GOVERNANCE REPORT**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Asian Granito India Limited
202, Dev Arc, Opposite Iskon Temple,
Ahmedabad-380059.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Asian Granito India Limited having CIN: L17110GJ1995PLC027025 and having registered office at 202, Dev Arc, Opposite Iskon Temple, Ahmedabad-380059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Kamleshkumar B Patel	00229700	30 September, 2002
2.	Mukeshbhai J Patel	00406744	30 September, 2002
3.	Sureshbhai J Patel	00233565	11 May, 2011
4.	Bhaveshkumar V Patel	03382527	11 May, 2011
5.	Kanubhai B Patel	00386852	11 May, 2011
6.	Bhogibhai B Patel	00300345	11 May, 2011
7.	Hemendrakumar C Shah	00077654	20 March, 2017
8.	Mukesh M Shah	00084402	14 November, 2018
9.	Dipti A Mehta	00112368	12 February, 2019
10.	Kandarp G Trivedi	00314065	26 June, 2021
11.	Maganlal Prajapati	00564105	26 May, 2021
12.	Indira Nityanandam	06749538	29 November, 2013

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RPAP & Co.**
Company Secretaries

Rajesh Parekh
Partner
Mem. No. 8073
Cop No. 2939

Place: Ahmedabad
Date: 14 May, 2022

UDIN: A008073D000322112
P/R No. 1305/2021

ANNEXURE 4 TO CORPORATE GOVERNANCE REPORT

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of Asian Granito India Limited

We have examined the compliance of conditions of Corporate Governance by Asian Granito India limited for the Year ended on 31 March, 2021, as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clause (b) to (i) and (t) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

We state that such compliance is neither an assurance as to the future viability nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **RPAP & Co.**
Company Secretaries

Rajesh Parekh
Partner
Membership No. : 8073
COP No.: 2939
P/R No.: 1305/2021
UDIN: A008073D000376771

Place: Ahmedabad
Date: 24 May, 2022



Independent Auditor's Report

TO

THE MEMBERS OF

ASIAN GRANITO INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ASIAN GRANITO INDIA LIMITED (the "Company")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended on that date and a summary of the significant accounting policies and other explanatory information (here in after referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total

comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

During the year ended on March 31, 2022, the Company has allotted 2,33,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each. Amount received on allotment of equity shares has been depicted in 'Equity Share Capital and Other Equity' in the Balance Sheet as at March 31, 2022. As the allotment of equity shares by the Company during the Year ended on March 31, 2022, has the effect of enhancing the Equity of the Company the same is considered to be a key audit matter.

How our Audit Addressed the Key Audit Matters

- We gained an understanding of the process of allotment of equity shares followed by the Company, to include amongst others:
- Passing of resolution in a validly convened and constituted Board meeting of the Company.
- Passing of resolution in a validly convened and constituted general meeting of the Company.
- Obtained permission from the BSE and NSE Limited. Under (Listing obligations and Disclosure requirements) Regulations, 2015.
- We assessed the adequacy of disclosures in the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and shareholder's information, but does not

include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. As informed to us the Company discloses the impact of pending litigation on its financial position in its standalone financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever

- by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- v. a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable
- b) No interim dividend declared and paid by the Company during the year and until the date of this report.
- c) As stated in Note 13.2 to the standalone financial statements, the Board of

Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in **“Annexure B”** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **R R S & Associates**
Chartered Accountants
FRN.118336W

Hitesh V Kriplani
(Partner)

Place: Ahmedabad
Date: 24 May, 2022

Membership No. 140693
UDIN: 22140693AJNPKO7075



Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ASIAN GRANITO INDIA LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **ASIAN GRANITO INDIA LIMITED ('the company')** as on 31 March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit or Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India and the Standard on Auditing ('SA') prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting included those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transaction are recorded as necessary to permit preparation of standalone financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of the internal financial controls over financial reporting to future periods are subjects to the risk that the internal financial controls over financial reporting may become inadequate because of

changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R R S & Associates**
Chartered Accountants
FRN.118336W

Hitesh V Kriplani
(Partner)

Place: Ahmedabad
Date: 24 May, 2022

Membership No. 140693
UDIN: 22140693AJNPKO7075

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ASIAN GRANITO INDIA LIMITED of even date)

To the best of our information and according to the explanation provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:-

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
 - (B) The Company does not have any intangible asset, hence reporting under this clause of the Order is not applicable to the Company.
 - b) According to the information and explanation given to us, the Property, Plant and Equipment of the Company have been physically verified by the management at reasonable period during the year and no material discrepancies have been noticed on such verification. In our opinion the frequency of physical verification of Property, plant and equipment is reasonable having regard to the size of the Company and nature of its business.
 - c) The title deeds, comprising all immovable properties of land and building which are freehold, are held in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institution are in agreement with the books of account of the Company.
3. The Company has made investment in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, in respect of which:
 - a) The Company has provided loans or advances in the nature of loans or stood guarantee, or provided security to subsidiaries, joint venture, associates and other parties and the details are mentioned in the following table:

(₹ in Lakhs)

Particulars:	Guarantees	Security	Loans	Advances in Nature of Loans
Aggregate amount granted during the year:				
- subsidiaries,	988.72	-	4077.44	-
- joint venture,	-	-	-	-
- associates,	-	-	-	-
- others.	-	-	-	-
Balance outstanding as at balance sheet in respect of above cases				
- subsidiaries,	15,303.72	-	5256.51	-
- joint venture,	-	-	-	-
- associates,	-	-	-	-
- others.	-	-	1531.54	-

- b) The investments made, and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at balance sheet date.

- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- f) The Company has granted loans or advances in the nature of loans which were repayable on demand or

without specifying any terms or period of repayment amounting to ₹ 6,705.86 Lakhs at the end of the year. Details of aggregate amount, percentage thereof of the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are given here under:

(₹ in Lakhs)

Sr. No	Particulars:	All Parties	Promoters	Related Parties
1	Aggregate amount of loans - Repayable on demand as there is no specific agreement(A) - Agreement does not specify any terms or period of repayment(B)	6705.86	-	5256.51
		-	-	-
2	Total (A+B)	6705.86	-	5256.51
3	Percentage of loans to the total loans	98.42%	-	77.15%

4. The Company has complied with the provisions of section 185 and 186 of the act with respect to loans granted, investments made, guarantees given and security provided, as applicable.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the order are not applicable.
6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of the section 148 of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

7. In respect to statutory dues:

- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax and other material Statutory dues with the appropriate authorities. There were no undisputed statutory dues as on March 31, 2022, which were outstanding for more than six months from the date on which they became payable.
- b. The details of disputed statutory dues of Income Tax, Sales Tax, Value Added Tax, Excise Duty, and other material statutory dues which have not been deposited as at March 31, 2022 on account of dispute are as under:

Name of Statute	Nature of Dues	Forum Where Dispute is Pending	Period to which the Amount Relates	Amount (₹ In Lakhs)
Central Sales Tax Act, 1956, Sales Tax Act and VAT Laws	Sales Tax and VAT	Appellate Tribunal	FY 2010-2011	7.86
		Appellate Authority up to Commissioners' Level	FY 2013-14 to 2017-18	4216.69
Sub -Total (A)				4224.55
Central Excise Act, 1944	Excise	Commissioner Level	AY 2004-05 to 2008-09	2043.18
Sub -Total (B)				2043.18
The Income Tax Act, 1961	Income Tax	High Court	AY 2004-05 to AY 2010-11, AY 2012-13 and 2018-19	1525.82
		Income Tax Appellate Tribunal	AY 2004-05 to AY 2008-09, AY 2011-12, AY 2013-14	93.96
		Appellate Authority to Commissioner Level	AY 2007-08, AY 2008-09, AY 2016-17 to AY 2018-19	175.97
		Below Commissioner Level	AY 2013-14, AY 2015-16, AY 2013-14, AY 2016-17	19.93
Sub -Total (C)				1815.68
Total (A+B+C)				8083.41



8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
9. a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The term loans availed by the Company were used for the purpose for which they were obtained.
- d) Funds raised on short basis, prima facie, not been used during the year for long term purposes by the Company.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any funds during the year on the pledge of securities held in its subsidiaries.
10. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has made preferential allotment/private placement of equity shares. According to the explanation and information given to us, the Company has complied with the requirements of section 42 of the Companies Act, 2013 and the funds were utilized for the purpose it were raised.
11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and upto the date of this report.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
13. Transaction with related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion, during the year the Company has not entered into any non-cash transaction with its Directors or persons connected with its Directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred any cash losses during the year and in the immediately preceding financial year.
18. There has been no resignation of statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and

we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer of fund specified in Schedule VII to the companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Further the Company has not undertaken any

ongoing project as a part of CSR, hence reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For **R R S & Associates**
Chartered Accountants
FRN.118336W

Hitesh V Kriplani
(Partner)

Place: Ahmedabad
Date: 24 May, 2022

Membership No. 140693
UDIN: 22140693AJNPKO7075

Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	2	23,170.92	22,831.70
(b) Capital Work-in-Progress	2	75.36	7.85
(c) Right of Use Assets	3	776.22	695.50
(d) Investment Property	4	50.76	50.76
(e) Financial Assets			
(i) Investments	5	6,294.53	3,665.91
(ii) Loans	6	5,333.02	1,570.26
(iii) Other Financial Assets	7	328.19	101.46
(f) Other Non-Current Assets	8	1,111.65	977.95
Total Non-Current Assets		37,140.65	29,901.39
2 Current Assets			
(a) Inventories	9	21,369.90	22,116.90
(b) Financial Assets			
(i) Investments	5	4,385.46	1,000.67
(ii) Trade Receivables	10	40,728.76	35,058.08
(iii) Cash and Cash Equivalents	11	1,988.10	1,080.57
(iv) Bank Balances other than (iii) above	11	198.59	99.63
(v) Loans	6	1,480.44	1,363.76
(vi) Other Financial Assets	7	324.27	581.37
(c) Other Current Assets	8	3,680.35	3,317.17
Total Current Assets		74,155.87	64,618.15
Total Assets		1,11,296.52	94,519.54
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	12	5,675.16	3,405.44
(b) Other Equity	13	78,018.06	49,523.25
Total Equity		83,693.22	52,928.69
2 LIABILITIES			
(i) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	88.71	281.51
(ii) Lease Liabilities	41	703.53	601.49
(b) Provisions	15	189.27	223.80
(c) Deferred Tax Liabilities (Net)	16	2,272.50	2,080.73
Total Non-Current Liabilities		3,254.01	3,187.53
(ii) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	446.35	10,175.75
(ii) Lease Liabilities	41	178.30	174.27
(iii) Trade Payables	17		
Total outstanding dues of micro enterprises and small enterprises		68.15	87.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		18,575.63	23,480.19
(iv) Other Financial Liabilities	18	2,296.01	2,084.31
(b) Other Current Liabilities	19	1,774.72	1,866.39
(c) Provisions	15	377.82	351.31
(d) Current Tax Liabilities (Net)	20	632.31	183.37
Total Current Liabilities		24,349.29	38,403.32
Total Liabilities		27,603.30	41,590.85
Total Equity and Liabilities		1,11,296.52	94,519.54
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	2 - 50		

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman & Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842

Statement of Profit and Loss

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
1 Income			
Revenue from Operations	21	1,34,910.33	1,03,617.63
Other Income	22	4,498.05	368.31
Total Income		1,39,408.38	1,03,985.94
2 Expenses			
Cost of Materials Consumed	23	17,925.47	13,792.96
Purchase of Stock-in-Trade		79,279.07	59,211.58
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	24	1040.07	(1065.18)
Employee Benefits Expenses	25	8,276.20	6,808.17
Finance Costs	26	694.54	1,698.54
Depreciation and Amortisation Expenses	27	1,785.98	1,845.61
Power and Fuel	28	8,215.23	5,727.72
Other Expenses	29	11,424.28	9,379.96
Total Expenses		1,28,640.84	97,399.36
3 Profit before tax (1-2)		10,767.54	6,586.58
4 Tax Expense			
(1) Current Tax		1,782.15	1,393.69
(2) Deferred Tax		192.63	270.63
Total Tax Expense		1,974.78	1,664.32
5 Profit for the Year (3-4)		8,792.76	4,922.26
6 Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(i) Remeasurements of defined benefit plans		(3.41)	27.75
(ii) Income tax relating to above items		0.86	(6.98)
Total Other Comprehensive Income (i + ii)		(2.55)	20.77
7 Total Comprehensive Income for the Year (5 + 6)		8,790.21	4,943.03
Earnings per equity Share (Face value of ₹ 10 each)	33		
(1) Basic (in ₹)		19.73	16.04
(2) Diluted (in ₹)		19.73	16.04
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	2 - 50		

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693

Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman and Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510

Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842

Statement of Cash Flow

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Flow From Operating Activities		
Profit Before Tax	10,767.54	6,586.58
Adjustment for:		
Depreciation	1,785.98	1,845.61
Finance Costs	694.54	1,698.54
Interest Income	(388.85)	(340.94)
Allowance for Expected Credit Loss	159.71	159.87
Net (Gain) / Loss on Sale of Property, Plant and Equipment	(61.19)	22.21
(Gain) on Account of Derecognition of Associate	(3,800.88)	-
Rent concession on Lease Rentals	(11.02)	(87.38)
(Gain) on Sale of Lease Asset	(6.98)	(15.81)
Operating Profit before Working Capital changes	9,138.85	9,868.68
Changes in Working Capital		
Adjustment for:		
(Increase) / Decrease in Trade Receivables	(5,830.39)	(1,619.58)
(Increase) / Decrease Financial Assets	28.57	1,091.17
(Increase) / Decrease In Inventories	747.00	(1,849.59)
(Increase) / Decrease in Other Assets	(496.86)	(754.59)
Increase / (Decrease) in Trade Payable	(4,924.14)	(781.26)
Increase / (Decrease) in Other Financial Liabilities	211.70	117.47
Increase / (Decrease) in Other Liabilities	(91.67)	796.87
Increase / (Decrease) in Provisions	(11.43)	(11.96)
Cash generated from operations before Income Tax Paid	(1,228.37)	6,857.21
Direct Taxes Paid	(1,333.21)	(1,217.49)
Net Cash Flow From Operating Activities	[A] (2,561.58)	5,639.72
Cash Flow From Investing Activities :		
Payments for purchase of Property, Plant and Equipment including Capital Work-in-Progress	(2,264.02)	(945.02)
Proceeds from sales of Property, Plant and Equipment	387.93	129.40
Increase / (Decrease) in Loans Given	(3,879.44)	(745.62)
Proceeds/(Payments) of term deposits	(99.29)	247.76
(Purchase) / Sale in Investments	1,172.26	(1.00)
Interest Income	388.85	340.94
Net Cash Flow Used In Investing Activities	[B] (4,293.71)	(973.54)
Cash Flow From Financing Activities :		
Increase/(Decrease) in Non-Current Borrowings (Net)	(192.80)	(519.47)
Increase/(Decrease) in Current Borrowings (Net)	(9,729.40)	(5,537.66)
Finance Costs paid	(613.24)	(1,615.18)
Issue of Preferential share warrants	314.55	5,355.45
Proceeds from Issue of Share Capital	22,464.19	-
Payment of Share Issue Expenses	(632.98)	-
Payment of Lease Liability	(291.60)	(283.45)
Dividend Paid	(171.11)	(215.66)
Net Cash Flow Used In Financing Activities	[C] 11,147.61	(2,815.97)
Net Increase in Cash and Cash Equivalents during the year	[A+B+C] 4,292.32	1,850.21
Add: Cash and Cash Equivalents at the beginning for the year	2,081.24	231.03
Cash and Cash Equivalents at the end for the year	6,373.56	2,081.24

Statement of Cash Flow

for the Year Ended March 31, 2022

Notes:

i) Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents: (Refer Note 11)		
Cash On Hand	9.27	9.21
Balance with Bank	1,978.83	1,071.36
Sub Total - A	1,988.10	1,080.57
Current Investments: (Refer Note 5)		
Investment in Mutual Funds	4,385.46	1,000.67
Sub Total - B	4,385.46	1,000.67
Total (A + B)	6,373.56	2,081.24

ii) Reconciliation of Liabilities arising from Financing Activities

(₹ in Lakhs)

As at March 31, 2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Long Term Borrowings (Incl. Current maturity)	281.51	(192.80)	-	88.71
Short Term Borrowings	10,175.75	(9,729.40)	-	446.35
Total liabilities from financing activities	10,457.26	(9,922.20)	-	535.06

(₹ in Lakhs)

As at March 31, 2021	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Long Term Borrowings (Incl. Current maturity)	800.98	(519.47)	-	281.51
Short Term Borrowings	15,713.41	(5,537.66)	-	10,175.75
Total liabilities from financing activities	16,514.39	(6,057.13)	-	10,457.26

iii) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

Significant Accounting Policies	1
See accompanying notes to the financial statements	2 - 50

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman and Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842



Statement of Changes in Equity

for the Year Ended March 31, 2022

A Equity Share Capital

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	3,405.44	3,008.74
Changes in Equity share capital during the year	2,269.72	396.70
Balance at the end of the year	5,675.16	3,405.44

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Preferential Share Warrants	Total
	Security Premium	General Reserve	Retained Earnings	Capital Reserve		
Balance as at April 1, 2020	7,690.51	890.00	29,142.52	-	2,115.00	39,838.03
Profit for the year	-	-	4,922.26	-	-	4,922.26
Other Comprehensive Income for the year	-	-	20.77	-	-	20.77
Total Comprehensive Income for the year	-	-	4,943.03	-	-	4,943.03
Issue of Security Premium	6,743.90	-	-	-	-	6,743.90
Issue of Preferential Share Warrants	-	-	-	-	5,355.45	5,355.45
Conversion of Preferential Share Warrants in to Equity Share Capital	-	-	-	-	(7,140.60)	(7,140.60)
Dividends (Refer Note 13.2)	-	-	(216.56)	-	-	(216.56)
Balance as at March 31, 2021	14,434.41	890.00	33,868.99	-	329.85	49,523.25
Profit for the year	-	-	8,792.76	-	-	8,792.76
Other Comprehensive Income for the year	-	-	(2.55)	-	-	(2.55)
Total Comprehensive Income for the year	-	-	8,790.21	-	-	8,790.21
Issue of Security Premium	19,980.89	-	-	-	-	19,980.89
Issue of Preferential Share Warrants	-	-	-	-	314.55	314.55
Conversion of Preferential Share Warrants in to Equity Share Capital	-	-	-	-	(419.40)	(419.40)
Forfeiture of Preferential Share Warrants	-	-	-	225.00	(225.00)	-
Dividends (Refer Note 13.2)	-	-	(171.44)	-	-	(171.44)
Balance as at March 31, 2022	34,415.30	890.00	42,487.76	225.00	-	78,018.06

Significant Accounting Policies

1

See accompanying notes to the Financial Statements

2 - 50

As per our report of even date attached

For **R R S & Associates**

Chartered Accountants

ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani

Partner

Membership No.- 140693

Place: Ahmedabad

Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel

Chairman and Managing Director

DIN: 00229700

CA Amarendra Kumar Gupta

Chief Financial Officer

Membership No.- 063510

Place: Ahmedabad

Date: 24 May, 2022

Mukeshbhai J. Patel

Managing Director

DIN: 00406744

Dr. Dhruvi Trivedi

Company Secretary

Membership No.- A31842

Notes to the Financial Statements

for the Year Ended March 31, 2022

Company Background:

Asian Granito India Limited (the Company) is a public limited company domiciled and incorporated in India under the provisions of Companies Act, 1956. The Equity shares of the company are listed in India on the Bombay Stock Exchange Limited and National Stock Exchange Limited. The registered office of the Company is located at 202, Dev Arc, Opp. Isckon Temple, S.G. Highway, Ahmedabad - 380015. The Company is engaged in manufacturing and trading of Tiles and Marble and allied products.

The financial statements of the company for the year ended on March 31, 2022 were authorised for issue in accordance with a resolution of the Directors on May 24, 2022.

1. Statement on Significant Accounting Policies, Key Accounting Estimates and Judgements:

1.1 Basis for Preparation:

These financial statements are the standalone financial statements of the Company prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared and presented under the historical cost convention, on the accrual and going concern basis of accounting except for the certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The accounting policies have been applied consistently over all the periods presented in these financial statements.

1.2 Functional and Presentation Currency:

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

1.3 Key Accounting Estimates and Judgements:

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

1.4 Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

ii) Income Taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Defined Benefit Obligation:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

iv) Estimates:

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

v) Estimation of Uncertainties Relating to the Global Health Pandemic from COVID-19:

In view of the unprecedented COVID-19 pandemic, the management has made a detailed assessment



Notes to the Financial Statements

for the Year Ended March 31, 2022

of its liquidity position for the next one year and recoverability of Property, Plant and Equipment, Investments, Trade Receivables and Inventories as at the balance sheet date. In assessing the recoverability, the Company has considered internal and external information upto the date of approval of these Ind AS financial statements and has concluded that there are no material impact on the operations and the financial position of the Company. However, the impact of the global health pandemic may be different from that estimated at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

1.5 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

1.6 Summary of Significant Accounting Policies:

a) Property, Plant and Equipment:

i) Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial

recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price, including import duties, borrowing cost, changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets, other non-refundable purchase taxes or levies and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

ii) Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method (SLM) Method based on the useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 except following items of Property, Plant and Equipment where company has estimated different useful life:

Particulars	Useful Life
Plant and Machinery	11 and 15 Years

Land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

iii) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of

Notes to the Financial Statements

for the Year Ended March 31, 2022

the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

iv) **Capital Work-in-progress:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress.

b) Investment Property:

Investment Property is measured initially at cost including related transaction costs.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

c) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

d) Impairment of Non-financial Assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the

recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

e) Investment in Subsidiary, Joint Venture and Associate:

The Company has elected to recognize its investments in subsidiaries, joint venture and an associate company at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 5. Impairment policy applicable on such investments is explained in note (d) above.

f) Inventory:

Raw materials, finished goods, packing materials, stores, spares, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, first in first out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable



Notes to the Financial Statements

for the Year Ended March 31, 2022

production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

g) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Initial Recognition and Measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial Assets Measured at Amortized Cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial Assets Measured at FVTOCI:

Financial assets that are held within a business model whose objective is achieved by both,

Notes to the Financial Statements

for the Year Ended March 31, 2022

selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI).

iii. **Financial Assets Measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of Financial Assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost less provision for impairment based on expected credit loss.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.



Notes to the Financial Statements

for the Year Ended March 31, 2022

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Financial Liabilities

Initial Recognition and Measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent Measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under

effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Notes to the Financial Statements

for the Year Ended March 31, 2022

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

i) Revenue Recognition:

The Company has applied Ind AS 115 - Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue from sale of goods is recognised when control of the products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The Performance Obligations in contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Customers have the contractual right to return goods only when authorised by the Company.

Interest and Dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payment is established.

Export Benefits:

The Company recognises income from duty drawback and export benefit on accrual basis.

j) Income Taxes:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.



Notes to the Financial Statements

for the Year Ended March 31, 2022

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

k) Foreign Currency Transaction and Translation:

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of Foreign Currency Items at Reporting Date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

l) Provision and Contingencies:

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be

required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

m) Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

i. Defined Contribution plans:

Defined contribution plans are employee provident fund, employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

Recognition and Measurement of Defined Contribution Plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before

Notes to the Financial Statements

for the Year Ended March 31, 2022

the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit plans:

The Company operates a defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long-Term Employee Benefits:

Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The company determines the liability for such accumulated leave using the projected accrued benefit method with actuarial valuations being carried out at each Balance Sheet date.

n) **Lease Accounting:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or



Notes to the Financial Statements

for the Year Ended March 31, 2022

prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer note no. 41, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

o) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

p) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

q) Cash Flow Statement:

Cash Flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

r) Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, deposit accounts and term deposits accounts with original maturity of three months or less as at balance sheet date, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, deposit accounts and term deposits as defined above and investment in liquid funds for short term purpose.

s) Events after Reporting Date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

Notes to the Financial Statements

for the Year Ended March 31, 2022

2 Property, Plant and Equipment

Particulars	Land	Factory Building	Office and Other Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total	Capital Work-in-Progress
Cost / Deemed cost										
As at April 1, 2020	4,523.44	6,501.50	951.14	14,895.15	1,747.18	402.56	754.55	544.42	30,319.94	69.51
Additions	6.68	5.82	-	676.87	233.53	29.47	28.14	26.17	1,006.68	7.85
Deductions	-	-	-	(403.79)	(30.19)	(23.20)	(72.73)	(101.58)	(631.49)	(69.51)
As at March 31, 2021	4,530.12	6,507.32	951.14	15,168.23	1,950.52	408.83	709.96	469.01	30,695.13	7.85
Additions	-	-	316.41	1,638.68	71.81	26.00	95.24	48.37	2,196.51	67.51
Deductions	-	-	-	(1095.92)	(45.52)	(45.46)	(110.46)	(121.49)	(1418.85)	-
As at March 31, 2022	4,530.12	6,507.32	1,267.55	15,710.99	1,976.81	389.37	694.74	395.88	31,472.79	75.36
Accumulated depreciation										
As at April 1, 2020	-	822.35	54.71	3,976.86	763.52	308.72	445.74	441.32	6,813.22	-
Depreciation for the year	-	208.74	19.58	1,049.32	127.94	30.69	53.95	39.87	1,530.09	-
Deductions	-	-	-	(290.42)	(28.77)	(22.09)	(44.51)	(94.09)	(479.88)	-
As at March 31, 2021	-	1,031.09	74.29	4,735.76	862.69	317.32	455.18	387.10	7,863.43	-
Depreciation for the year	-	208.77	20.21	1,064.75	127.60	25.59	47.21	36.42	1,530.55	-
Deductions	-	-	-	(828.70)	(38.64)	(43.67)	(69.08)	(112.02)	(1092.11)	-
As at March 31, 2022	-	1,239.86	94.50	4,971.80	951.65	299.24	433.31	311.50	8,301.87	-
Net Block										
As at March 31, 2022	4,530.12	5,267.46	1,173.05	10,739.19	1,025.16	90.13	261.43	84.38	23,170.92	75.36
As at March 31, 2021	4,530.12	5,476.23	876.85	10,432.47	1,087.83	91.51	254.78	81.91	22,831.70	7.85

Note: For information on Property Plant and Equipment pledge as a security by the Company refer Note 14.

CWIP Ageing Schedule

As At March 31, 2022

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	67.51	7.85	-	75.36
Projects temporarily suspended	-	-	-	-

As At March 31, 2021

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	7.85	-	-	7.85
Projects temporarily suspended	-	-	-	-

Notes to the Financial Statements

for the Year Ended March 31, 2022

3 Right of Use Assets

Particulars	(₹ in Lakhs)
	Office and Other Building
As at April 1, 2020	1,361.06
Additions	154.29
Deductions	(342.48)
As at March 31, 2021	1,172.87
Additions	388.78
Deductions	(71.28)
As at March 31, 2022	1,490.37
Accumulated depreciation	
As at April 1, 2020	296.08
Depreciation for the year	315.52
Deductions	(134.23)
As at March 31, 2021	477.37
Depreciation for the year	255.44
Deductions	(18.67)
As at March 31, 2022	714.14
Net Block	
As at March 31, 2022	776.22
As at March 31, 2021	695.50

Refer Note 41 for related disclosures.

4 Investment Property

Particulars	(₹ in Lakhs)
	Free hold - Land
Cost / Deemed cost	
As at April 1, 2020	50.76
Additions	-
Deductions	-
As at March 31, 2021	50.76
Additions	-
Deductions	-
As at March 31, 2022	50.76
Accumulated depreciation	
As at April 1, 2020	-
Depreciation for the year	-
Deductions	-
As at March 31, 2021	-
Depreciation for the year	-
Deductions	-
As at March 31, 2022	-
Net Block	
As at March 31, 2022	50.76
As at March 31, 2021	50.76

Notes:

- a) The Company has classified freehold land located at Nandan Vatrika as Investment Property. There are no amounts pertaining to these investment properties recognised in the statement of profit and Loss, since company does not receive any rental Income and does not incur any depreciation or other operating expenses.



Notes to the Financial Statements

for the Year Ended March 31, 2022

- b) The Company does not have any contractual obligation to purchase, construct or develop for maintenance or enhancement of investment property.
- c) The Company has no restrictions on the realisability of it's investment property.
- d) Fair Value of investment property:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Free hold - Land	50.76	50.76
Total	50.76	50.76

5 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Investments		
Investment in Equity Instruments of Subsidiaries	6,294.53	2,788.41
Investment in Equity Instruments of Associate	-	877.50
Total	6,294.53	3,665.91
Current Investments		
Investment in Mutual Funds	4,385.46	1,000.67
Total	4,385.46	1,000.67

(₹ in Lakhs)

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		No. of Shares/Units	₹	No. of Shares/Units	₹
Investments in Equity Instruments (measured at cost, Refer Note 31)					
A) Quoted					
i) Associate					
Astron Paper & Board Mill Limited	10	-	-	87,75,000	877.50
Total (A)					877.50
B) Unquoted					
i) Subsidiaries					
AGL Industries Limited	10	18,76,000	187.60	18,76,000	187.60
Amazoone Ceramics Limited	10	2,92,32,957	4,522.93	2,06,20,332	1,019.81
Crystal Ceramic Industries Limited	10	2,82,09,734	1,580.00	2,82,09,734	1,580.00
AGL Global Trade Private Limited (Refer Note (a))	10	10,000	1.00	10,000	1.00
Future Ceramic Private Limited	10	10,000	1.00	-	-
AGL Sanitaryware Private Limited	10	10,000	1.00	-	-
AGL Surfaces Private Limited	10	10,000	1.00	-	-
Total (B)			6,294.53		2,788.41
Grand Total (A + B)			6,294.53		3,665.91
Current					
Quoted (Measured at FVTPL) (Refer Note 31)					
Investment in Mutual Funds					
SBI Magnum Ultra Short duration Fund Direct Growth - NAV: Nil (Previous Year : 4718.9734)		-	-	21,205.16	1,000.67
Tata Money Market Fund Direct Plan - Growth-NAV: 3825.342		53,387.32	2,042.25	-	-
SBI Savings Fund - Direct Plan - Growth- NAV: 35.5614		65,89,178.90	2,343.20	-	-
Total			4,385.46		1,000.67



Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Book Value	Market Value	Book Value	Market Value
Non-Current				
Total Quoted Investments	-	-	877.50	3,597.75
Total Unquoted Investments	6,294.53	-	2,788.41	-
Current				
Total Quoted Investments	4,385.46	4,385.46	1,000.67	1,000.67

Notes:

a) Associate

During the current year company sold the entire equity investment of 87,75,000 shares in Astron Paper & Board Mill Limited (which represents 18.87% of the total issued equity shares of Astron Paper & Board Mill Limited) on August 10, 2021, hence its cease to be associate of the company.

b) Subsidiaries

The Company has incorporated Wholly owned subsidiary named AGL Surfaces Private Limited, Future Ceramic Private Limited and AGL Sanitaryware Private Limited for manufacturing of various tiles and sanitaryware on January 12, 2022, February 03, 2022 and February 07, 2022 respectively having its paid-up equity share capital of 10,000 equity shares of ₹ 10 each.

6 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Unsecured, Considered good		
Loans to Related Parties (Refer Note 37)	5,333.02	1,570.26
Total	5,333.02	1,570.26
Breakup:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	5,333.02	1,570.26
Less: Allowance for doubtful Loans	-	-
Total	5,333.02	1,570.26
Current		
Unsecured, Considered good		
Loans to Related Parties (Refer Note 37)	5.68	5.24
Loans to Others	1,449.36	1,337.51
Loans and Advances to Employees	25.40	21.01
Total	1,480.44	1,363.76
Breakup:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	1,480.44	1,363.76
Less: Allowance for doubtful Loans	-	-
Total	1,480.44	1,363.76

Notes to the Financial Statements

for the Year Ended March 31, 2022

(a) Notes:

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013)

(₹ in Lakhs)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Related Parties	5,256.51	1,471.29	77.15%	50.15%

7 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Security and Other Deposits	289.04	64.39
In Term Deposit Accounts with original maturity more than 12 months	39.15	37.07
Total	328.19	101.46
Current		
Export Incentive Receivables	249.30	495.65
Security and Other Deposits	74.97	85.72
Total	324.27	581.37

8 Other Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Payment under Protest	1,111.65	977.95
Total	1,111.65	977.95
Current		
Balances with Government Authorities	479.81	277.60
Advances to Vendors	3,042.76	2,929.97
Prepaid Expenses	157.78	109.60
Total	3,680.35	3,317.17

9 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Valued at Lower of Cost or Net Realisable Value		
Raw Material	3,865.94	3,948.32
Work-in-Progress	2,029.38	2,062.52
Finished Goods	9,452.27	10,675.37
Stock in Trade	2,701.43	2,485.26
Stores, Spares, Fuel and Consumables	3,056.05	2,736.40
Packing Materials	264.83	209.03
Total	21,369.90	22,116.90



Notes to the Financial Statements

for the Year Ended March 31, 2022

10 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables from Others	39,289.46	34,189.36
Receivables from Related Parties (Refer Note 37)	1,439.30	868.72
Total	40,728.76	35,058.08
Breakup:		
Trade Receivables considered good - Unsecured	40,728.76	35,058.08
Trade Receivables - Credit impaired	39.73	62.42
Less: Allowance for Expected Credit Loss	(39.73)	(62.42)
Total	40,728.76	35,058.08

a) Trade Receivables Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following Periods from due Date of Payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	34,644.95	837.75	1,514.47	1,217.67	224.36	38,439.20
Undisputed Trade Receivables – considered doubtful	-	-	-	-	39.73	39.73
Disputed Trade Receivables considered good	1.00	34.68	70.10	305.40	1,878.38	2,289.56
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

As at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following Periods from due Date of Payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	27,848.41	2,066.99	1,653.34	841.95	-	32,410.69
Undisputed Trade Receivables – considered doubtful	-	-	-	-	62.42	62.42
Disputed Trade Receivables considered good	15.61	51.61	414.03	572.12	1,594.02	2,647.39
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Information has been disclose from the date of the transaction.

Notes to the Financial Statements

for the Year Ended March 31, 2022

11 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on Hand	9.27	9.21
Balances with Banks		
In Current Accounts	1,908.94	1,071.36
In Term Deposit Accounts with Original Maturity of less than 3 months	69.89	-
Total	1,988.10	1,080.57
Other Balances with Banks		
Unpaid Dividend	3.02	2.69
In Term Deposit Accounts with Original Maturity more than 3 months but less than 12 months*	195.57	96.94
Total	198.59	99.63

* It includes deposits given to bank for margin requirements against Bank Guarantee and Letter of Credit facilities.

12 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
6,50,00,000 Equity Shares of ₹ 10/- each (P.Y. 4,75,00,000) Equity Shares of ₹ 10 Each	6,500.00	4,750.00
Issued, Subscribed and Paid up		
5,67,51,634 Equity Shares of ₹ 10/- Each fully Paid up (P.Y. 3,40,54,446) Equity Shares of ₹ 10 Each	5,675.16	3,405.44
Total	5,675.16	3,405.44

12.1 Reconciliation of Shares Outstanding at the end of the year

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	3,40,54,446	3,405.44	3,00,87,446	3,008.74
Add: Issued during the year	2,26,97,188	2,269.72	39,67,000	396.70
At the end of the year	5,67,51,634	5,675.16	3,40,54,446	3,405.44

- (a) During the financial year 2021-22, the Company has allotted 2,33,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each on conversion of convertible warrants issued on preferential basis. (Refer Note 13.1)
- (b) During the financial year 2021-22, the Company has issue of 2,24,64,188 equity shares of face value of ₹ 10 each (the "Rights Issue Shares") at a price of ₹ 100 per Rights Equity Shares (including premium of ₹ 90 per Rights Equity Share) in the ratio of 19:29, i.e. 19 Rights Equity Shares for every 29 existing Equity Shares held by the eligible equity shareholders as on the record date, i.e. September 09, 2021. The issue was oversubscribed and the Company received bids for 2,58,86,126 number of Rights Equity shares. On October 16, 2021, the Board of Directors of the Company approved the allotment of 2,24,64,188 equity shares of face value ₹ 10/- each to the eligible equity shareholders as fully paid up. There was no deviation in use of proceeds from the objects stated in the Offer document for Right Issue.
- (c) During the previous year, the Company has allotted 39,67,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each on conversion of convertible warrants issued on preferential basis. (Refer Note 13.1)



Notes to the Financial Statements

for the Year Ended March 31, 2022

(d) Utilisation of Proceeds from Rights Issue

The proceeds of the right issue [refer (b) above] were utilized in accordance with the details set forth below:

(₹ in Lakhs)

Sr. No	Item Head	Amount as proposed in Letter of offer dated September 04, 2021	Amount Transferred from One object to another	Amount Utilized during the Period	Total Unutilized Amount
i	Part repayment / Pre-payment of certain secured loans availed from lenders	8,000.00	-	8,000.00	-
ii	To meet working capital requirements	8,375.00	-	8,375.00	-
iii	Issue expenses saved added with General Corporate Proceeds as per Rights Issue LOF dated September 04, 2021	1,150.00	(517.02)	632.98	-
iv	General Corporate Proceeds (as per Rights Issue LOF dated September 04, 2021 was ₹ 4939.19 Lakhs and saved issue expenses added)	4,939.19	517.02	5,456.21	-
Total		22,464.19	-	22,464.19	-

12.2 Terms/Rights attached to Equity shares

The Company has one class of shares referred to as Equity shares having face value of ₹ 10.

(a) Equity Shares

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts and Preference shares. The distribution will be in proportion to the number of Equity shares held by the Shareholders. Each holder of Equity shares is entitled to one vote per share.

(b) Dividend

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

12.3 Details of Shareholders Holding more than 5% of Equity shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Kamleshkumar B Patel	63,71,710	11.23%	50,73,741	14.90%
Mukeshbhai J Patel	36,52,862	6.44%	27,91,174	8.20%
Sureshbhai J Patel	32,03,379	5.64%	21,68,534	6.37%

Notes to the Financial Statements

for the Year Ended March 31, 2022

12.4 Shares Held by Promoters

Sr. No	Category	Promoter name	At the end of the year as at March 31, 2022		At the end of the year as at March 31, 2021		% Change during the year
			No. of Shares	% of total shares	No. of Shares	% of total shares	
1		Bhavesbhai V Patel	10,000	0.02%	-	0.00%	0.02%
2		Girish N Patel	53,750	0.09%	-	0.00%	0.09%
3		Hasmukhbhai Patel	-	0.00%	1,95,336	0.57%	-0.57%
4	Promoter	Kamleshkumar B Patel	63,71,710	11.23%	50,73,741	14.90%	-3.67%
5		Kanubhai B Patel	1,63,299	0.29%	-	0.00%	0.29%
6		Mukeshbhai J Patel	36,52,862	6.44%	27,91,174	8.20%	-1.76%
7		Pankaj M Patel	67,600	0.12%	-	0.00%	0.12%
8		Rameshbhai B Patel	4,66,121	0.82%	3,31,615	0.97%	-0.15%
9		Alpaben J Patel	24,500	0.04%	-	0.00%	0.04%
10		Bhagubhai P Patel	-	0.00%	1,33,700	0.39%	-0.39%
11		Bhagubhai P Patel Huf	-	0.00%	2,25,200	0.66%	-0.66%
12	Bhanuben M Patel	-	0.00%	1,21,600	0.36%	-0.36%	
13	Bhikhabhai K Patel	-	0.00%	1,26,710	0.37%	-0.37%	
14	Bhikhabhai V Patel (Huf)	26,500	0.05%	-	0.00%	0.05%	
15	Bhikhabhai V Patel	35,226	0.06%	-	0.00%	0.06%	
16	Bhogibhai B Patel (Huf)	57,434	0.10%	34,700	0.10%	0.00%	
17	Bhogilal B Patel	4,19,073	0.74%	4,20,640	1.24%	-0.50%	
18	Chandhricaben D Patel	-	0.00%	5,365	0.02%	-0.02%	
19	Chhayaben S Patel	-	0.00%	1,08,430	0.32%	-0.32%	
20	Danjibhai P Patel	-	0.00%	33,726	0.10%	-0.10%	
21	Dimpalben B Patel	-	0.00%	68,340	0.20%	-0.20%	
22	Dipak N Patel	2,33,092	0.41%	-	0.00%	0.41%	
23	Dipakbhai D Patel (Huf)	-	0.00%	11,300	0.03%	-0.03%	
24	Dipakbhai D Patel	-	0.00%	20,000	0.06%	-0.06%	
25	Dipakkumar N Patel Huf	57,103	0.10%	-	0.00%	0.10%	
26	Girish N Patel Huf	60,744	0.11%	-	0.00%	0.11%	
27	Girishbhai M Patel Huf	9,500	0.02%	-	0.00%	0.02%	
28	Gitaben P Patel	40,700	0.07%	-	0.00%	0.07%	
29	Promoter Group	Gitaben R Patel	72,672	0.13%	43,906	0.13%	0.00%
30		Hinaben K Patel	-	0.00%	2,16,150	0.63%	-0.63%
31		Hiraben B Patel	-	0.00%	72,760	0.21%	-0.21%
32		Jivabhai J Patel (Huf)	-	0.00%	1,49,600	0.44%	-0.44%
33		Kamleshkumar B Patel Huf	5,39,420	0.95%	3,25,900	0.96%	-0.01%
34		Kanubhai B Patel (Huf)	20,000	0.04%	-	0.00%	0.04%
35		Khemiben M Patel	44,750	0.08%	-	0.00%	0.08%
36		Manilal V Patel	30,310	0.05%	-	0.00%	0.05%
37		Manilal V Patel Huf	8,500	0.01%	-	0.00%	0.01%
38		Mukeshbhai J Patel (Huf)	-	0.00%	98,710	0.29%	-0.29%
39		Narayanbhai M Patel	2,05,969	0.36%	-	0.00%	0.36%
40		Narayanbhai M Patel (Huf)	48,165	0.08%	-	0.00%	0.08%
41	Paliben B Patel	39,390	0.07%	-	0.00%	0.07%	
42	Pankajkumar M Patel HUF	11,000	0.02%	-	0.00%	0.02%	
43	Parulben K Patel	55,300	0.10%	-	0.00%	0.10%	
44	Patel G Manilal	1,57,351	0.28%	-	0.00%	0.28%	
45	Sangitaben G Patel	55,862	0.10%	-	0.00%	0.10%	
46	Suresh B Patel	1,90,885	0.34%	-	0.00%	0.34%	
47	Sureshbhai J Patel	32,03,379	5.64%	21,68,534	6.37%	-0.72%	
48	Sureshbhai J Patel Huf	-	0.00%	1,48,036	0.43%	-0.43%	
49	Sureshkumar B Patel (Huf)	24,400	0.04%	-	0.00%	0.04%	
50	Ushaben D Patel	-	0.00%	8,731	0.03%	-0.00%	



Notes to the Financial Statements

for the Year Ended March 31, 2022

13 Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Preferential Share Warrants	Total
	Security Premium	General Reserve	Retained Earnings	Capital Reserve		
Balance as at April 1, 2020	7,690.51	890.00	29,142.52		2,115.00	39,838.03
Profit for the year	-	-	4,922.26	-	-	4,922.26
Other Comprehensive Income for the year	-	-	20.77	-	-	20.77
Total Comprehensive Income for the year	-	-	4,943.03	-	-	4,943.03
Issue of Security Premium	6,743.90	-	-	-	-	6,743.90
Issue of Preferential Share Warrants	-	-	-	-	5,355.45	5,355.45
Conversion of Preferential Share Warrants in to Equity Share Capital and Security Premium	-	-	-	-	(7,140.60)	(7,140.60)
Dividends (Refer Note 13.2)	-	-	(216.56)	-	-	(216.56)
Balance as at March 31, 2021	14,434.41	890.00	33,868.99	-	329.85	49,523.25
Profit for the year	-	-	8,792.76	-	-	8,792.76
Other Comprehensive Income for the year	-	-	(2.55)	-	-	(2.55)
Total Comprehensive Income for the year	-	-	8,790.21	-	-	8,790.21
Issue of Security Premium	19,980.89	-	-	-	-	19,980.89
Issue of Preferential Share Warrants	-	-	-	-	314.55	314.55
Conversion of Preferential Share Warrants in to Equity Share Capital and Security Premium	-	-	-	-	(419.40)	(419.40)
Forfeiture of Preferential Share Warrants	-	-	-	225.00	(225.00)	-
Dividends (Refer Note 13.2)	-	-	(171.44)	-	-	(171.44)
Balance as at March 31, 2022	34,415.30	890.00	42,487.76	225.00	-	78,018.06

13.1 Nature and Purpose of Other Reserves:

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) General Reserve

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

(c) Retained Earnings

The amount of retained earning includes the component of other comprehensive income, which cannot be distributed by the Company as dividends to its equity shareholders. Balance amount is available for distribution to equity share holders.

(d) Capital Reserve

The capital reserve is created through forfeiture of shares warrants, shares, revaluation of existing assets, the redemption of preference shares and accumulated capital surplus not available for distribution of dividend.

(e) Preferential Share Warrants

After receiving in principal approval from the Stock Exchanges and from Shareholders, the Company has offered 47,00,000 "Fully Convertible Warrants" at price of ₹ 180/- each (at a face value of ₹ 10/- each and Premium of ₹ 170/- Per Convertible Warrant) in one or more tranches for the below objective:

- To fund long term capital requirements for future growth of the Company;
- To meet working capital requirement and reducing debts; and
- To meet General Corporate Purpose.

Notes to the Financial Statements

for the Year Ended March 31, 2022

As at March 31, 2021, the Company has allotted 39,67,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each. In Promoter category 23,67,000 equity shares and in Non-promoter category 16,00,000 equity shares are allotted on conversion of convertible warrants issued on preferential basis.

During the quarter ended June 30, 2021, the Company has allotted 2,33,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each. In Promoter category 1,33,000 equity shares and in Non-promoter category 1,00,000 equity shares are allotted on conversion of convertible warrants issued on preferential basis. The Paid-up Equity capital of the Company has increased from ₹ 3405.44 Lakhs to ₹ 3428.74 Lakhs and resultant security premium of ₹ 396.10 Lakhs has been credited into security premium account and shown in the "Reserve and Surplus" in "Other Equity". The proceeds of the preferential issue were utilised for the objectives as stated.

The Company has received total 42,00,000 Fully Convertible Warrants out of 47,00,000 Fully Convertible Warrants. Hence 5,00,000 Preferential Share Warrants are forfeited at ₹ 45 per convertible warrant (25% of ₹ 180/-) amounting ₹ 225.00 Lakhs which are shown in "Capital Reserve".

13.2 Dividend:

The Board of Directors at its meeting held on May 24, 2022 have recommended a payment of final dividend of ₹ 0.70 (P.Y. ₹ 0.50) per equity share of the face value of ₹ 10 each for the financial year ended March 31, 2022.

14 Borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non-Current Borrowings		
(measured at amortised cost, Refer Note 31)		
Secured		
Term Loans		
- From Banks	-	1,151.35
SBLC	403.85	393.52
Vehicle loans	131.21	90.06
Sub-Total (A)	535.06	1,634.93
Current Maturities of Borrowings		
Secured		
Term loan from banks	-	930.95
SBLC	403.85	393.52
Vehicle loans	42.50	28.95
Sub-Total (B)	446.35	1,353.42
Total (A-B)	88.71	281.51
Current Borrowings		
(measured at amortised cost, Refer Note 31)		
Secured		
Working Capital facilities from banks	-	8,822.33
Current Maturities of Non-current Borrowings (Refer Note 14)	446.35	1,353.42
Total	446.35	10,175.75

Notes:

- Term Loan ₹ NIL (Previous Year 1151.35) Lakhs are secured by way of First Pari Passu charge over entire fixed assets (movable and immovable), plant and machinery of the Company, including Factory Land and Buildings bearing Survey Number : 160, 147-A and 162 (Dalpur), 16 (Jawanpura) and 204/1 (Vanku), situated at Dalpur, Jawanpura and Vanku, 30000, (Semi Urban), Admeasuring Total Area : 256725.



Notes to the Financial Statements

for the Year Ended March 31, 2022

- b) SBLC of ₹ 403.85 Lakhs are secured by way of First and Exclusive charge on Hypothecation of the entire Plant and Machinery (Bought through capex LC).
- c) Working capital loans of ₹ NIL (Previous Year ₹ 8,822.33) Lakhs are secured by way of hypothecation over current assets including raw materials, stock in process, finished goods, stores and spares, receivable and other current assets of vitrified/wall/marble division (Dalpur unit) and Ceramic division (Idar unit) of the Company.
- d) The sanction facilities have been secured by the personal guarantees of directors of the Company more specifically spelt out in related Sanction Letter from the Banks.
- e) Vehicle loans of ₹ 131.21 Lakhs are secured by hypothecation of vehicles in favour of Bank. Each Vehicle loans consist of 60 equated monthly installments from the date of disbursement.

Maturity Profile and Rate of Interest of Term Loans

(₹ in Lakhs)

Type of Loan	Terms of Repayment	Maturity	Rate of Interest	No. of Installments	Outstanding at March 31, 2022
SBI Emergency Covid Term loan	Monthly	July 2022*	7.50%	-	-
IndusInd - Term loan	Quarterly	December 2021	10.55%	-	-

*SBI Emergency Covid Term loan repaid on 27 December, 2021

(f) **Borrowings Secured Against Current Assets**

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

15 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 36)	58.87	115.06
Provision for Leave Encashment	130.40	108.74
Total	189.27	223.80
Current		
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 36)	132.00	132.00
Provision for Leave Encashment	15.03	13.22
Provision for Others	230.79	206.09
Total	377.82	351.31

16 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Deferred Tax Liabilities	2,651.44	2,440.37
ii) Deferred Tax Assets	378.94	359.64
Total (i - ii)	2,272.50	2,080.73

Notes to the Financial Statements

for the Year Ended March 31, 2022

16.1 Movements in Deferred Tax

(₹ in Lakhs)

Particulars	As at April 1, 2020	Charged/ (Credited) to Profit or Loss	Charged/ (Credited) to OCI	As at March 31, 2021	Charged/ (Credited) to Profit or Loss	Charged/ (Credited) to OCI	As at March 31, 2022
Deferred Tax Liability							
Property, Plant and Equipment	2,192.92	72.40	-	2,265.32	176.09	-	2,441.41
Mutual Fund Investment	-	-	-	-	14.65	-	14.65
Right of Use Assets	268.05	(93.00)	-	175.05	20.32	-	195.37
Sub Total (A)	2,460.97	(20.60)	-	2,440.37	211.07	-	2,651.44
Deferred Tax Assets							
Provision for Employee Benefits	153.53	(3.01)	(6.98)	143.54	(3.01)	0.86	141.39
Provision for Expected Credit Loss	214.01	(198.30)	-	15.71	(5.72)	-	9.99
Lease Liabilities	283.57	(88.31)	-	195.26	26.71	-	221.97
Rent / Leases Deposit	6.74	(1.61)	-	5.13	0.45	-	5.58
Sub Total (B)	657.85	(291.23)	(6.98)	359.64	18.44	0.86	378.94
Deferred Tax Liabilities (Net) (A - B)	1,803.12	270.63	6.98	2,080.73	192.63	(0.86)	2,272.50

16.2 Reconciliation of Tax Expenses and the Profit before Tax Multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax	10,767.54	6,586.58
Tax expenses at statutory tax rate of 25.17%	2,709.97	1,657.84
Expense not allowed as Deduction	218.15	22.45
Expense allowed as deduction	(21.51)	(13.62)
Tax on Income at different rates	38.77	-
Tax on Exempt Income	(956.61)	-
Others (net)	(14.00)	(2.35)
Total Tax Expense	1,974.78	1,664.32
Effective Tax Rate	18.34%	25.27%

17 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro and Small enterprises (Refer Note 40)	68.15	87.73
Due to Others (Including Acceptances)*	14,683.55	22,415.64
Due to Related Parties (Refer Note 37)	3,892.08	1,064.55
Total	18,643.78	23,567.92

* Acceptances includes arrangement where operational suppliers of goods are initially paid by banks while the Company continue to recognize the liability till settlement with banks which are normally affected within a period of 90 days.



Notes to the Financial Statements

for the Year Ended March 31, 2022

a) Trade Payables Ageing Schedule

As At March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following Periods from due Date of Payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	68.15	-	-	-	68.15
Others	17,899.66	-	-	675.96	18,575.63
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

As At March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following Periods from due Date of Payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	87.73	-	-	-	87.73
Others	22,840.16	-	73.16	566.87	23,480.19
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Information has been disclose from the date of the transaction.

18 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade Deposits	1,590.14	1,493.46
Unclaimed Dividend*	3.02	2.69
Payable to Employees	702.85	588.16
Total	2,296.01	2,084.31

* These figures do not include any such amount to be credited to Investor Education and Protection Fund (IEPF).

19 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Advance Received from Customers	1,086.91	1,289.15
Statutory Liabilities	562.99	452.52
Others	124.82	124.72
Total	1,774.72	1,866.39

20 Current Tax Liability (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liabilities (Net)	632.31	183.37
Total	632.31	183.37

Notes to the Financial Statements

for the Year Ended March 31, 2022

21 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Sale of Products	1,34,611.52	1,03,108.67
Other Operating Revenues		
Export Incentives	244.08	452.03
Wind Mill Power Generation	54.73	56.93
	298.81	508.96
Total	1,34,910.33	1,03,617.63

Disaggregation of Revenue from Sale of Products

Revenue based on Geography

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
In India	1,16,881.36	83,756.97
Outside India	17,730.16	19,351.70
Total	1,34,611.52	1,03,108.67

Reconciliation of Revenue from Sale of Products with contract price

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contract price	1,34,944.89	1,03,539.83
Less: Discounts	(333.37)	(431.16)
Revenue from Sale of Products	1,34,611.52	1,03,108.67

22 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income from:		
- Loans to subsidiaries and associate (Refer Note 37)	244.53	142.35
- Term deposits	11.49	9.99
- Others	132.83	188.60
Sub-Total (A)	388.85	340.94
Rental Income	114.18	26.65
Sub-Total (B)	114.18	26.65
Other Gains		
Gain on Current Investment carried at FVTPL	85.46	0.72
Gain on Sale of Investment of Associate	3,800.88	-
Gain on Sale of Current Investment	108.68	-
Sub-Total (C)	3,995.02	0.72
Total (A+B+C)	4,498.05	368.31

Notes to the Financial Statements

for the Year Ended March 31, 2022

23 Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Glaze, Frits and Chemicals and Others	16,532.70	12,590.39
Packing Materials	1,392.77	1,202.57
Total	17,925.47	13,792.96

24 Changes In Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
Finished Goods	10,675.37	10,146.26
Work-in-Progress	2,062.52	1,749.25
Stock-in-Trade	2,485.26	2,262.46
Total (A)	15,223.15	14,157.97
Inventories at the end of the year		
Finished Goods	9,452.27	10,675.37
Work-in-Progress	2,029.38	2,062.52
Stock-in-Trade	2,701.43	2,485.26
Total (B)	14,183.08	15,223.15
Total of Changes In Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress (A - B)	1,040.07	(1,065.18)

25 Employee Benefits Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages (Incl. Managerial Remuneration) (Refer Note 37)	7,876.65	6,464.66
Contribution to Provident and Other Funds	363.22	316.17
Staff Welfare Expenses	36.33	27.34
Total	8,276.20	6,808.17

26 Finance Costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expenses on:		
- Term Loans	39.89	100.57
- Working Capital Facilities	448.70	1,284.53
- Others	108.97	148.53
Other Borrowing Costs	96.98	164.91
Total	694.54	1,698.54

Notes to the Financial Statements

for the Year Ended March 31, 2022

27 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation Expense on Property, Plant and Equipment	1,530.55	1,530.09
Depreciation Expense on Right of Use Assets	255.43	315.52
Total	1,785.98	1,845.61

28 Power and Fuel Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Gas and Fuel	6,445.29	4,068.72
Power Expense	1,769.94	1,659.00
Total	8,215.23	5,727.72

29 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores and Spares	1,135.24	1,071.73
Other Manufacturing Expense	879.33	853.01
Rent, Rates and Taxes	442.02	473.34
Repairs and Maintenance		
- To Plant and Machineries	59.09	88.78
- To Buildings	25.17	22.90
- To Vehicles	32.17	29.84
- To Others	85.55	85.88
Communication Expenses	96.72	95.82
Printing and Stationery	7.57	6.46
Legal and Professional	432.26	177.32
Auditor's Remuneration (Refer Note 30)	20.00	15.00
Directors' Sitting Fees	10.25	5.85
Directors' Travelling	9.54	2.61
Travelling and Conveyance	982.16	629.54
Advertisement Expense	709.18	602.34
Other Selling and Distribution Expense	1,120.42	1,044.61
Freight and Forwarding Charges	5,333.08	3,856.01
Allowance for Expected Credit Loss	159.71	159.87
Sundry Balance Written off	42.96	3.55
Donation	25.90	7.63
(Gain)/ Loss on Sale of Property, Plant and Equipment (Net)	(61.19)	22.21
Corporate Social Responsibility (Refer Note 32)	76.02	65.04
Miscellaneous Expenses	247.82	149.25
Net Foreign Exchange (Gain) / Loss	(446.69)	(88.63)
Total	11,424.28	9,379.96



Notes to the Financial Statements

for the Year Ended March 31, 2022

30 Payment to Auditors (Excluding Taxes)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory Audit Fees	15.00	10.00
Certification Fees and Other Services	5.00	5.00
Total	20.00	15.00

31 Fair Value Measurements

a) Accounting Classification and Fair Values

As at March 31, 2022

(₹ in Lakhs)

Particulars	Carrying Value				Fair Value			
	At Cost	At FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Investments (Note b i)	6,294.53	4,385.46	-	10,679.99	4,385.46	-	-	4,385.46
Loans	-	-	6,813.46	6,813.46	-	-	-	-
Trade Receivables	-	-	40,728.76	40,728.76	-	-	-	-
Cash and Cash Equivalents	-	-	1,988.10	1,988.10	-	-	-	-
Other Bank Balances	-	-	198.59	198.59	-	-	-	-
Other Financial Assets	-	-	652.46	652.46	-	-	-	-
Total Financial Assets	6,294.53	4,385.46	50,381.37	61,061.36	4,385.46	-	-	4,385.46
Borrowings (Incl. Current Maturities)	-	-	535.06	535.06	-	-	-	-
Lease Liabilities (Incl. Current Lease Liabilities)	-	-	881.83	881.83	-	-	-	-
Trade Payables	-	-	18,643.78	18,643.78	-	-	-	-
Other Financial Liabilities	-	-	2,296.01	2,296.01	-	-	-	-
Total Financial Liabilities	-	-	22,356.68	22,356.68	-	-	-	-

As at March 31, 2021

(₹ in Lakhs)

Particulars	Carrying Value				Fair Value			
	At Cost	At FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Investments (Note b i)	3,665.91	1,000.67	-	4,666.58	1,000.67	-	-	1,000.67
Loans	-	-	2,934.02	2,934.02	-	-	-	-
Trade Receivables	-	-	35,058.08	35,058.08	-	-	-	-
Cash and Cash Equivalents	-	-	1,080.57	1,080.57	-	-	-	-
Other Bank Balances	-	-	99.63	99.63	-	-	-	-
Other Financial Assets	-	-	682.83	682.83	-	-	-	-
Total Financial Assets	3,665.91	1,000.67	39,855.13	44,521.71	1,000.67	-	-	1,000.67
Borrowings (Incl. Current Maturities)	-	-	10,457.26	10,457.26	-	-	-	-
Lease Liabilities (Incl. Current Lease Liabilities)	-	-	775.76	775.76	-	-	-	-
Trade Payables	-	-	23,567.92	23,567.92	-	-	-	-
Other Financial Liabilities	-	-	2,084.31	2,084.31	-	-	-	-
Total Financial Liabilities	-	-	36,885.25	36,885.25	-	-	-	-

Notes to the Financial Statements

for the Year Ended March 31, 2022

b) Measurement of Fair Values:

(i) Investments in Associate, Joint Venture and Subsidiaries:

Investments in Associate, Joint Venture and Subsidiaries have been accounted at cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have been disclosed at cost in the tables above.

(ii) Financial Instrument Measured at Amortised Cost:

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(iii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual fund that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(iv) There have been no transfers between Level 1 and Level 2 during the years.

32 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, the Company has spent required amount of ₹ 75.58 Lakhs (2020-21: ₹ 65.04 Lakhs) during the current financial year. The details of amount spent are as under:

Nature of Activities	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Education and Knowledge enhancement	66.31	63.33
Eradicating Hunger	-	1.71
COVID related activities	9.71	-
Total	76.02	65.04

32.1 There is no shortfall at the end of the year as well as previous year.

32.2 For Details of related party transaction refer note 37.

33 Earnings Per Share

Particulars		Year ended	
		March 31, 2022	March 31, 2021
Basic and Diluted Earning Per Share (EPS)			
(a) Profit attributable to equity shareholders of the Company	(₹ in Lakhs)	8,792.76	4,922.26
(b) Weighted average number of equity shares	(in Nos.)	4,45,62,480	3,06,91,564
(c) Earning per Share (Basic and Diluted)	₹	19.73	16.04
(d) Face value per Share	₹	10.00	10.00



Notes to the Financial Statements

for the Year Ended March 31, 2022

34 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further The Audit Committee has additional oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Company comprises two types of risks: interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2022, approximately 74.82% of the Company's borrowings and other financial liabilities are at fixed rate (March 31, 2021 : 11.23%). Summary of financial assets and financial liabilities has been provided below:

Exposure to Interest Rate Risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

Nature of Activities	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Fixed-rate instruments		
Financial Assets	7,092.67	3,047.02
Financial Liabilities	1,590.14	1,493.46
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	535.06	11,810.68

Notes to the Financial Statements

for the Year Ended March 31, 2022

Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit/(Loss) after Tax

(₹ in Lakhs)

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Increase in 100 basis points	(4.00)	(78.25)
Decrease in 100 basis points	4.00	78.25

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in foreign currencies (primarily USD and EUR). Consequently, the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Exposure to Currency Risk

The summary quantitative data about the company's exposure to currency risk (based on notional amounts) is as follows:

(Amount in FCY)

Particulars	March 31, 2022		March 31, 2021	
	USD	EUR	USD	EUR
Financial Assets				
Trade Receivables	55,86,559	-	42,91,375	-
Other Bank Balances	8,39,955	-	7,22,348	-
Total (A)	64,26,514	-	50,13,723	-
Financial Liabilities				
Trade Payables	1,94,669	3,22,512	6,01,336	3,22,512
Other Financial Liabilities	5,21,000	-	5,21,000	-
Total (B)	7,15,669	3,22,512	11,22,336	3,22,512
Net exposure to foreign currency (A-B)	57,10,845	(3,22,512)	38,91,387	(3,22,512)

The following significant exchange rates have been applied during the year.

(₹ in Lakhs)

Particulars	Average Rate		Year-end Spot Rate	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD 1	74.65	74.45	75.81	73.50
EUR 1	85.38	84.58	84.66	86.10



Notes to the Financial Statements

for the Year Ended March 31, 2022

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	USD			EUR		
	Change in Exchange Rate	Profit / (loss) before tax	Equity (net of tax)	Change in Exchange Rate	Profit / (loss) before tax	Equity (net of tax)
March 31, 2022						
Strengthening	5%	213.17	159.51	5%	(13.77)	(10.30)
Weakening		(213.17)	(159.51)		13.77	10.30
March 31, 2021						
Strengthening	5%	144.85	108.39	5%	(13.64)	(10.21)
Weakening		(144.85)	(108.39)		13.64	10.21

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

Other Financial Assets

This comprises mainly of deposits with banks and other intercompany receivables. Credit risk arising from these financial assets is limited.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

The Company has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix. In calculating expected credit loss, the Company has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Reconciliation of Loss Allowance Provision – Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening provision	62.42	850.25
Add: Additional provision made	159.71	159.87
Less: Provision write off	(182.4)	(947.7)
Closing provisions	39.73	62.42

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

Notes to the Financial Statements

for the Year Ended March 31, 2022

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2022				
Financial Liabilities				
Borrowings (Incl. Current Maturities)	535.06	446.35	88.71	535.06
Lease Liabilities (Incl. Current Lease Liabilities)	881.83	178.30	703.53	881.83
Trade Payables	18,643.78	18,643.78	-	18,643.78
Other Financial Liabilities	2,296.01	2,296.01	-	2,296.01
Total	22,356.68	21,564.44	792.24	22,356.68
As at March 31, 2021				
Financial Liabilities				
Borrowings (Incl. Current Maturities)	10,457.26	10,175.75	281.51	10,457.26
Lease Liabilities (Incl. Current Lease Liabilities)	775.76	174.27	601.49	775.76
Trade Payables	23,567.92	23,567.92	-	23,567.92
Other Financial Liabilities	2,084.31	2,084.31	-	2,084.31
Total	36,885.25	36,002.25	883.00	36,885.25

35 Capital Management:

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The Company's policy is to keep the net debt to equity ratio below 2. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest-bearing Borrowings (Incl. Current Maturity)(Note 14)	535.06	10,457.26
Less: Cash and Bank Balances (Note 11)	(2,186.69)	(1,180.20)
Adjusted Net Debt	(1,651.63)	9,277.06
Equity Share Capital (Note 12)	5,675.16	3,405.44
Other Equity (Note 13)	78,018.06	49,523.25
Total Equity	83,693.22	52,928.69
Adjusted Net Debt to Total Equity Ratio	(0.02)	0.18



Notes to the Financial Statements

for the Year Ended March 31, 2022

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

36 Employee Benefits

a) Defined Contribution Plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Details of Amount Recognized as Expenses during the year:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to Provident Fund	237.51	197.49
Total	237.51	197.49

b) Defined Benefit Plan:

The Company has defined benefit gratuity plan for its employees. The employees who has completed five years or more of service is entitled to gratuity on termination of his employment at 15 days last drawn salary for each completed year of service. The scheme is funded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by Ind AS - 19. Gratuity has been recognised in the financial statement as per details given below:

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest Risk:

A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Notes to the Financial Statements

for the Year Ended March 31, 2022

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2022 and March 31, 2021.

(i) Reconciliation in Present Value of Defined Benefit Obligation:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligations as at beginning of the year	541.53	491.01
Current service cost	86.86	91.20
Interest cost	37.15	33.58
Actuarial (Gains)/Losses	4.69	(22.10)
Benefits paid	(84.85)	(52.16)
Defined benefit obligations as at end of the year	585.38	541.53

(ii) Reconciliation change in Fair Value of Plan Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the beginning of the year	294.48	222.57
Interest Income	20.20	15.22
Contribution by Employer	163.40	103.20
Benefits paid from the fund	(84.85)	(52.16)
Return on Plan Assets, Excluding Interest Income	1.29	5.64
Fair Value of Plan Assets at the end of the year	394.51	294.48

(iii) Amount Recognised in Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
PVO at the end of year	585.38	541.53
Fair value of planned assets at the end of year	(394.51)	(294.48)
Net Liability recognised in the balance sheet	190.87	247.05

(iv) Amount recognised in Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	86.86	91.20
Interest cost	16.95	18.36
Expense recognised	103.81	109.56

(v) Amount recognised in Other Comprehensive Income:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Actuarial (Gains)/ Losses	3.41	(27.75)



Notes to the Financial Statements

for the Year Ended March 31, 2022

(vi) Principal Assumptions used in Determining Defined Benefit Obligations for the Company

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate (Per Annum)	7.15%	6.86%
Salary escalation rate (Per Annum)	4.00%	4.00%
Mortality Rate [as % of Indian Assured Lives Mortality (IALM) (2006-08) Ultimate]	IALM (2012-14) Rates	IALM (2006-08) Rates
Normal Retirement Age (In Years)	58, 60 and 65	58
Average Future Service (In Years)	11	11

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Additional Disclosure Items

(vii) Category of Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Fund	394.51	294.48

(viii) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 Year	30.48	52.47
Between 2 to 5 Year	183.21	139.34
Between 6 to 10 Year	287.65	248.28
Beyond 10 Years	624.23	624.23

(ix) Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Under Base Scenario		
Salary Escalation - Up by 1 %	48.90	45.99
Salary Escalation - Down by 1 %	(44.14)	(41.42)
Withdrawal Rates - Up by 1 %	9.47	7.77
Withdrawal Rates - Down by 1 %	(10.76)	(8.93)
Discount Rates - Up by 1 %	(43.65)	(40.78)
Discount Rates - Down by 1 %	49.75	46.75

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Notes to the Financial Statements

for the Year Ended March 31, 2022

Total employee benefit liabilities

Particulars	Note	₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
Provisions	15		
Non Current		58.87	115.06
Current		132.00	132.00

37 Related Party Disclosures:

As per the Ind AS - 24 Related Party Disclosures, the related parties of the Company are as follows:

(a) Name of the related parties and nature of relationships :

(i) Subsidiaries

Subsidiaries of Asian Granito India Limited

AGL Industries Limited	AGL Surfaces Private Limited (Refer Note 5)
Crystal Ceramic Industries Limited	AGL Sanitaryware Private limited (Refer Note 5)
Amazoone Ceramics Limited	Future Ceramic Private limited (Refer Note 5)
AGL Global Trade Private Limited	

Subsidiary of AGL Industries Limited

Powergrace Industries Limited

Subsidiaries of Amazoone Ceramics Limited

Gresart Ceramica Private Limited

(ii) Associate:

Astron Paper & Board Mill Limited (Refer Note 5)

(iii) Key Management Personnel (KMP) and Directors

Name	Designation
Kamleshkumar B Patel	Chairman and Managing Director
Mukeshbhai J Patel	Managing Director
Sureshbhai J Patel	Director
Bhogibhai B Patel	Director
Kanubhai B Patel	Director
Bhavesbhai V Patel	Director
CA Amarendra Kumar Gupta	Chief Financial Officer
Dr Dhruvi Trivedi	Company Secretary
Renuka A Upadhyay (Till 31/10/2020)	Company Secretary

(iv) Independent Directors

Amrutlal I Patel (Upto 23/06/2021)	Hemendrakumar C Shah
Kandarp G Trivedi (w.e.f. 26/06/2021)	Mukesh M Shah
Indira Nityanandam	Dipti A Mehta
Maganlal Prajapati (w.e.f.26/05/2021)	
Late Premijibhai R Chaudhari (upto 29/04/2021)	

(v) Relatives of Key Management Personnel (KMP) and Directors

Hinaben K Patel	Sureshbhai B Patel
Bhagubhai P Patel	Vinodbhai L Patel
Shaunakbhai M Patel	Vipulbhai V Patel
Shaliniben S Patel	Rameshbhai B Patel
Hirenabhai S Patel	



Notes to the Financial Statements

for the Year Ended March 31, 2022

(vi) Enterprises over which KMP and/or their Relatives having Significant Influence

Affil Vitrified Private Limited	AGL Infrastructure Private Limited
Asian Institute of Technology	Adicon Ceramica LLP
Amaton Ceramic LLP	

(vii) Post employment Benefit Plan

Asian Granito India Limited Employees Group Gratuity Fund

(b) Terms and Conditions of Transactions with Related Parties

- (i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.
- (ii) Rate of Interest to / from related party carries below mentioned rates:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loan to:		
Amazoone Ceramics Limited*	8.50%	12.00%
Crystal Ceramic Industries Limited**	8.50%	10.00%
Asian Institute of Technology***	8.50%	9.50%
AGL Global Trade Private Limited****	8.50%	9.00%
AGL Surfaces Private Limited	8.00%	-
AGL Sanitaryware Private limited	8.00%	-
Future Ceramic Private limited	8.00%	-

Note :

- * Rate of Interest has been Changed, 8.5% instead of 10% from 01.10.2021 (Amazoon)
- ** Rate of Interest has been Changed, 8.5% instead of 10% from 16.08.2021 (Crystal)
- *** Rate of Interest has been Changed, 8.5% instead of 10% from 01.10.2021 (AIT)
- **** Rate of Interest has been Changed, 8.5% instead of 10% from 01.10.2021 (AGL Global)

- (iii) Financial guarantee given to Bank on behalf of subsidiaries carries no charge and are unsecured.

(c) Transactions with Director and Key Managerial Personnel

Compensation of Director and Key Managerial Personnel of the Company.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Kamleshkumar B Patel	58.56	45.88
Mukeshbhai J Patel	44.40	37.82
Sureshbhai J Patel	39.12	33.39
Bhavesbhai V Patel	23.76	21.42
Kanubhai B Patel	25.05	24.26
Bhogibhai B Patel	17.16	16.99
CA Amarendra Kumar Gupta	45.23	35.46
Renuka A Upadhyay (Till 31/10/2020)	-	7.59
Dr Dhruvi Trivedi	9.50	3.30
Total compensation paid to Director and Key Managerial Personnel	262.78	226.11

Notes to the Financial Statements

for the Year Ended March 31, 2022

The following table summarizes related-party transactions and balances for the year ended/as at March 31, 2022 and March 31, 2021

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchase of Products	10,892.22	6,551.35	-	-	-	78.86	7,901.51	1,812.68	-	-
Sale of Products	1,471.56	998.03	-	-	-	-	24.58	-	-	-
Sale of Property, Plant and Equipment	68.66	-	-	-	-	-	-	-	-	-
Purchase of Property, Plant and Equipment	108.60	-	-	-	-	-	-	-	-	-
Interest Received	235.67	142.36	-	-	-	-	8.87	12.19	-	-
Rent Received	25.42	24.96	-	-	-	-	0.04	-	-	-
Rent Paid	12.00	12.00	-	-	-	-	18.49	15.95	11.47	9.19
Loan Given	4,077.44	105.00	-	-	-	-	-	4.00	-	-
Loan Recovered	-	100.00	-	-	-	-	30.00	47.50	-	-
Investment	3,506.11	1.00	-	-	-	-	-	-	-	-
Reimbursement of (Expense) / Income	31.25	67.23	-	-	-	-	9.70	(0.46)	-	-
Director's Remuneration	-	-	-	-	-	-	-	-	208.05	179.76
Director Sitting Fee	-	-	-	-	-	-	-	-	10.25	5.85
Employee Benefit Expenses	-	-	-	-	-	-	-	-	199.59	191.35
Corporate Social Responsibility	-	-	-	-	-	-	66.31	63.33	-	-
Contribution to Gratuity Fund	-	-	-	-	-	-	163.40	103.20	-	-
Disinvestment	-	-	-	-	877.50	-	-	-	-	-
Preferential Share Amount Received	-	-	-	-	-	-	-	-	239.40	3,195.45
Outstanding Balances										
Trade Payable	1,493.05	1,043.62	-	-	-	20.93	2,399.03	-	-	-
Trade Receivable	1,413.07	868.72	-	-	-	-	26.23	-	-	-
Advance to Vendor	-	-	-	-	-	-	-	571.83	-	-
Guarantee Given	15,303.72	14,315.00	-	-	-	-	-	-	-	-
Investment (Refer Note 5)	6,294.53	2,788.41	-	-	-	877.50	-	-	-	-
Deposit	-	-	-	-	-	-	-	-	2.75	2.75
Loan Given	5,256.51	1,471.29	-	-	-	-	82.19	104.21	-	-

Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Transactions During the Period										
Purchase of Material / Finished Goods										
Amazone Ceramics Limited	4,072.04	2,438.38	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	6,816.68	4,109.68	-	-	-	-	-	-	-	-
Powergrace Industries Limited	3.50	3.29	-	-	-	-	-	-	-	-
Astron Paper & Board Mill Limited	-	-	-	-	-	78.86	-	-	-	-
Affil Vitrified Private Limited	-	-	-	-	-	-	7,885.38	1,812.68	-	-
Amaton Ceramic LLP	-	-	-	-	-	-	16.13	-	-	-
	10,892.22	6,551.35	-	-	-	78.86	7,901.51	1,812.68	-	-
Sale of Products										
Amazone Ceramics Limited	957.18	687.14	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	508.23	306.79	-	-	-	-	-	-	-	-
Powergrace Industries Limited	6.15	4.10	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	-	0.17	-	-	-
Amaton Ceramic LLP	-	-	-	-	-	-	15.10	-	-	-
Adicon Ceramica LLP	-	-	-	-	-	-	9.30	-	-	-
	1,471.56	998.03	-	-	-	-	24.58	-	-	-
Sale of Property, Plant and Equipment										
Crystal Ceramic Industries Limited	0.76	-	-	-	-	-	-	-	-	-
Amazone Ceramics Limited	1.50	-	-	-	-	-	-	-	-	-
Gresart Ceramica Private Limited	66.40	-	-	-	-	-	-	-	-	-
	68.66	-	-	-	-	-	-	-	-	-
Purchase of Property, Plant and Equipment										
Amazone Ceramics Limited	108.60	-	-	-	-	-	-	-	-	-
	108.60	-	-	-	-	-	-	-	-	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Interest Received										
Amazone Ceramics Limited	27.51	51.80	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	199.84	90.30	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	8.87	12.19	-	-	-
AGL Global Trade Private Limited	0.48	0.26	-	-	-	-	-	-	-	-
AGL Surfaces Private Limited	2.63	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	2.63	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	2.58	-	-	-	-	-	-	-	-	-
	235.67	142.36	-	-	-	8.87	12.19	-	-	-
Rent Received										
Powergrace Industries Limited	24.58	24.47	-	-	-	-	-	-	-	-
AGL Global Trade Private Limited	0.84	0.49	-	-	-	-	-	-	-	-
AGL Infrastructure Private Limited	-	-	-	-	-	0.04	-	-	-	-
	25.42	24.96	-	-	-	0.04	-	-	-	-
Rent Paid										
Amazone Ceramics Limited	12.00	12.00	-	-	-	-	-	-	-	-
AGL Infrastructure Private Limited	-	-	-	-	-	18.49	15.95	-	-	-
Others	-	-	-	-	-	-	-	11.47	9.19	-
	12.00	12.00	-	-	-	18.49	15.95	11.47	9.19	-
Loan Given										
Amazone Ceramics Limited	-	100.00	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	2,577.44	-	-	-	-	-	-	-	-	-
AGL Global Trade Private Limited	-	5.00	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	-	4.00	-	-	-
AGL Surfaces Private Limited	500.00	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	500.00	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	500.00	-	-	-	-	-	-	-	-	-
	4,077.44	105.00	-	-	-	-	4.00	-	-	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Loan Recovered										
Amazoone Ceramics Limited	-	100.00	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	30.00	47.50	-	-	-
	-	100.00	-	-	-	30.00	47.50	-	-	-
Investment										
AGL Global Trade Private Limited	-	1.00	-	-	-	-	-	-	-	-
Amazoone Ceramics Limited	3,503.11	-	-	-	-	-	-	-	-	-
AGL Surfaces Private Limited	1.00	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	1.00	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	1.00	-	-	-	-	-	-	-	-	-
	3,506.11	1.00	-	-	-	-	-	-	-	-
Reimbursement of (Expense) / Income										
Affil Vitrified Private Limited	-	-	-	-	-	9.70	(0.46)	-	-	-
Crystal Ceramic Industries Limited	-	38.73	-	-	-	-	-	-	-	-
Amazoone Ceramics Limited	(6.13)	(5.87)	-	-	-	-	-	-	-	-
Powergrace Industries Limited	37.36	34.37	-	-	-	-	-	-	-	-
AGL Surfaces Private Limited	0.01	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	0.01	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	0.01	-	-	-	-	-	-	-	-	-
	31.25	67.23	-	-	-	9.70	(0.46)	-	-	-
Director's Remuneration										
Kamleshkumar B Patel	-	-	-	-	-	-	-	58.56	45.88	-
Mukeshbhai J Patel	-	-	-	-	-	-	-	44.40	37.82	-
Sureshbhai J Patel	-	-	-	-	-	-	-	39.12	33.39	-
Bhaveshbhai V Patel	-	-	-	-	-	-	-	23.76	21.42	-
Kanubhai B Patel	-	-	-	-	-	-	-	25.05	24.26	-
Bhoglibhai B Patel	-	-	-	-	-	-	-	17.16	16.99	-
	-	-	-	-	-	-	-	208.05	179.76	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Director Sitting Fee										
Amrutlal I Patel	-	-	-	-	-	-	-	-	0.10	0.50
Late Premjibhai R Chaudhari	-	-	-	-	-	-	-	-	-	1.00
Maganbhai Prajapati	-	-	-	-	-	-	-	-	1.40	-
Indira Nityanandam	-	-	-	-	-	-	-	-	0.50	0.10
Hemendrakumar C Shah	-	-	-	-	-	-	-	-	2.35	1.75
Mukesh M Shah	-	-	-	-	-	-	-	-	2.25	1.25
Dipti A Mehta	-	-	-	-	-	-	-	-	2.25	1.25
Kandarp G Trivedi	-	-	-	-	-	-	-	-	1.40	-
	-	-	-	-	-	-	-	-	10.25	5.85
Employee Benefit Expense										
Others	-	-	-	-	-	-	-	-	199.59	191.35
	-	-	-	-	-	-	-	-	199.59	191.35
Corporate Social Responsibility										
Asian Institute of Technology	-	-	-	-	-	-	66.31	63.33	-	-
	-	-	-	-	-	-	66.31	63.33	-	-
Contribution to Gratuity Fund										
Asian Granito India Limited Employees Group Gratuity Fund	-	-	-	-	-	-	163.40	103.20	-	-
	-	-	-	-	-	-	163.40	103.20	-	-
Disinvestment										
Astron Paper & Board Mill Limited	-	-	-	-	877.50	-	-	-	-	-
	-	-	-	-	877.50	-	-	-	-	-
Preferential Share Amount Received										
Others	-	-	-	-	-	-	-	-	239.40	3,195.45
	-	-	-	-	-	-	-	-	239.40	3,195.45

Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Balances as at year end										
Trade Payable										
Amazoone Ceramics Limited	605.92	278.27	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	885.81	764.42	-	-	-	-	-	-	-	-
Powergrace Industries Limited	1.32	0.93	-	-	-	-	-	-	-	-
Astron Paper & Board Mill Limited	-	-	-	-	-	20.93	-	-	-	-
Affil Vitrified Private Limited	-	-	-	-	-	-	2,380.00	-	-	-
Amaton Ceramic LLP	-	-	-	-	-	-	19.03	-	-	-
	1,493.05	1,043.62	-	-	-	20.93	2,399.03	-	-	-
Trade Receivable										
Amazoone Ceramics Limited	1,019.18	617.47	-	-	-	-	-	-	-	-
Crystal Ceramic Industries Limited	389.81	250.98	-	-	-	-	-	-	-	-
Powergrace Industries Limited	4.03	0.27	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	-	0.20	-	-	-
Gresart Ceramica Private Limited	0.03	-	-	-	-	-	-	-	-	-
AGL Surfaces Private Limited	0.01	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	0.01	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	0.01	-	-	-	-	-	-	-	-	-
Amaton Ceramic LLP	-	-	-	-	-	-	17.82	-	-	-
Adicon Ceramica LLP	-	-	-	-	-	-	8.20	-	-	-
	1,413.07	868.72	-	-	-	-	26.23	-	-	-
Advance to Vendor										
Affil Vitrified Private Limited	-	-	-	-	-	-	-	571.83	-	-
	-	-	-	-	-	-	-	571.83	-	-
Guarantees Given										
Crystal Ceramic Industries Limited	15,303.72	14,315.00	-	-	-	-	-	-	-	-
	15,303.72	14,315.00	-	-	-	-	-	-	-	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Deposit										
Shaliniben S Patel	-	-	-	-	-	-	-	-	1.38	1.38
Hinaben K Patel	-	-	-	-	-	-	-	-	1.38	1.38
	-	-	-	-	-	-	-	-	2.75	2.75
Loan Given										
Crystal Ceramic Industries Limited	3,743.78	986.48	-	-	-	-	-	-	-	-
AGL Global Trade Private Limited	5.68	5.24	-	-	-	-	-	-	-	-
Amazoone Ceramics Limited	-	479.57	-	-	-	-	-	-	-	-
Asian Institute of Technology	-	-	-	-	-	-	82.19	104.21	-	-
AGL Surfaces Private Limited	502.37	-	-	-	-	-	-	-	-	-
AGL Sanitaryware Private limited	502.37	-	-	-	-	-	-	-	-	-
Future Ceramic Private limited	502.32	-	-	-	-	-	-	-	-	-
	5,256.51	1,471.29	-	-	-	-	82.19	104.21	-	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

38 Contingent Liabilities and Commitments

I. Contingent Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debts comprise of		
i) In respect of Pending Income Tax Demands	1,815.68	1,885.12
ii) In respect of Pending Sales Tax Demands	4,224.55	4,224.55
iii) In respect of Pending Excise Duty claim by DGFT	-	167.97
iv) In respect of Pending Excise Duty claim by DGCEI	2,043.18	2,043.18
v) In respect of Pending Custom Duty claim by DRI	-	473.51
vi) In respect of Pending Consumer/Legal Cases	70.05	72.00
(b) Bank guarantees for Performance, Earnest Money and Security Deposits	1,954.09	1,968.15
(c) Corporate Guarantee Given on behalf of subsidiaries	15,303.72	14,315.00
Total	25,411.27	25,149.48

II. Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Letter of Credit Opened with Banks	1,535.92	338.07
Total	1,535.92	338.07

The above matters are currently being considered by the tax authorities with various forums and the Company expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement and decision pending with tax authorities with various forums. The potential undiscounted amount of total payments for taxes that the Company may be required to make if there was an adverse decision related to these disputed demands of regulators as of the date reporting period ends are as stated above.

39 Regulatory Disclosures

a) Disclosure as per Regulation 53(F) Of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:

(₹ in Lakhs)

Particulars	Relationship	Outstanding Amount as at		Maximum Outstanding Balance during the year ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Crystal Ceramic Industries Limited	Subsidiary	3,743.78	986.48	3,743.78	993.26
Amazoone Ceramics Limited	Subsidiary	-	479.57	650.00	531.65
AGL Global Trade Private Limited	Subsidiary	5.68	5.24	5.68	5.26
AGL Surfaces Private Limited	Subsidiary	502.37	-	502.37	-
AGL Sanitaryware Private limited	Subsidiary	502.37	-	502.37	-
Future Ceramic Private limited	Subsidiary	502.32	-	502.32	-

The above loan given to subsidiary for its business activities (Refer Note 37)

Notes to the Financial Statements

for the Year Ended March 31, 2022

b) Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) Details of Investments made are given in **Note 5**.
- (ii) Details of loans given by the Company are as follows:

Particulars	Relationship	Rate of Interest (%)		Loan Given (₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Crystal Ceramic Industries Limited	Subsidiary	8.50%	10.00%	3,743.78	986.48
Amazooone Ceramics Limited	Subsidiary	8.50%	12.00%	-	479.57
AGL Global Trade Private Limited	Subsidiary	8.50%	9.00%	5.68	5.24
AGL Surfaces Private Limited	Subsidiary	8.00%	-	502.37	-
AGL Sanitaryware Private limited	Subsidiary	8.00%	-	502.37	-
Future Ceramic Private limited	Subsidiary	8.00%	-	502.32	-

- (iii) There are guarantees issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder are as below.

(₹ in Lakhs)

Particulars	Relationship	As at March 31, 2022	As at March 31, 2021
Crystal Ceramic Industries Limited	Subsidiary	15,303.72	14,315.00

- 40** The Company has not received full information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act); disclosure relating to amount unpaid at year end together with interest paid/payable have been given based on the information so far available with the Company/identified by the Company management:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 the principal amount and the interest due thereon remaining unpaid to any supplier at the end of the year	68.15	87.73
2 the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
3 the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4 the amount of interest accrued and remaining unpaid at the end of the year	0.78	0.79
5 the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-



Notes to the Financial Statements

for the Year Ended March 31, 2022

41 Leases

A. Operating Lease Commitments - Company as Lessee

The Company's lease asset classes primarily consist of leases for Office and Other Building. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Right of Use Assets (Refer Note 3)	776.22	695.50
Total	776.22	695.50

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Recognition on adoption of Ind AS 116	-	-
(ii) Opening Lease Liabilities	775.76	1,126.64
(iii) Additions during the year	388.78	154.29
(iv) Finance cost accrued during the year	79.51	89.73
(v) Payment of lease liabilities	(291.60)	(283.45)
(vi) Rent concession on Lease Rentals	(11.02)	(87.38)
(vii) Sale of Lease Liabilities	(59.59)	(224.06)
Total	881.83	775.76

Notes to the Financial Statements

for the Year Ended March 31, 2022

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Measured at amortised cost, Refer Note 31)		
(ii) Non-current lease liabilities	703.53	601.49
(iii) Current lease liabilities	178.30	174.27
Total	881.83	775.76

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on discounted basis

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Not later than a year	222.80	174.27
(ii) Later than a year but not later than five years	510.76	425.80
(iii) More than five years	148.27	175.69

The following impact have been given in profit and loss of Ind AS 116 - Leases

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Depreciation and Amortisation	255.43	315.52
(ii) Finance Cost (Net)	81.30	83.36
(iii) Lease Rent Cost	(291.60)	(283.45)
(iv) Ind As 116 Lease Concession	11.02	87.38
(v) Profit / (Loss) on Sale of Lease Asset	6.98	15.81
Profit before tax	63.14	218.61

B. Operating Lease Commitments - Company as Lessor

The Company has given various premises under operating lease or leave and license Agreements. These are generally cancellable, having a term between 11 months and 3 years and have no specific obligation for renewal.

42 Segment Information

The Company has only one reportable segment viz, Tiles and Marbles as per Ind As 108 - 'Operating Segment'.

Entity Wide Disclosure

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Operating Assets:		
In India	25,184.91	24,563.75
Outside India	-	-
Total	25,184.91	24,563.75

Geographic Information

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from external customers:		
In India	1,16,881.36	83,756.97
Outside India	17,730.16	19,351.70
Total	1,34,611.52	1,03,108.67



Notes to the Financial Statements

for the Year Ended March 31, 2022

43 Disclosure of Significant Interest in Subsidiaries as per Ind AS 27

Sr. No.	Name of Entities	Relationship	Places of Business	Ownership as at	
				March 31, 2022	March 31, 2021
1	AGL Industries Limited	Subsidiary	India	100.00%	100.00%
2	Amazoone Ceramics Limited	Subsidiary	India	97.77%	95.32%
3	AGL Global Trade Private Limited	Subsidiary	India	100.00%	100.00%
4	Powergrace Industries Limited	Step Subsidiary	India	100.00%	100.00%
5	Crystal Ceramic Industries Limited	Subsidiary	India	70.00%	70.00%
6	Gresart Ceramica Private Limited	Step Subsidiary	India	61.00%	NA
7	AGL Surfaces Private Limited	Subsidiary	India	100.00%	NA
8	AGL Sanitaryware Private limited	Subsidiary	India	100.00%	NA
9	Future Ceramic Private limited	Subsidiary	India	100.00%	NA

44 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45 COVID-19 is the infectious disease caused by the most recently discovered coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption.

In assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information upto the date of approval of these standalone financial statements. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

46 In the opinion of Board of Directors

- Current assets, non-current loans and advances are realizable in the ordinary course of business, at the value at which they are stated.
- The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

47 Balance of Trade receivables, Trade payables, loans and advances are subject to confirmation from the respective parties.

48 Relationship with Struck off Companies

Details of transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 are as follow:

(₹ in Lakhs)						
Name of struck off Company	Nature of Transactions with Struck-Off Company	Balance Outstanding as at March 31 2022	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as at March 31 2021	Relationship with the Struck off company, if any, to be disclosed	
B.G.Shirke Construction Technology Pvt. Ltd	Trade Receivables	14.75	-	-	-	
In-Art Projects India (P) Ltd.	Trade Receivables	4.09	-	4.09	-	
Visva Tiles and Bath Fittings Pvt Ltd.	Trade Receivables	5.64	-	5.64	-	

Notes to the Financial Statements

for the Year Ended March 31, 2022

49 Ratios

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Deviation	Explanation
Liquidity Ratio (In times)						
Current Ratio	Current Assets	Current Liabilities	3.05	1.68	81.00%	Due to growth in Revenue alongwith increase in production and improved operating efficiencies in the business, cash balance and receivables balance is increased which has resulted an improvement in the ratio.
Solvency Ratio (In times)						
Debt - Equity Ratio	Total Borrowings	Total Equity	0.01	0.20	-96.76%	Increase in Shareholder's Equity post current year shares issue and also reduction in borrowings due to prepayment of debts from the proceeds of Rights issue and internal accrual which has resulted in the improvement of the ratio.
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.03	1.06	-2.66%	
Profitability ratio (in %)						
Net Profit Ratio	Net Profit(PAT)	Net Sales	6.52%	4.75%	37.20%	Ratio improve due to gain on sale of long term Investment in Associate company during current year
Return On Capital Employed	Earning before Interest and Taxes - EBIT	Capital Employed	13.25%	12.66%	4.70%	
Return On investment (ROI)*	Income generated from Invested Fund	Average Invested Fund	3.67%	5.23%	-29.80%	In Business prudence, temporary fund invested for very short period as compare to previous year
Return On Equity Ratio	Net Profit after Tax	Average Net Worth	12.87%	10.28%	25.23%	Ratio improve due to gain on sale of long term Investment in Associate company during current year.
Utilization Ratio (In times)						
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.99	3.76	32.83%	Revenue growth and efficient inventory operations during the year has led to faster inventory churning and thereby the inventory turnover ratio has been improved.
Trade Receivable Turnover Ratio	Net Credit Sales	Average Accounts Receivable	3.56	3.02	17.95%	
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	0.85	0.59	42.61%	Increase in purchases in line with Revenue growth and efficient payable management during the year has led to faster creditors churning and thereby the payable turnover ratio has been improved.
Net Capital Turnover Ratio	Net Sales	Net Working Capital (Current Assets - Current Liabilities)	2.71	3.95	-31.47%	Due to growth in Revenue along with increase in production and improved operating efficiencies in the business, cash balance, receivables and current investment balance is increased and prepayment of short term debt which has resulted reduction in the ratio.

* Investments in subsidiary and associate are made only for production related. Hence ROI is not applicable for the same.



Notes to the Financial Statements

for the Year Ended March 31, 2022

50 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or surveyor any other relevant provisions of the Income Tax Act, 1961).

51 The figures pertaining to previous periods have been regrouped and restated wherever necessary, to make them comparable.

As per our report of even date attached

For R R S & Associates
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman & Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruti Trivedi
Company Secretary
Membership No.- A31842



Independent Auditor's Report

TO

THE MEMBERS OF

ASIAN GRANITO INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ASIAN GRANITO INDIA LIMITED (the "Company") and its subsidiary, (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles

generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

During the year ended on March 31, 2022, the Company has allotted 2,33,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each. Amount received on allotment of equity shares has been depicted in 'Equity Share Capital and Other Equity' in the Balance Sheet as at March 31, 2022. As the allotment of equity shares by the Company during the year ended on March 31, 2022, has the effect of enhancing the Equity of the Company the same is considered to be a key audit matter.

How our Audit Addressed the Key Audit Matters

- We gained an understanding of the process of allotment of equity shares followed by the Company, to include amongst others:
- Passing of resolution in a validly convened and constituted Board meeting of the Company.
- Passing of resolution in a validly convened and constituted general meeting of the Company.
- Obtained permission from the BSE and NSE Limited. Under (Listing obligations and Disclosure requirements) Regulations, 2015.
- We assessed the adequacy of disclosures in the financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report and Shareholder's Information, but does

not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the group are also responsible for overseeing the group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary Companies has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We considered quantitative materiality and qualitative factors in (i) planning the scope of our work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- 1) We did not audit the financial statements of two subsidiaries whose financial statements, reflect total assets of ₹45,786.06 Lakhs as at March 31, 2022, total income of ₹26,816.73 Lakhs, total net profit after tax of ₹ 35.06 Lakhs, total comprehensive income of ₹27.80 Lakhs and net cash inflow amounting to ₹ 926.02 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These subsidiaries' financial statements have been audited by other auditors whose reports have been furnished to us by the Management and

our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. The consolidated financial statements also include the Group's share of net profit of ₹50.36 Lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one associate whose financial information have been furnished to us by the management.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account for the purpose of preparation of consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the auditors' reports of the Company and its subsidiary Companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. There consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- b) No interim dividend declared and paid by the Company during the year and until the date of this report.
- c) As stated in Note 14.2 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend
2. With respect to matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the central government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanation given to us, based on the CARO reports issued by us for the Company and its subsidiaries included

in the consolidated financial statements of the company, to which reporting under CARO is applicable, we report that the following qualification or adverse remark are given in CARO Reports:

Name	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause No. under CARO report which is qualified or adverse
Crystal Ceramic Industries Limited	U26933GJ2008PLC052576	Subsidiary Company	3(ii)(b), 3(ix)(a), 3(ix)(d),

For **R R S & Associates**
Chartered Accountants
FRN.118336W

Hitesh V Kriplani
(Partner)

Membership No. 140693
UDIN: 22140693AJNPRS4150

Place: Ahmedabad
Date: 24 May, 2022

Annexure "A" to the Independent Auditor's Report

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ASIAN GRANITO INDIA LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of ASIAN GRANITO INDIA LIMITED (hereinafter referred to as "Company") and its subsidiary Companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary Companies which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies which are Companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing ("SA"), prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting included those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of the internal financial controls over financial reporting to future periods

are subjects to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the respective

Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R R S & Associates**
Chartered Accountants
FRN.118336W

Hitesh V Kriplani
(Partner)

Place: Ahmedabad
Date: 24 May, 2022

Membership No. 140693
UDIN: 22140693AJNPRS4150

Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	2	46,347.74	44,552.14
(b) Capital Work-in-Progress	2	5,200.53	2,442.51
(c) Right of Use Assets	3	893.02	794.83
(d) Investment Property	4	50.76	50.76
(e) Goodwill	5	331.67	331.67
(f) Financial Assets			
(i) Investments	6	26.12	2,677.13
(ii) Loans	7	138.05	167.00
(iii) Other Financial Assets	8	359.42	176.91
(g) Other Non-Current Assets	9	1,959.93	1,254.66
Total Non-Current Assets		55,307.24	52,447.61
2 Current Assets			
(a) Inventories	10	32,855.69	31,931.05
(b) Financial Assets			
(i) Investments	6	6,565.00	1,950.40
(ii) Trade Receivables	11	46,906.92	42,028.49
(iii) Cash and Cash Equivalents	12	3,542.93	1,461.33
(iv) Bank Balances other than (iii) above	12	473.50	389.91
(v) Loans	7	1,474.96	1,361.43
(vi) Other Financial Assets	8	914.14	1,171.26
(c) Other Current Assets	9	4,830.47	3,964.67
Total Current Assets		97,563.61	84,258.54
Total Assets		1,52,870.85	1,36,706.15
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	13	5,675.16	3,405.44
(b) Other Equity	14	86,143.51	59,192.36
Equity attributable to Owners		91,818.67	62,597.80
Non-Controlling Interest	14	3,449.25	2,982.90
Total Equity		95,267.92	65,580.70
2 LIABILITIES			
(i) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	8,986.86	11,050.60
(ii) Lease Liabilities	41	799.74	691.29
(iii) Trade Payables	16	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	2,818.23
(iv) Other Financial Liabilities	17	41.56	36.76
(b) Provisions	18	268.35	279.75
(c) Current Tax Liabilities (Net)	19	3,129.63	2,861.59
Total Non-Current Liabilities		13,226.14	17,738.22
(ii) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	9,875.64	17,508.76
(ii) Lease Liabilities	41	223.99	201.05
(iii) Trade Payables	16	-	-
Total outstanding dues of micro enterprises and small enterprises		161.66	237.72
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,930.48	29,957.76
(iv) Other Financial Liabilities	17	2,668.78	2,235.33
(b) Other Current Liabilities	20	2,226.04	2,507.76
(c) Provisions	18	470.59	413.16
(d) Current Tax Liabilities (Net)	21	819.61	325.69
Total Current Liabilities		44,376.79	53,387.23
Total Liabilities		57,602.93	71,125.45
Total Equity and Liabilities		1,52,870.85	1,36,706.15
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	2 - 52		

As per our report of even date attached

For and on behalf of the Board of Directors

For **R R S & Associates**Chartered Accountants
ICAI Firm Reg. No.- 118336W**Hitesh V. Kriplani**Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022**Kamleshkumar B. Patel**Chairman and Managing Director
DIN: 00229700**CA Amarendra Kumar Gupta**Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022**Mukeshbhai J. Patel**Managing Director
DIN: 00406744**Dr. Dhruvi Trivedi**Company Secretary
Membership No.- A31842

Consolidated Statement of Profit and Loss

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
1 Income			
Revenue from Operations	22	1,56,382.31	1,29,229.94
Other Income	23	4,435.71	352.33
Total Income		1,60,818.02	1,29,582.27
2 Expenses			
Cost of Materials Consumed	24	27,959.06	21,454.77
Purchase of Stock-in-Trade		72,273.85	64,433.11
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	25	66.36	(1684.29)
Employee Benefits Expenses	26	11,159.18	9,128.22
Finance Costs	27	2,557.46	3,493.61
Depreciation and Amortisation Expenses	28	3,007.10	2,934.82
Power and Fuel	29	17,759.82	10,635.51
Other Expenses	30	14,700.02	11,667.38
Total Expenses		1,49,482.85	1,22,063.13
3 Profit before Share of Profit of Associate and Joint Venture (1-2)		11,335.17	7,519.14
4 Share in profit of Associate and Joint Venture		50.36	193.84
5 Profit before tax (3+4)		11,385.53	7,712.98
4 Tax Expense			
(1) Current Tax		1,906.85	1,569.14
(2) Earlier Year Tax		0.03	(6.57)
(3) Deferred Tax		269.75	389.50
Total Tax Expense		2,176.63	1,952.07
7 Profit for the Year (5-6)		9,208.90	5,760.91
8 Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(i) Remeasurements of defined benefit plans		(13.56)	32.51
(ii) Income tax relating to above items		1.69	(7.82)
Total Other Comprehensive Income (i + ii)		(11.87)	24.69
9 Total Comprehensive Income for the Year (7 + 8)		9,197.03	5,785.60
Profit Attributable to:			
(i) Owners		9,194.62	5,700.05
(ii) Non Controlling Interest		14.28	60.86
Other Comprehensive Income Attributable To			
(i) Owners		(9.62)	23.05
(ii) Non Controlling Interest		(2.25)	1.64
Total Comprehensive Income Attributable To			
(i) Owners		9,185.00	5,723.10
(ii) Non Controlling Interest	34	12.03	62.50
Earnings per equity Share (Face value of ₹ 10 each)			
(1) Basic (in ₹)		20.63	18.57
(2) Diluted (in ₹)		20.63	18.57
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	2 - 52		

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman and Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842



Consolidated Statement of Cash Flow

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Flow From Operating Activities		
Profit Before Tax	11,385.53	7,712.98
Adjustment for :		
Depreciation	3,007.10	2,934.82
Interest Paid	2,557.46	3,493.61
Interest Income	(252.02)	(275.99)
Allowance for Expected Credit Loss	172.71	159.87
Net (Gain) / Loss on Sale of Property, Plant and Equipment	(44.31)	45.55
Share in profit of Associate and Joint Venture	(50.36)	(193.84)
Forfeiture of Preferential Share Warrants	(3,800.88)	-
Rent concession on Lease Rentals	(11.02)	(87.38)
(Gain) on Sale of Lease Asset	(6.98)	(15.81)
Operating Profit before Working Capital changes	12,957.23	13,773.81
Changes in Working Capital		
Adjustment for :		
(Increase) / Decrease in Inventories	(924.64)	(2,755.34)
(Increase) / Decrease in Trade Receivables	(5,051.14)	(4,762.95)
(Increase) / Decrease in Financial Assets	(11.63)	542.70
(Increase) / Decrease in Other Assets	(1,571.09)	(836.06)
Increase / (Decrease) in Trade Payables	(4,921.58)	1,991.89
Increase / (Decrease) in Other Financial Liabilities	1,385.04	(2,918.52)
Increase / (Decrease) in Other Liabilities	(281.71)	914.02
Increase / (Decrease) in Provisions	32.47	(6.65)
Cash generated from operations before Income Tax Paid	1,612.95	5,942.90
Direct Taxes Paid	(1,412.96)	(1,352.65)
Net Cash Flow From Operating Activities (A)	199.98	4,590.25
Cash Flow From Investing Activities		
Payments for purchase of Property, Plant and Equipment including Capital Work-in-Progress	(7,813.98)	(4,062.72)
Proceeds from sales of Property, Plant and Equipment	591.55	190.67
Proceeds / (Payments) of term deposits	(83.92)	636.60
(Purchase) / Sale in Investments (Net)	4,725.68	394.42
Interest Received	252.02	275.99
Net Cash Flow Used In Investing Activities (B)	(2,328.65)	(2,565.04)
Cash Flow From Financing Activities		
Proceeds from Non-Current Borrowings (Net)	(3,010.53)	4,846.03
Increase/ (Decrease) in Current Borrowings (Net)	(7,633.12)	(5,294.85)
Interest Paid	(2,459.80)	(3,396.46)
Issue of Preferential Share Warrants	314.55	5,355.45
Proceeds from Issue of Shares including shares issued to Minority Shareholders	292.44	-
Proceeds from Issue of Share Capital	22,464.19	-
Payment of Share Issue Expenses	(632.98)	-
Payment of Lease Liability	(338.78)	(299.05)
Dividend Paid	(171.11)	(215.66)
Net Cash Flow Used In Financing Activities [C]	8,824.86	995.46
Net Increase in Cash and Cash Equivalents during the year [A+B+C]	6,696.20	3,020.67
Add: Cash and Cash Equivalents at the beginning for the year	3,411.73	391.06
Less: Cash and Cash Equivalents disposed On Account of Derecognition of Subsidiary	-	-
Cash and Cash Equivalents at the end for the year	10,107.93	3,411.73

Consolidated Statement of Cash Flow

for the Year Ended March 31, 2022

Notes:

(a) Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents: (Refer Note 12)		
Cash on Hand	33.23	23.42
Balance with Bank	3,436.29	1,246.54
Term Deposits with Bank	73.41	191.37
Sub Total - A	3,542.93	1,461.33
Current Investments: (Refer Note 6)		
Investment in Mutual Funds	6,565.00	1,950.40
Sub Total - B	6,565.00	1,950.40
Total (A + B)	10,107.93	3,411.73

(b) Reconciliation of Liabilities arising from Financing Activities

(₹ in Lakhs)

As at March 31, 2022	Opening Balance	Cash Flows	Non Cash Changes	On Account of Derecognition of Subsidiary	Closing Balance
Long Term Borrowings (Incl. Current maturity)	14,107.57	(3,010.53)	-	-	11,097.04
Short Term Borrowings	17,508.76	(7,633.12)	-	-	9,875.64
Total Liabilities from Financing Activities	31,616.33	(10,643.65)			20,972.68

(₹ in Lakhs)

As at March 31, 2021	Opening Balance	Cash Flows	Non Cash Changes	On Account of Derecognition of Subsidiary	Closing Balance
Long Term Borrowings (Incl. Current maturity)	9,261.54	4,846.03	-	-	14,107.57
Short Term Borrowings	22,803.61	(5,294.85)	-	-	17,508.76
Total Liabilities from Financing Activities	32,065.15	(448.82)			31,616.33

(c) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

Significant Accounting Policies	1
See accompanying notes to the Financial Statements	2 - 52

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman and Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842



Consolidated Statement of Changes in Equity

for the Year Ended March 31, 2022

A Equity Share Capital

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	3,405.44	3,008.74
Changes in Equity Share Capital during the year	2,269.72	396.70
Balance at the end of the year	5,675.16	3,405.44

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Capital Reserve	Preferential Share Warrants	Total Equity attributable to Owners	Non-Controlling Interest	Total
	Capital Reserve on Consolidation	Security Premium	General Reserve	Retained Earnings					
Balance as at April 1, 2020	3,362.67	7,690.51	890.00	34,668.89	-	2,115.00	48,727.07	2,920.40	51,647.47
Profit for the year	-	-	-	5,700.05	-	-	5,700.05	60.86	5,760.91
Other Comprehensive Income for the year	-	-	-	23.05	-	-	23.05	1.64	24.69
Total Comprehensive Income for the year	-	-	-	5,723.10	-	-	5,723.10	62.50	5,785.60
Issue of Security Premium	-	6,743.90	-	-	-	-	6,743.90	-	6,743.90
Issue of Preferential Share Warrants	-	-	-	-	-	5,355.45	5,355.45	-	5,355.45
Conversion of Preferential Share Warrants into Equity Share Capital and Security Premium	-	-	-	-	-	(7,140.60)	(7,140.60)	-	(7,140.60)
Dividends (Refer Note 14.2)	-	-	-	(216.56)	-	-	(216.56)	-	(216.56)
Balance as at March 31, 2021	3,362.67	14,434.41	890.00	40,175.43	-	329.85	59,192.36	2,982.90	62,175.26
Profit for the year	-	-	-	9,194.62	-	-	9,194.62	14.28	9,208.90
Other Comprehensive Income for the year	-	-	-	(9.62)	-	-	(9.62)	(2.25)	(11.87)
Total Comprehensive Income for the year	-	-	-	9,185.00	-	-	9,185.00	12.03	9,197.03
Changes in interest in Subsidiary (Refer Note 14.3)	(161.88)	-	-	-	-	-	(161.88)	(34.68)	(196.56)
Recognition of Non-controlling Interest in Step Subsidiary (refer Note 14.4)	-	-	-	-	-	-	-	489.00	489.00
Issue of Security Premium	-	19,980.89	-	-	-	-	19,980.89	-	19,980.89
Issue of Preferential Share Warrants	-	-	-	-	-	314.55	314.55	-	314.55
Conversion of Preferential Share Warrants into Equity Share Capital and Security Premium	-	-	-	-	-	(419.40)	(419.40)	-	(419.40)
Forfeiture of Preferential Share Warrants	-	-	-	-	225.00	(225.00)	-	-	-
Profit / Loss on On Account of Derecognition of Associate	-	-	-	(1,776.57)	-	-	(1,776.57)	-	(1,776.57)
Dividends (Refer Note 14.2)	-	-	-	(171.44)	-	-	(171.44)	-	(171.44)
Balance as at March 31, 2022	3,200.79	34,415.30	890.00	47,412.42	225.00	-	86,143.51	3,449.25	89,592.76

Significant Accounting Policies

1

See accompanying notes to the Financial Statements

2 - 52

As per our report of even date attached

For **R R S & Associates**Chartered Accountants
ICAI Firm Reg. No.- 118336W**Hitesh V. Kriplani**Partner
Membership No.- 140693Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. PatelChairman and Managing Director
DIN: 00229700**CA Amarendra Kumar Gupta**Chief Financial Officer
Membership No.- 063510Place: Ahmedabad
Date: 24 May, 2022**Mukeshbhai J. Patel**Managing Director
DIN: 00406744**Dr. Dhruvi Trivedi**Company Secretary
Membership No.- A31842

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Group's Background:

The consolidated financial statements comprise financial statements of Asian Granito India Limited (the Parent), its subsidiaries and associate (collectively, the group) for the year ended March 31, 2022. The Parent is a public limited company domiciled and incorporated in India under the Companies Act, 1956. The Equity shares of the Parent are listed in India on the BSE Limited and National Stock Exchange Limited. The registered office of the Parent is located at 202, Dev Arc, Opp. Isckon Temple, S.G. Highway, Ahmedabad - 380015.

The Group is engaged in manufacturing and trading of Tiles, Marble and allied products.

The consolidated financial statements of the group for the year ended on March 31, 2022 were authorised for issue in accordance with a resolution of the Directors on May 24, 2022.

1. Statement on Significant Accounting Policies, Key Accounting Estimates and Judgements:

1.1 Basis for Preparation:

These financial statements are the consolidated financial statements of the group prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual and going concern basis of accounting except for the certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The accounting policies have been applied consistently over all the periods presented in these financial statements.

1.2 Functional and Presentation Currency:

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

1.3 Key Accounting Estimates and Judgements:

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes

that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

1.4 Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

ii) Income taxes:

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Defined Benefit Obligation:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

iv) Estimates:

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

v) Estimation of Uncertainties Relating to the Global Health Pandemic from COVID-19:

In view of the unprecedented COVID-19 pandemic, the Group has made a detailed assessment of its liquidity position for the next one year and recoverability of Property, Plant and Equipment, Investments, Trade Receivables and Inventories as at the balance sheet date. In assessing the recoverability, the Group has considered internal and external information upto the date of approval of these Ind AS consolidated financial statements and has concluded that there are no material impact on the operations and the financial position of the Group. However, the impact of the global health pandemic may be different from that estimated at the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

1.5 Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

1.6 Basis for consolidation:

The consolidated financial statements comprise the financial statements of the Group and Group's share of

profit/loss in its associate as at March 31, 2022. Control exists when the Group has:

- power over the investee;
- exposure or rights, to variable returns from its involvement with the investee; and
- ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Generally, there is a presumption that a majority of voting rights result in control. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group have, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date when the group gains control until the date when the Group ceases to control the subsidiary.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity. Any investment retained is measured at fair value. Any resultant gain or loss is recognised in the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on March 31, 2022.

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Parent and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses in accordance with Ind AS 110 "Consolidated Financial Statements". Further, the carrying amount of the Parent's investments in each subsidiary and the Parent's portion of equity of each subsidiary are eliminated on consolidation.
- ii) The consolidated financial statements include the share of profit / loss of an associate which have been accounted for using equity method as per Ind AS 28 "Investment in Associate and Joint Ventures". The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss (the loss being restricted to the cost of investment) of the investee after the acquisition date.
- iii) Profit or loss and each component of Other Comprehensive Income (the 'OCI') are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- iv) The excess of cost to the Group of its investments in the subsidiary companies, joint venture and associate over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries, joint venture and associate as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital

Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

- v) Non-controlling Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the non-controlling shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year and each component of Other Comprehensive Income of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the parent.

1.7 Summary of Significant Accounting Policies:

a) Business Combinations:

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

b) Property, Plant and Equipment:

i. Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price, including import duties, borrowing cost, changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets, other non-refundable purchase taxes or levies and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

ii. Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method (SLM) Method based on the useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 except following items of Property, Plant and Equipment where group has estimated different useful life:

Particulars	Useful Life varying between
Plant and Machinery	8 and 21 Years
Buildings	10 and 60 Years
Furniture and Fixtures and Office equipment	5 and 13 Years

Land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

iii. Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

iv. Capital Work-in-progress:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress.

c) Investment Property:

Investment Property is measured initially at cost including related transaction costs.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably. All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

d) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

e) Impairment of Non-financial Assets:

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

f) Inventory:

Raw materials, finished goods, packing materials, stores, spares, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, first in first out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and

all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

g) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Initial recognition and measurement:

The Group recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

- i. The Group's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. **Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. **Financial assets measured at FVTOCI:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI).

iii. **Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost less provision for impairment based on expected credit loss.

For trade and lease receivable only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Financial Liabilities

Initial recognition and measurement:

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement:

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in consolidated financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Fair Value:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial

statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

i) Revenue Recognition:

The Group has applied Ind AS 115 'Revenue from Contracts with Customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue from sale of goods is recognised when control of the products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The Performance Obligations in contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Customers have the contractual right to return goods only when authorised by the Group.

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payment is established.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Export benefits:

The Company recognises income from duty drawback and export benefit on accrual basis.

j) Income Taxes:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable

that sufficient taxable profits will be available to allow the benefits of part or all such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

k) Foreign Currency Transaction and Translation:

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

l) Provision and Contingencies:

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

m) Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

i. Defined Contribution plans:

Defined contribution plans are employee provident fund, employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

Recognition and measurement of defined contribution plans:

The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during

the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

ii. Defined Benefit plans:

The Group operates a defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Group presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Group will contribute this amount to the gratuity fund within the next twelve months.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Other Long-Term Employee Benefits:

Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The group determines the liability for such accumulated leave using the projected accrued benefit method with actuarial valuations being carried out at each Balance Sheet date.

n) Lease Accounting:

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a Lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU")

and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer note no. 41, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income

o) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

p) Earnings per share:

Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

q) Cash Flow Statement:

Cash Flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

r) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, deposit accounts and term deposits accounts with original maturity of three months or less as at balance sheet date, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, deposit accounts and term deposits as defined above and investment in liquid funds for short term purpose.

s) Events after Reporting Date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

t) Investment in Associate and Joint Venture:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and Other Comprehensive Income of the associate or Joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture); the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

2 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Factory Building	Office and Other Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total	Capital Work-in-Progress
Cost / Deemed cost										
As at April 1, 2020	6,923.13	10,142.68	951.14	33,378.71	1,908.38	429.91	791.71	617.68	55,143.34	937.45
Additions	6.68	105.22	-	2,115.64	237.53	32.43	28.14	32.02	2,557.66	1,583.83
Deductions	-	-	-	(583.55)	(30.19)	(23.20)	(72.73)	(102.14)	(811.81)	(78.77)
As at March 31, 2021	6,929.81	10,247.90	951.14	34,910.80	2,115.72	439.14	747.12	547.56	56,889.19	2,442.51
Additions	30.06	-	316.41	4,414.97	71.81	26.95	139.02	58.20	5,057.42	4,340.94
Deductions	-	-	-	(1,341.54)	(45.52)	(45.46)	(110.46)	(121.49)	(1,664.47)	(1,582.92)
As at March 31, 2022	6,959.87	10,247.90	1,267.55	37,984.23	2,142.01	420.63	775.68	484.27	60,282.13	5,200.53
Accumulated depreciation										
As at April 1, 2020	-	1,302.64	54.72	6,839.43	840.52	321.85	456.21	497.84	10,313.21	-
Depreciation for the year	-	339.25	19.59	1,960.55	138.49	34.41	57.72	49.42	2,599.43	-
Deductions	-	-	-	(385.65)	(28.77)	(22.09)	(44.51)	(94.57)	(575.59)	-
As at March 31, 2021	-	1,641.89	74.31	8,414.33	950.24	334.17	469.42	452.69	12,337.05	-
Depreciation for the year	-	342.43	20.21	2,087.54	138.50	29.57	53.26	43.05	2,714.57	-
Depreciation consider in CWIP (See Note (b))	-	-	-	(0.21)	-	(0.02)	(1.18)	(0.03)	(1.44)	-
Net Depreciation Charged in Profit and Loss Account	-	342.43	20.21	2,087.33	138.50	29.55	52.09	43.02	2,713.13	-
Deductions	-	-	-	(853.83)	(38.64)	(43.67)	(69.08)	(112.02)	(1,117.24)	-
As at March 31, 2022	-	1,984.32	94.52	9,648.05	1,050.10	320.07	453.60	383.73	13,934.39	-
As at March 31, 2022	6,959.87	8,263.58	1,173.03	28,336.18	1,091.91	100.56	322.08	100.54	46,347.74	5,200.53
As at March 31, 2021	6,929.81	8,606.01	876.83	26,496.47	1,165.48	104.97	277.70	94.87	44,552.14	2,442.51



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

CWIP Ageing Schedule

As At March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,302.58	168.64	716.71	12.60	5,200.53
Projects temporarily suspended	-	-	-	-	-

As At March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,697.53	732.38	12.60	-	2,442.51
Projects temporarily suspended	-	-	-	-	-

Note:

- For information on Property Plant and Equipment pledged as a security by the Group Refer Note 15.
- Gresart Ceramica Private Limited (a Subsidiary of Amazoone Ceramic Limited i.e. a step down subsidiary of the Holding Company) incorporated on and till March 31, 2022 the Company has not started any commercial operation, hence depreciation of Gresart Ceramica Private Limited considered as capital work in progress instead of Profit and loss account.

3 Right of Use Assets

Particulars	(₹ in Lakhs)	
		Office and Other Building
As at April 1, 2020		1,361.06
Additions		273.48
Deductions		(342.48)
As at March 31, 2021		1,292.06
Additions		444.79
Deductions		(71.28)
As at March 31, 2022		1,665.57
Accumulated depreciation		
As at April 1, 2020		296.08
Depreciation for the year		335.38
Deductions		(134.23)
As at March 31, 2021		497.23
Depreciation for the year		293.98
Deductions		(18.67)
As at March 31, 2022		772.54
Net Block		
As at March 31, 2022		893.02
As at March 31, 2021		794.83

Refer Note 41 for related disclosures.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

4 Investment Property

(₹ in Lakhs)

Particulars	Free hold - Land
Cost / Deemed cost	
As at April 1, 2020	50.76
Additions	-
Deductions	-
As at March 31, 2021	50.76
Additions	-
Deductions	-
As at March 31, 2022	50.76
Accumulated depreciation	
As at April 1, 2020	-
Depreciation for the year	-
Deductions	-
As at March 31, 2021	-
Depreciation for the year	-
Deductions	-
As at March 31, 2022	-
Net Block	
As at March 31, 2022	50.76
As at March 31, 2021	50.76

Notes:

- The Group has classified freehold land located at Nandan Vatrika as Investment Property. There are no amounts pertaining to these investment properties recognised in the statement of profit and Loss, since Group does not receive any rental Income and does not incur any depreciation or other operating expenses.
- The Group does not have any contractual obligation to purchase, construct or develop for maintenance or enhancement of investment property.
- The Group has no restrictions on the realisability of its investment property.
- Fair Value of investment property:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Free hold - Land	50.76	50.76
Total	50.76	50.76



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

5 Goodwill

(₹ in Lakhs)

Particulars	Goodwill on Consolidation
Cost / Deemed cost	
As at April 1, 2020	331.67
Additions	-
Deductions	-
As at March 31, 2021	331.67
Additions	-
Deductions	-
As at March 31, 2022	331.67
Accumulated depreciation	
As at April 1, 2020	-
Depreciation for the year	-
Deductions	-
As at March 31, 2021	-
Depreciation for the year	-
Deductions	-
As at March 31, 2022	-
Net Block	
As at March 31, 2022	331.67
As at March 31, 2021	331.67

6 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Investments		
Investment in Equity Instruments of Associate	-	2,603.78
Investment in Others	26.12	73.35
Total	26.12	2,677.13
Current Investments		
Investment in Mutual Funds	6,565.00	1,950.40
Total	6,565.00	1,950.40

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		No. of Shares/Units	₹	No. of Shares/Units	₹
Non-Current					
I Investments in Equity Instruments (measured at cost, Refer Note 32)					
A) Quoted					
i) Associate					
Astron Paper & Board Mill Limited	-	-	-	87,75,000	2,603.78
Total (I)	-	-	-		2,603.78
II Other Investments (Measured at Cost, Refer Note 32)	-	-	26.12	-	73.35
Total (II)			26.12		73.35
Grand Total (I + II)			26.12		2,677.13
Current					
Quoted (Measured at FVTPL)(Refer Note 32)					
Investment in Mutual Funds					
SBI Magnum Ultra Short duration Fund Direct Growth - NAV: Nil (Previous Year : 4718.9734)		-	-	21,205.16	1,000.67
SBI Savings Fund Regular Growth - NAV: Nil (Previous Year : 32.5711)		-	-	4,76,791.17	155.30
SBI Credit Risk Fund Regular Growth - NAV: 36.1575 (Previous Year : 34.2530)		3,19,897.63	115.67	3,19,897.63	109.57
SBI Corporate Bond Fund Regular Growth - NAV: Nil (Previous Year : 25.0222)		-	-	27,36,996.03	684.86
SBI Short Term Debt Fund Regular Growth Plan - NAV: 26.0457 (Previous Year : Nil)		24,98,045.96	650.60	-	-
Tata Money Market Fund Direct Plan - Growth- NAV: 3825.342 (Previous Year : Nil)		53,387.32	2,042.25	-	-
SBI Savings Fund - Direct Plan - Growth- NAV: 35.5614 (Previous Year : Nil)		65,89,178.90	2,343.20	-	-
Aditya Birla Sun Life Money Manager Fund- Growth-Direct -NAV: - 298.9105 (Previous Year: Nil)		4,72,805.22	1,413.27	-	-
Total			6,565.00		1,950.40

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Book Value	Market Value	Book Value	Market Value
Non-Current				
Total Quoted Investments	-	-	2,603.78	3,597.75
Total Unquoted Investments	26.12	-	73.35	-
Current				
Total Quoted Investments	6,565.00	6,565.00	1,950.40	1,950.40

Note:

a) Associate

During the current year company sold the entire equity investment of 87,75,000 shares in Astron Paper & Board Mill Limited (which represents 18.87% of the total issued equity shares of Astron Paper & Board Mill Limited) on August 10, 2021, hence its cease to be associate of the company.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Unsecured, Considered good		
Loans to Related Parties (Refer Note 38)	136.81	165.75
Loans to Others	1.24	1.25
Total	138.05	167.00
Breakup:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	138.05	167.00
Loans which have significant increase in credit risk	-	-
Loans - Credit impaired	-	-
Less: Allowance for doubtful Loans	-	-
Total	138.05	167.00
Current		
Unsecured, Considered good		
Loans and Advances to Employees	25.60	23.92
Loans to Others	1,449.36	1,337.51
Total	1,474.96	1,361.43
Breakup:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	1,474.96	1,361.43
Loans which have significant increase in credit risk	-	-
Loans - Credit impaired	-	-
Less: Allowance for doubtful Loans	-	-
Total	1,474.96	1,361.43

(a) Notes:

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013).

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Related Parties	54.62	61.54	3.39%	4.03%

8 Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Security and Other Deposits	319.86	95.08
In Term Deposit Accounts with original maturity more than 12 months	39.56	81.83
Total	359.42	176.91
Current		
Export Incentive Receivables	249.30	495.65
Security and Other Deposits	74.97	85.72
Others	589.87	589.89
Total	914.14	1,171.26

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

9 Other Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Payment under Protest	1,111.65	977.95
Capital Advances	816.12	276.71
Advance Tax	32.16	-
Total	1,959.93	1,254.66
Current		
Balances with Government Authorities	912.64	493.35
Advances to Vendors	3,646.00	2,947.06
Prepaid Expenses	271.51	229.29
Others	0.32	294.97
Total	4,830.47	3,964.67

10 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Valued at Lower of Cost or Net Realisable Value		
Raw Material	6,244.18	5,624.82
Work-in-Progress	5,071.94	5,127.29
Finished Goods	13,665.03	13,952.08
Stock in Trade	3,154.71	2,878.66
Stores, Spares, Fuel and Consumables	4,347.20	4,039.80
Packing Materials	372.63	308.40
Total	32,855.69	31,931.05

11 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables from Others	44,760.84	42,028.49
Receivables from Related Parties (Refer Note 38)	2,146.08	-
Total	46,906.92	42,028.49
Breakup:		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	46,906.92	42,028.49
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	110.28	119.97
Less: Allowance for Expected Credit Loss	(110.28)	(119.97)
Total	46,906.92	42,028.49



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

a) Trade Receivables Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	40,145.17	931.52	1,580.69	1,261.72	355.50	44,274.59
Undisputed Trade Receivables – considered doubtful	0.56	11.79	2.94	4.35	90.64	110.28
Disputed Trade Receivables considered good	1.00	367.89	71.76	310.26	1,881.42	2,632.33
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

As at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	34,565.19	2,077.06	1,714.12	947.55	67.50	39,371.43
Undisputed Trade Receivables – considered doubtful	1.63	0.58	1.19	8.60	107.97	119.97
Disputed Trade Receivables considered good	15.61	56.53	416.32	534.86	1,633.74	2,657.06
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

12 Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on Hand	33.23	23.42
Balances with Banks		
In Current Accounts	3,436.29	1,246.54
In Term Deposit Accounts with Original Maturity of less than 3 months	73.41	191.37
Total	3,542.93	1,461.33
Other Balances with Banks		
Unpaid Dividend	3.02	2.69
In Term Deposit Accounts with Original Maturity more than 3 months but less than 12 months*	470.48	387.22
Total	473.50	389.91

* It includes deposits given to bank for margin requirements against Bank Guarantee and Letter of Credit facilities.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

13 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
4,75,00,000 Equity Shares of ₹ 10/- each (P.Y. 3,62,50,000) Equity Shares of ₹ 10 Each	4,750.00	3,625.00
Issued, Subscribed and Paid up:		
5,67,51,634 Equity Shares of ₹ 10/- Each fully Paid up (P.Y. 3,40,54,446) Equity Shares of ₹ 10 Each	5,675.16	3,405.44
Total	5,675.16	3,405.44

13.1 Reconciliation of Shares Outstanding at the end of the year

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares/Units	₹	No. of Shares/Units	₹
At the beginning of the year	3,40,54,446	3,405.44	3,00,87,446	3,008.74
Add: Issued during the year	2,26,97,188	2,269.72	39,67,000	396.70
At the end of the year	5,67,51,634	5,675.16	3,40,54,446	3,405.44

- (a) During the financial year 2021-22, the Holding Company has allotted 2,33,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each on conversion of convertible warrants issued on preferential basis. (Refer Note 13.1)
- (b) During the financial year 2021-22, the Holding Company has issue of 2,24,64,188 equity shares of face value of ₹ 10 each (the "Rights Issue Shares") at a price of ₹ 100 per Rights Equity Shares (including premium of ₹ 90 per Rights Equity Share) in the ratio of 19:29, i.e. 19 Rights Equity Shares for every 29 existing Equity Shares held by the eligible equity shareholders as on the record date, i.e. September 09, 2021. The issue was oversubscribed and the Holding Company received bids for 2,58,86,126 number of Rights Equity shares. On October 16, 2021, the Board of Directors of the Holding Company approved the allotment of 2,24,64,188 equity shares of face value ₹ 10/- each to the eligible equity shareholders as fully paid up. There was no deviation in use of proceeds from the objects stated in the Offer document for Right Issue.
- (c) During the previous year, the Holding Company has allotted 39,67,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each on conversion of convertible warrants issued on preferential basis. (Refer Note 13.1)

(d) Utilisation of Proceeds from Rights Issue of Holding Company

The proceeds of the right issue [refer (b) above] were utilized in accordance with the details set forth below:

(₹ in Lakhs)

Sr. No	Item Head	Amount as proposed in Letter of offer dated September 04, 2021 of Holding Company	Amount Transferred from one object to another	Amount Utilized during the Period	Total Unutilized Amount
i	Part repayment / Pre-payment of certain secured loans availed from lenders	8,000.00	-	8,000.00	-
ii	To meet working capital requirements	8,375.00	-	8,375.00	-



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Sr. No	Item Head	Amount as proposed in Letter of offer dated September 04, 2021 of Holding Company	Amount Transferred from one object to another	Amount Utilized during the Period	Total Unutilized Amount
iii	Issue expenses saved added with General Corporate Proceeds as per Rights Issue LOF dated September 04, 2021	1,150.00	(517.02)	632.98	-
iv	General Corporate Proceeds (as per as per Rights Issue LOF dated September 04, 2021 was ₹ 4939.19 Lakhs and saved issue expenses added)	4,939.19	517.02	5,456.21	-
Total		22,464.19	-	22,464.19	-

13.2 Terms/Rights attached to Equity shares

The Holding Company has one class of shares referred to as Equity shares having face value of ₹ 10.

(a) Equity Shares

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts and Preference shares. The distribution will be in proportion to the number of Equity shares held by the Shareholders. Each holder of Equity shares is entitled to one vote per share.

(b) Dividend

The Company declares and pays dividend in Indian rupees and shareholders are entitled to receive the same upon declaration of the same. The dividend proposed by the Board is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

13.3 Details of Shareholders Holding more than 5% of Equity shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Kamleshkumar B Patel	63,71,710	11.23%	50,73,741	14.90%
Mukeshbhai J Patel	36,52,862	6.44%	27,91,174	8.20%
Sureshbhai J Patel	32,03,379	5.64%	21,68,534	6.37%

13.4 Shares held by promoters

Sr. No	Category	Promoter name	At the end of the year as at March 31, 2022		At the end of the year as at March 31, 2021		% Change during the year
			No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Promoter	Bhaveshbhai V Patel	10,000	0.02%	-	0.00%	0.02%
2		Girish N Patel	53,750	0.09%	-	0.00%	0.09%
3		Hasmukhbhai Patel	-	0.00%	1,95,336	0.57%	-0.57%
4		Kamleshkumar B Patel	63,71,710	11.23%	50,73,741	14.90%	-3.67%
5		Kanubhai B Patel	1,63,299	0.29%	-	0.00%	0.29%
6		Mukeshbhai J Patel	36,52,862	6.44%	27,91,174	8.20%	-1.76%
7		Pankaj M Patel	67,600	0.12%	-	0.00%	0.12%
8		Rameshbhai B Patel	4,66,121	0.82%	3,31,615	0.97%	-0.15%

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Sr. No	Category	Promoter name	At the end of the year as at March 31, 2022		At the end of the year as at March 31, 2021		% Change during the year
			No. of Shares	% of total shares	No. of Shares	% of total shares	
9		Alpaben J Patel	24,500	0.04%	-	0.00%	0.04%
10		Bhagubhai P Patel	-	0.00%	1,33,700	0.39%	-0.39%
11		Bhagubhai P Patel Huf	-	0.00%	2,25,200	0.66%	-0.66%
12		Bhanuben M Patel	-	0.00%	1,21,600	0.36%	-0.36%
13		Bhikhabhai K Patel	-	0.00%	1,26,710	0.37%	-0.37%
14		Bhikhabhai V Patel (Huf)	26,500	0.05%	-	0.00%	0.05%
15		Bhikhabhai V Patel	35,226	0.06%	-	0.00%	0.06%
16		Bhoghibhai B. Patel (Huf)	57,434	0.10%	34,700	0.10%	0.00%
17		Bhogilal B Patel	4,19,073	0.74%	4,20,640	1.24%	-0.50%
18		Chandhricaben D Patel	-	0.00%	5,365	0.02%	-0.02%
19		Chhayaben S Patel	-	0.00%	1,08,430	0.32%	-0.32%
20		Danjibhai P Patel	-	0.00%	33,726	0.10%	-0.10%
21		Dimpalben B Patel	-	0.00%	68,340	0.20%	-0.20%
22		Dipak N Patel	2,33,092	0.41%	-	0.00%	0.41%
23		Dipakbhai D Patel (Huf)	-	0.00%	11,300	0.03%	-0.03%
24		Dipakbhai D Patel	-	0.00%	20,000	0.06%	-0.06%
25		Dipakkumar N Patel Huf	57,103	0.10%	-	0.00%	0.10%
26		Girish N Patel Huf	60,744	0.11%	-	0.00%	0.11%
27		Girishbhai M Patel Huf	9,500	0.02%	-	0.00%	0.02%
28		Gitaben P Patel	40,700	0.07%	-	0.00%	0.07%
29	Promoter Group	Gitaben R Patel	72,672	0.13%	43,906	0.13%	0.00%
30		Hinaben K Patel	-	0.00%	2,16,150	0.63%	-0.63%
31		Hiraben B Patel	-	0.00%	72,760	0.21%	-0.21%
32		Jivabhai J Patel (Huf)	-	0.00%	1,49,600	0.44%	-0.44%
33		Kamleshkumar B Patel Huf	5,39,420	0.95%	3,25,900	0.96%	-0.01%
34		Kanubhai B Patel (Huf)	20,000	0.04%	-	0.00%	0.04%
35		Khemiben M Patel	44,750	0.08%	-	0.00%	0.08%
36		Manilal V Patel	30,310	0.05%	-	0.00%	0.05%
37		Manilal V Patel Huf	8,500	0.01%	-	0.00%	0.01%
38		Mukeshbhai J Patel (Huf)	-	0.00%	98,710	0.29%	-0.29%
39		Narayanbhai M Patel	2,05,969	0.36%	-	0.00%	0.36%
40		Narayanbhai M Patel (Huf)	48,165	0.08%	-	0.00%	0.08%
41		Paliben B Patel	39,390	0.07%	-	0.00%	0.07%
42	Pankajkumar M Patel HUF	11,000	0.02%	-	0.00%	0.02%	
43	Parulben K Patel	55,300	0.10%	-	0.00%	0.10%	
44	Patel G Manilal	1,57,351	0.28%	-	0.00%	0.28%	
45	Sangitaben G Patel	55,862	0.10%	-	0.00%	0.10%	
46	Suresh B Patel	1,90,885	0.34%	-	0.00%	0.34%	
47	Sureshbhai J Patel	32,03,379	5.64%	21,68,534	6.37%	-0.72%	
48	Sureshbhai J Patel Huf	-	0.00%	1,48,036	0.43%	-0.43%	
49	Sureshkumar B Patel (Huf)	24,400	0.04%	-	0.00%	0.04%	
50		Ushaben D Patel	-	0.00%	8,731	0.03%	-0.00%



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

14 Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Preferential Share Warrants	Total Equity attributable to Owners	Non-Controlling Interest	Total
	Capital Reserve on Consolidation	Security Premium	General Reserve	Retained Earnings	Capital Reserve				
Balance as at April 1, 2020	3,362.67	7,690.51	890.00	34,668.89		2,115.00	48,727.07	2,920.40	51,647.47
Profit for the year	-	-	-	5,700.05	-	-	5,700.05	60.86	5,760.91
Other Comprehensive Income for the year	-	-	-	23.05	-	-	23.05	1.64	24.69
Total Comprehensive Income for the year	-	-	-	5,723.10	-	-	5,723.10	62.50	5,785.60
Issue of Security Premium	-	6,743.90	-	-	-	-	6,743.90	-	6,743.90
Issue of Preferential Share Warrants	-	-	-	-	-	5,355.45	5,355.45	-	5,355.45
Conversion of Preferential Share Warrants in to Equity Share Capital and Security Premium	-	-	-	-	-	(7,140.60)	(7,140.60)	-	(7,140.60)
Dividends (Refer Note 14.2)	-	-	-	(216.56)	-	-	(216.56)	-	(216.56)
Balance as at March 31, 2021	3,362.67	14,434.41	890.00	40,175.43	-	329.85	59,192.36	2,982.90	62,175.26
Profit for the year	-	-	-	9,194.62	-	-	9,194.62	14.28	9,208.90
Other Comprehensive Income for the year	-	-	-	(9.62)	-	-	(9.62)	(2.25)	(11.87)
Total Comprehensive Income for the year	-	-	-	9,185.00	-	-	9,185.00	12.03	9,197.03
Changes in interest in subsidiary (Refer Note 14.3)	(161.88)	-	-	-	-	-	(161.88)	(34.68)	(196.56)
Recognition of Non controlling interest in Step Subsidiary (refer Note 14.4)	-	-	-	-	-	-	-	489.00	489.00
Issue of Security Premium	-	19,980.89	-	-	-	-	19,980.89	-	19,980.89
Issue of Preferential Share Warrants	-	-	-	-	-	314.55	314.55	-	314.55
Conversion of Preferential Share Warrants in to Equity Share Capital and Security Premium	-	-	-	-	-	(419.40)	(419.40)	-	(419.40)
Forfeiture of Preferential Share Warrants	-	-	-	-	225.00	(225.00)	-	-	-
Profit / Loss on On Account of Derecognition of Associate	-	-	-	(1,776.57)	-	-	(1,776.57)	-	(1,776.57)
Dividends (Refer Note 14.2)	-	-	-	(171.44)	-	-	(171.44)	-	(171.44)
Balance as at March 31, 2022	3,200.79	34,415.30	890.00	47,412.42	225.00	-	86,143.51	3,449.25	89,592.76

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

14.1 Nature and purpose of other reserves:

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) General Reserve

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

(c) Capital Reserve on consolidation

Capital Reserve represents difference between fair value of the net assets acquired and consideration issued for past business combination.

(d) Retained Earnings

The amount of retained earning includes the component of other comprehensive income, which cannot be distributed by the Company as dividends to its equity shareholders. Balance amount is available for distribution to equity share holders.

(e) Capital Reserve

The capital reserve is created through forfeiture of shares warrants, shares, revaluation of existing assets, the redemption of preference shares and accumulated capital surplus not available for distribution of dividend.

(f) Preferential Share Warrants

After receiving in principal approval from the Stock Exchanges and from Shareholders, the Holding Company has offered 47,00,000 "Fully Convertible Warrants" at price of ₹ 180/- each (at a face value of ₹ 10/- each and Premium of ₹ 170/- Per Convertible Warrant) in one or more tranches for the below objective:

- i) To fund long term capital requirements for future growth of the Company;
- ii) To meet working capital requirement and reducing debts; and
- iii) To meet General Corporate Purpose.

During the year ended on March 31, 2021, the Holding Company has allotted 39,67,000 equity shares (Instrument value of ₹ 180/-) of face value of ₹ 10/- each and premium of ₹ 170/- each. In Promoter category 23,67,000 equity shares and in Non-promoter category 16,00,000 equity shares are allotted on conversion of convertible warrants issued on preferential basis. The Paid-up Equity capital of the Holding Company has increased from ₹ 3008.74 Lakhs to ₹ 3405.44 Lakhs and resultant security premium of ₹ 6,743.90 Lakhs has been credited into security premium account and shown in the "Reserve and Surplus" in "Other Equity". The proceeds of the preferential issue were utilised by the Holding Company for the objectives as stated.

14.2 Dividend:

The Board of Directors at its meeting held on May 31, 2022 have recommended a payment of final dividend of ₹0.70 (P.Y. ₹ 0.50) per equity share of the face value of ₹ 10 each for the financial year ended March 31, 2022.

14.3 During the current financial year, the holding company has increased its stake in subsidiary company Amazoone Ceramics Limited from 96.92% to 97.77% by way of directly purchase of 82,66,375 shares at ₹ 40/- per share from company and 3,46,250 shares from other shareholders.

14.4 During the year, the Subsidiary Company Amazoone Ceramics Limited have subscribed for 76,48,420 Equity Shares of ₹ 10 each in Gresart Ceramica Private Limited (Wall tiles manufacturing) aggregating 61.00% of the equity share capital making it a step down subsidiary of the Holding Company.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

15 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Borrowings (measured at amortised cost, Refer Note 32)		
Secured		
Term Loans		
- From Banks	7,836.80	7,316.70
- From Financial Institutions	1,528.58	1,898.63
SBLC	403.85	393.52
Vehicle Loans	135.13	96.16
Unsecured		
Loan		
- From Directors (Refer Note 38)	-	25.00
- From Others	1,192.68	4,377.56
Sub-Total (A)	11,097.04	14,107.57
Current Maturities of Borrowings		
Secured		
Term loan from Banks	1,530.09	2,383.60
Term loan from Financial Institutions	119.13	248.71
SBLC	403.85	393.52
Vehicle Loans	44.91	31.14
Unsecured		
Loan		
- From Others	12.20	-
Sub-Total (B)	2,110.18	3,056.97
Total (A-B)	8,986.86	11,050.60
Current Borrowings		
(measured at amortised cost, Refer Note 32)		
Secured		
Working Capital Facilities from Banks	7,765.46	14,451.79
Current Maturities of Non-current Borrowings	2,110.18	3,056.97
Total	9,875.64	17,508.76

Notes:

Asian Granito India Limited:

- (a-1) Term Loan ₹ NIL (Previous Year 1151.35) Lakhs are secured by way of First Pari Passu charge over entire fixed assets (movable and immovable), plant and machinery of the Company, including Factory Land and Buildings bearing Survey Number : 160, 147-A and 162 (Dalpur), 16 (Jawanpura) and 204/1 (Vanku), situated at Dalpur, Jawanpura and Vanku, 30000, (Semi Urban), Admeasuring Total Area : 256725.
- (b-1) SBLC of ₹ 403.85 Lakhs are secured by way of First and Exclusive charge on Hypothecation of the entire Plant and Machinery (Bought through capex LC).
- (c-1) Working capital loans of ₹ NIL (Previous Year ₹ 8822.33) Lakhs are secured by way of hypothecation over current assets including raw materials, stock in process, finished goods, stores and spares, receivable and other current assets of vitrified/wall/marble division (Dalpur unit) and Ceramic division (Idar unit) of the Company.
- (d-1) The sanction facilities have been secured by the personal guarantees of directors of the Company more specifically spelt out in related Sanction Letter from the Banks.
- (e-1) Vehicle loans of ₹ 131.22 Lakhs are secured by hypothecation of vehicles in favour of Bank. Each Vehicle loans consist of 60 equated monthly installments from the date of disbursement.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Amazoone Ceramics Limited:

(a-2) Hypothecation of stocks, receivables and entire current assets of the Company and further secured by way of equitable mortgage of factory land and building of the Company situated at Plot No.1 and 2 over block No. 450 paiki admeasuring 55948 sq.meters at village Dalpur-383430, together with construction thereon and second charge over fixed assets of the Company. Further, the borrowing facilities are secured against personal guarantees of (a) Shri Vipul V Patel-director (b) Shri Girishbhai M Patel-Managing Director (c) Shri Mukeshbhai J Patel and (d) Shri Kamleshkumar Patel.

(b-2) There has been no default during the year under review in repayment of either principal or interest due thereon.

(c-2) The working capital facilities have been availed @9.80% upto 29 November, 2021 and with effect from 30 November, 2021 @ 7.10% p.a. with monthly rest.

Crystal Ceramics Industries Private Limited:

(a-3) Punjab National Bank -T/L No.IC-206 with PNB for ₹ 8.47 Crores outstanding as on 31.03.2022 (Repayable in (A) 1 Quarterly Installments of ₹ 2.57 Cr each, (B) 2 Quarterly Installments of ₹ 2.95 Cr each. The loan is secured by way of First Pari Passu charge over the movable and immovable properties of the Company situated at Survey No. 34, 36 Paiki, 63, 64, 61 Paiki 1 etc. Situated at Village Kaiyal, Taluka-Kadi, Dist: Mehsana, Gujarat-382705, over the movable assets including Plant and Machineries situated at above Survey Numbers AND Second Pari passu charge over entire current Assets situated at Survey No. 34, 36 Paiki, 63,64, 61 Paiki 1 etc at Village Kaiyal, Taluka-Kadi, Dist: Mehsana, Gujarat-382705 and also secured by corporate guarantee provided by parent holding company Asian Granito India Ltd for the sanctioned amount and personal guarantees of directors of the company and more specifically spelt out in related Sanction Letter from the Bank.

(b-3) Outstanding loans amount from Aditya Birla Finance Limited have been fully repaid with entire outstanding and said loan accounts have been closed during the year ended on March 31, 2021.

(c-3) Outstanding loan amount from ICICI Bank Ltd has been fully repaid with entire outstanding and said loan account has been closed during the year ended on March 31, 2021.

(d-3) Covid 19 emergency credit line demand loan with PNB for ₹ 1.16 Crores outstanding as on March 31, 2022 and repayable in 4 Monthly Installments of ₹ 27.78 Lakhs each. (Original Sanctioned ₹ 5 Crore). The Loan is secured by way of First Pari Passu charge by way of hypothecation on entire current assets present and future of the company comprising of raw materials, WIP, FG, spares /consumables and receivables and extension of charge of the collateral security as specified in related sanction letter .

(e-3) Working Term Loan under GECL 2.0 PNB TL A/c No 444100IL00000042 for ₹ 13.32 Crores outstanding as on March 31, 2022 and repayable in 44 Monthly Installments of ₹ 30.29 Lakhs each post moratorium period of 12 months. (Original Sanctioned ₹ 14.54 Crore) and secured by guarantee of NCGTC and by way of second charge on existing primary security and collateral security including all cash flows of the company.

(f-3) Working Term Loan under GECL 2.0 Axis Bank TL A/c No 921060053453466 for ₹ 5.80 Crores outstanding as on 31.03.2022 and repayable in 47 Monthly Installments of ₹ 12.33 Lakhs each post moratorium period of 12 months. (Original Sanctioned ₹ 5.92 Crores) and secured by guarantee of NCGTC and by way of second charge on existing primary security and collateral security including all cash flows of the company.

(g-3) Standard Chartered Bank Term Loan A/c No 52658791 for ₹ 8.87 Crores outstanding as on March 31, 2022 and repayable in 164 Monthly Installments of ₹ 9.42 Lakhs each including interest. (Original Sanctioned ₹9.29 Crores) and secured by commercial immovable property situated at 202,203 Dev Arc, Opposite Iscon Temple, Ahmedabad – 380015 owned by Asian Granito India Limited.

(h-3) Standard Chartered Bank Term Loan A/c No 52893138 for ₹ 10.38 Crores outstanding as on March 31, 2022 (Original Sanctioned ₹ 10.75 Crores) repayable in 168 Monthly Installments of ₹ 10.58 Lakhs each including interest. And secured by commercial immovable property situated at S. No 489/1 489/2, Plot 108,109 Nr Gota Bridge S.G Highway, Gota, Ahmedabad – 382481 owned by AGL Infrastructur Private Limited.

(i-3) Working Term Loan under ECLGS Axis Bank TL A/c No 921060053453466 for ₹ 2.96 Crores outstanding as on 31.03.2022 and Repayable in 47 Monthly Installments of ₹ 12.33 Lakhs each post moratorium period of 12 months. (Original Sanctioned ₹ 2.97 Crores) and secured by Extenscion of hyphothecation charge on primary securities available for existing securities and hyphothecation charge over entire current assets of the company both present and future with punjab National Bank.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

- (j-3) Standard Chartered Bank Term Loan A/c No 53369998 for ₹ 5.90 Crores outstanding as on March 31, 2022 (Original Sanctioned ₹ 5.90 Crores) repayable in 36 monthly installments of ₹ 16.39 Lakhs each post moratorium period of 24 months from the dated of disbursement. And secured by commercial immovable property situated at S. No 489/1 489/2, Plot 108,109 Nr Gota Bridge S.G Highway, Gota, Ahmedabad – 382481 owned by AGL Infrastructur Private Limited, and 100 % guaranteed by Credit Guarantee Trustee Company (NCGTC).
- (k-3) Working Capital Term Loan (WCTL) under GECL 2.0 Extension A/c No 444100EG00000087 for ₹ 7.27 Crores outstanding as on March 31, 2022 and repayable in 48 Monthly Installments of ₹ 27.78 Lakhs each post moratorium period of 24 months from the dated of disbursement. (Original Sanctioned ₹ 7.27 Crores). The Loan is secured by way of extension of charge over entire present and future current assets of the company on second pari passu with other members of consortium, existing primary and collateral securities and the additional WCTL granted shall rank second charge with the existing credit facilities in term of cash flows and securities with charge on assets financed under the scheme and the scheme will be secured through gurantee coverage from NCGTC.
- (l-3) Secured short term borrowings from banks are secured against stock and Book Debts and also secured by corporate guarantee provided by parent holding company Asian Granito India Limited for the sanctioned amount and personal guarantees of directors of the company and more specifically spelt out in related Sanction Letter from the Bank.
- (m-3) Siemens Financial Services Pvt Ltd Term Loan for ₹ 4.14 Crores outstanding as on March 31, 2022 and repayable in 45 Monthly Installments of ₹ 11.47 Lakhs each including interest. (Original Sanctioned ₹ 4.70 Crores). The Loan is secured with exclusive charge by way of hypothecation of machinery of Fast Single Layer Roller Kiln M/c and equi, model FCC 295 /170.
- (n-3) Siemens Financial Services Pvt Ltd Term Loan for ₹ 1.21 Crores outstanding as on March 31, 2022 and repayable in 46 Monthly Installments of ₹ 3.26 Lakhs each including interest. (Original Sanctioned ₹ 1.33 Crores). The Loan is secured with exclusive charge by way of hypothecation of machinery of Tiles Digital Printer CREADIGIT E with Standard Accessories.
- (o-3) Bajaj Finance Limited Term Loan for ₹ 9.94 Crores outstanding as on March 31, 2022 and repayable in 8 Monthly Installments of ₹ 1.18 Crores each. (Original Sanctioned ₹ 19.00 Crores). The Loan is secured with Personal Guarantee of promoters.

Powergrace Industries Limited:

- (a-4) Vehicle loans are secured by hypothecation of vehicles in favour of Bank.

Maturity Profile and Rate of Interest of Term Loans

(₹ in Lakhs)

Type of Loan	Terms of Repayment	Maturity	Rate of Interest	No. of Installments	Outstanding at March 31, 2022
SBI Emergency Covid Term loan	Monthly	July 2022*	7.50%	-	-
IndusInd - Term loan	Quarterly	December 2021	10.55%	-	-
Punjab National Bank Ltd.	Quarterly	Refer As per Note (a-3)	9.00%	Refer As per Note (a-3)	847.29
Punjab National Bank Ltd.	Monthly	Refer As per Note (d-3)	7.80%	Refer As per Note (d-3)	115.88
Punjab National Bank Ltd.	Monthly	Refer As per Note (e-3)	8.35%	Refer As per Note (e-3)	1,332.15
Axis Bank Ltd	Monthly	Refer As per Note (f-3)	9.25%	Refer As per Note (f-3)	579.67
Standard Chartered Bank	Monthly	Refer As per Note (g-3)	9.00%	Refer As per Note (g-3)	887.43
Standard Chartered Bank	Monthly	Refer As per Note (h-3)	8.50%	Refer As per Note (h-3)	1,037.92
Axis Bank Limited	Monthly	Refer As per Note (i-3)	8.65%	Refer As per Note (i-3)	299.06
Standard Chartered Bank	Monthly	Refer As per Note (j-3)	7.75%	Refer As per Note (j-3)	590.00
Punjab National Bank	Monthly	Refer As per Note (l-3)	8.25%	Refer As per Note (l-3)	726.90
Siemens Financial Services Pvt Ltd	Monthly	Refer As per Note (m-3)	12.00%	Refer As per Note (m-3)	413.92
Siemens Financial Services Pvt Ltd	Monthly	Refer As per Note (n-3)	12.00%	Refer As per Note (n-3)	120.91
Bajaj Finace Limited	Monthly	Refer As per Note (o-3)	10.75%	Refer As per Note (o-3)	993.75

* SBI Emergency Covid Term loan repaid on 27 December, 2021

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

16 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Due to Micro and Small enterprises (Refer Note 40)	-	-
Due to Others	-	2,818.23
Total	-	2,818.23
Current		
Due to Micro and Small enterprises (Refer Note 40)	161.66	237.72
Due to Others (Including Acceptances)*	25,518.22	29,894.62
Due to Related Parties (Refer Note 38)	2,412.26	63.15
Total	28,092.14	30,195.49

* Acceptances includes arrangement where operational suppliers of goods are initially paid by banks while the Group continue to recognize the liability till settlement with banks which are normally affected within a period of 90 days.

a) Trade Payables Ageing Schedule

As At March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	161.66	-	-	-	161.66
Others	25,809.27	1,315.17	25.28	780.74	27,930.47
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

As At March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	237.72	-	-	-	237.72
Others	31,592.23	302.93	226.52	654.32	32,776.00
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Information has been disclose from the date of the transaction.

17 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Payable to Employees	6.82	-
Other Financial Liabilities	34.74	36.76
Total	41.56	36.76
Current		
Trade Deposits	1,590.14	1,493.46
Unclaimed Dividend*	3.02	2.69
Payable to Employees	830.90	738.75
Creditors for Capital Goods	244.72	0.43
Total	2,668.78	2,235.33

* These figures do not include any such amount to be credited to Investor Education and Protection Fund (IEPF).



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

18 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Provision for Gratuity (Refer Note 37)	126.38	159.17
Provision for Leave Encashment	141.97	120.58
Total	268.35	279.75
Current		
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 37)	150.72	149.45
Provision for Leave Encashment	15.03	13.22
Provision for Others	304.84	250.49
Total	470.59	413.16

19 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Deferred Tax Liabilities	5,289.77	4,878.56
(ii) Deferred Tax Assets	(2160.13)	2,016.97
Total (i-ii)	3,129.64	2,861.59

19.1 Movements in Deferred Tax:

(₹ in Lakhs)

Particulars	As at April 1, 2020	Charged/ (Credited) to Profit or Loss	Charged/ (Credited) to OCI	As at March 31, 2021	Charged/ (Credited) to Profit or Loss	Charged/ (Credited) to OCI	As at March 31, 2022
Deferred Tax Liability							
Property, Plant and Equipment	4,423.30	259.85	-	4,683.15	380.34	-	5,063.49
Processing Fees	7.99	12.37	-	20.36	(4.11)	-	16.25
Right of Use Assets	268.05	(93.00)	-	175.05	20.32	-	195.37
Others	9.82	(9.82)	-	-	14.65	-	14.65
Sub-Total (A)	4,709.16	169.40	-	4,878.56	411.21	-	5,289.77
Deferred Tax Assets							
Provision for Employee Benefits	170.14	(0.37)	(7.82)	161.95	13.33	1.69	176.97
Amortization of Preliminary Expense	233.03	(83.04)	-	149.99	(83.05)	0.00	66.94
Provision for Expected Credit Loss	263.43	(209.91)	-	53.52	7.62	0.00	61.14
Unabsorbed Business Losses	246.12	160.57	-	406.69	239.01	0.00	645.70
MAT Credit	1,041.86	2.57	-	1,044.43	(62.60)	0.00	981.83
Lease Liabilities	283.57	(88.31)	-	195.26	26.71	0.00	221.97
Rent / Leases Deposit	6.74	(1.61)	-	5.13	0.45	0.00	5.58
Others	-	-	-	-	-	0.00	-
Sub-Total (B)	2,244.89	(220.10)	(7.82)	2,016.97	141.47	1.69	2,160.13
Deferred Tax Liabilities (Net) (A - B)	2,464.27	389.50	7.82	2,861.59	269.74	(1.69)	3,129.64

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

19.2 Reconciliation of Tax Expenses and the Profit before Tax Multiplied by India's Tax Rate:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax	11,335.17	7,519.14
Tax expenses at statutory tax rate of 25.17%	2,853.07	1,892.57
Expense not allowed as deduction	549.17	323.85
Expense allowed as deduction	(375.72)	(383.04)
Adjustment of tax expense relating to earlier periods	0.03	(6.57)
Tax on Exempt Income effect	(956.61)	-
Tax on Income at different rates	38.77	-
Others (net)	67.92	125.26
Total Tax Expense	2,176.63	1,952.07
Effective Tax Rate	19.20%	25.96%

During FY 2019-20, some of the Subsidiaries Companies along with Holding Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

20 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Advance Received from Customers	904.36	1,459.83
Statutory Liabilities	1,148.67	887.95
Others	173.01	159.98
Total	2,226.04	2,507.76

21 Current Tax Liability (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liabilities (Net)	819.61	325.69
Total	819.61	325.69

22 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Sale of Products	1,56,022.52	1,28,612.37
Other Operating Revenues		
Export Incentives	282.37	560.64
Wind Mill Power Generation	54.73	56.93
Others	22.69	-
	359.79	617.57
Total	1,56,382.31	1,29,229.94

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Disaggregation of Revenue from Sale of Products

Revenue based on Geography

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
In India	1,35,827.12	1,07,045.12
Outside India	20,195.40	21,567.26
Total	1,56,022.52	1,28,612.37

Reconciliation of Revenue from Sale of Products with contract price

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contract price	1,56,355.89	1,29,043.53
Less: Discounts	(333.37)	(431.16)
Revenue from Sale of Products	1,56,022.52	1,28,612.37

23 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income from:		
- Term deposits	33.13	57.51
- Others	218.89	218.48
Sub-Total (A)	252.02	275.99
Rental Income	88.76	26.16
Sub-Total (B)	88.76	26.16
Other Gains		
Profit on redemption of units of mutual funds (Net)	103.32	2.92
Gain on Sale of Investment of Associate	3,800.88	-
Current Investment measured at FVPTL	136.66	13.71
Sub-Total (C)	4,040.86	16.63
Others	54.07	33.55
Sub-Total (D)	54.07	33.55
Total (A) + (B) + (C) +(D)	4,435.71	352.33

24 Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Glaze, Frits and Chemicals and Others	25,410.96	19,564.16
Packing Materials	2,548.10	1,890.61
Total	27,959.06	21,454.77

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

25 Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
Finished Goods	13,952.08	13,324.69
Work-in-Progress	5,127.29	4,639.10
Stock-in-Trade	2,878.66	2,309.95
Sub-Total (A)	21,958.03	20,273.74
Inventories at the end of the year		
Finished Goods	13,753.92	13,952.08
Work-in-Progress	5,071.93	5,127.29
Stock-in-Trade	3,065.82	2,878.66
Sub-Total (B)	21,891.67	21,958.03
Total of Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (A - B)	66.36	(1,684.29)

26 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages (Incl. Managerial Remuneration) (Refer Note 37)	10,625.32	8,667.41
Contribution to Provident and Other Funds	481.49	417.82
Staff Welfare Expenses	52.37	42.99
Total	11,159.18	9,128.22

27 Finance Costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expenses on:		
- Term Loans	629.37	438.32
- Working Capital Facilities	1,192.84	2,222.85
- Others	381.33	525.42
Other Borrowing Costs	353.92	307.02
Total	2,557.46	3,493.61

28 Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation Expense on Property, Plant and Equipment	2,713.13	2,599.43
Depreciation Expense on Right of Use Assets	293.97	335.39
Total	3,007.10	2,934.82



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

29 Power and Fuel

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Gas and Fuel	13,303.62	7,012.55
Power Expense	4,456.20	3,622.96
Total	17,759.82	10,635.51

30 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores and Spares	2,423.58	1,897.89
Other Manufacturing Expense	1,098.14	1,015.85
Rent, Rates and Taxes	436.36	602.74
Freight and Forwarding Charges	91.60	
Repairs and Maintenance		
- To Plant and Machineries	163.84	146.85
- To Buildings	32.18	29.73
- To Vehicles	34.79	32.32
- To Others	95.49	94.31
Communication Expenses	117.78	116.10
Printing and Stationery	17.83	13.63
Legal and Professional	576.23	244.52
Auditor's Remuneration (Refer Note 31)	26.80	24.24
Directors' Sitting Fees	11.75	7.35
Directors' Travelling	9.54	2.61
Travelling and Conveyance	1,069.90	689.16
Advertisement Expenses	760.19	665.97
Other Selling and Distribution Expenses	2,208.32	1,293.71
Freight and Forwarding Charges	5,333.08	4,363.19
Allowance for Expected Credit Loss	172.71	159.87
Sundry Balance Written off	56.88	17.30
Donation	27.19	7.67
Loss on Sale of Property, Plant and Equipment (Net)	(44.31)	45.55
Corporate Social Responsibility (Refer Note 33)	95.03	99.06
Loss on Sale of Investment of Mutual Fund	2.94	-
GST Expenses and Sales Tax Expenses	3.56	-
Miscellaneous Expenses	324.70	192.07
Net Foreign Exchange Loss / (Gain)	(446.08)	(94.31)
Total	14,700.02	11,667.38

31 Payment to Auditors (Excluding Taxes)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory Audit Fees	21.30	16.70
Certification Fees and Other Services	5.50	7.54
Total	26.80	24.24

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

32 Fair Value Measurements

a) Accounting Classification and Fair Values

As at March 31, 2022

(₹ in Lakhs)

Particulars	Carrying Value				Fair Value			
	At Cost	At FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Investments (Note b i)	26.12	6,565.00	-	6,591.12	6,565.00	-	-	6,565.00
Loans	-	-	1,613.01	1,613.01	-	-	-	-
Trade Receivables	-	-	46,906.92	46,906.92	-	-	-	-
Cash and Cash Equivalents	-	-	3,542.93	3,542.93	-	-	-	-
Other Bank Balances	-	-	473.50	473.50	-	-	-	-
Other Financial Assets	-	-	1,273.56	1,273.56	-	-	-	-
Total Financial Assets	26.12	6,565.00	53,809.92	60,401.04	6,565.00	-	-	6,565.00
Borrowings (Incl. Current Maturities)	-	-	18,862.50	18,862.50	-	-	-	-
Lease Liabilities (Incl. Current Lease Liabilities)	-	-	1,023.73	1,023.73	-	-	-	-
Trade Payables	-	-	28,092.14	28,092.14	-	-	-	-
Other Financial Liabilities	-	-	2,668.78	2,668.78	-	-	-	-
Total Financial Liabilities	-	-	50,647.15	50,647.15	-	-	-	-

As at March 31, 2021

(₹ in Lakhs)

Particulars	Carrying Value				Fair Value			
	At Cost	At FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Investments (Note b i)	2,677.13	1,950.40	-	4,627.53	1,950.40	-	-	1,950.40
Loans	-	-	1,528.43	1,528.43	-	-	-	-
Trade Receivables	-	-	42,028.49	42,028.49	-	-	-	-
Cash and Cash Equivalents	-	-	1,461.33	1,461.33	-	-	-	-
Other Bank Balances	-	-	389.91	389.91	-	-	-	-
Other Financial Assets	-	-	1,348.18	1,348.18	-	-	-	-
Total Financial Assets	2,677.13	1,950.40	46,756.33	51,383.87	1,950.40	-	-	1,950.40
Borrowings (Incl. Current Maturities)	-	-	28,559.36	28,559.36	-	-	-	-
Lease Liabilities (Incl. Current Lease Liabilities)	-	-	892.34	892.34	-	-	-	-
Trade Payables	-	-	30,195.48	30,195.48	-	-	-	-
Other Financial Liabilities	-	-	2,235.33	2,235.33	-	-	-	-
Total Financial Liabilities	-	-	61,882.51	61,882.51	-	-	-	-

b) Measurement of Fair Values:

(i) Investments in Associate and Joint Venture:

Investments in Associate and Joint Venture have been accounted at cost. Since these are scope out of Ind AS 109 for the purposes of measurement, the same have been disclosed at cost in the tables above.

(ii) Financial Instrument Measured at Amortised Cost:

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(iii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual fund that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(iv) There have been no transfers between Level 1 and Level 2 during the years.

33 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, the group has spent required amount of ₹ 94.31 Lakhs (2021-22: ₹ 99.06 Lakhs) during the current financial year. The details of amount spent are as under:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Educational and Medical	85.32	97.35
Eradicating Hunger	-	1.71
COVID related activities	9.71	-
Total	95.03	99.06

33.1 There is no shortfall at the end of the year as well as previous year

33.2 For Details of related party transaction refer note 38

34 Earnings Per Share

Particulars	Units	Year ended	
		March 31, 2022	March 31, 2021
Basic and Diluted Earning Per Share (EPS)			
(a) Profit attributable to equity shareholders of the Group	(₹ in Lakhs)	9,194.62	5,700.05
(b) Weighted average number of equity shares	(in Nos.)	4,45,62,480	3,06,91,564
(c) Earning per Share (Basic and Diluted)	₹	20.63	18.57
(d) Face value per Share	₹	10.00	10.00

35 Financial Risk Management:

The Group's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Group monitors the risk as per risk management policy. Further The Audit Committee has additional oversight in the area of financial risks and controls.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Within the various methodologies to analyze and manage risk, Group has implemented a system based on “sensitivity analysis” on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2022, approximately 21.08% of the Group's borrowings and other financial liabilities are at fixed rate (March 31, 2021 : 25.87%). Summary of financial assets and financial liabilities has been provided below:

Exposure to Interest Rate Risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Fixed-rate instruments		
Financial Assets	2,170.86	2,164.93
Financial Liabilities	4,311.40	7,769.65
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	16,141.24	22,258.17

Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (Loss) After Tax

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Increase in 100 basis points	(120.78)	(166.56)
Decrease in 100 basis points	120.78	166.56



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in foreign currencies (primarily USD and EUR). Consequently, the Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

Exposure to Currency Risk

The summary quantitative data about the Group's exposure to currency risk (based on notional amounts) is as follows:

(Amount in FCY)

Particulars	March 31, 2022		March 31, 2021	
	USD	EUR	USD	EUR
Financial Assets				
Trade Receivables	55,86,559	-	42,91,375	-
Other Bank Balances	8,39,955	-	7,22,348	-
Total (A)	64,26,514	-	50,13,723	-
Financial Liabilities				
Trade Payables	1,94,669	3,22,512	6,01,336	3,22,512
Other Financial Liabilities	5,21,000	-	5,21,000	-
Total (B)	7,15,669	3,22,512	11,22,336	3,22,512
Net exposure to foreign currency (A-B)	57,10,845	(3,22,512)	38,91,387	(3,22,512)

The following significant exchange rates have been applied during the year.

(₹ in Lakhs)

Particulars	Average rate		Year-end Spot Rate	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD 1	74.65	74.45	75.81	73.50
EUR 1	85.38	84.58	84.66	86.10

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	USD			EUR		
	Change in Exchange rate	Profit / (loss) before tax	Equity (net of tax)	Change in Exchange Rate	Profit / (loss) before tax	Equity (net of tax)
March 31, 2022						
Strengthening	5%	213.17	159.51	5%	(13.77)	(10.30)
Weakening		(213.17)	(159.51)		13.77	10.30
March 31, 2021						
Strengthening	5%	144.85	108.39	5%	(13.64)	(10.21)
Weakening		(144.85)	(108.39)		13.64	10.21

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management.

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

Other Financial Assets

This comprises mainly of deposits with banks and other intercompany receivables. Credit risk arising from these financial assets is limited.

Trade Receivables

Customer credit risk is managed by each business unit subject to the group's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Historical experience of collecting receivables of the Group is supported by low level of past default and hence the credit risk is perceived to be low.

The Group has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix. In calculating expected credit loss, the Group has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Reconciliation of Loss Allowance Provision – Trade receivables

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening provision	119.97	907.80
Add: Additional provision made	172.71	159.87
Less: Provision write off	(182.4)	(947.7)
Closing provisions	110.28	119.97

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the group's finance department in accordance with the group's policy. Investments of surplus funds are made only with approved counterparties.

(c) Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

The table below analysis non-derivative financial liabilities of the group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	(₹ in Lakhs)			
	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2022				
Financial Liabilities				
Borrowings (Incl. Current Maturities)	18,862.50	9,875.64	8,986.86	18,862.50
Lease Liabilities (Incl. Current Lease Liabilities)	1,023.73	223.99	799.74	1,023.73
Trade Payables	28,092.14	28,092.14	-	28,092.14
Other Financial Liabilities	2,668.78	2,668.78	-	2,668.78
Total	50,647.15	40,860.55	9,786.60	50,647.15



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2021				
Financial Liabilities				
Borrowings (Incl. Current Maturities)	28,559.36	17,508.76	11,050.60	28,559.36
Lease Liabilities (Incl. Current Lease Liabilities)	892.34	201.05	691.29	892.34
Trade Payables	30,195.48	30,195.48	-	30,195.48
Other Financial Liabilities	2,235.33	2,235.33	-	2,235.33
Total	61,882.51	50,140.62	11,741.89	61,882.51

36 Capital Management:

For the purpose of the group's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the group's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity share holders.

The group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The group's policy is to keep the net debt to equity ratio below 2. The group includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest-bearing Borrowings (Incl. Current Maturity)(Note 15)	18,862.50	28,534.36
Less: Cash and Bank Balances (Note 12)	(4,016.43)	(1,851.24)
Adjusted Net Debt	14,846.07	26,683.12
Equity Share Capital (Note 13)	5,675.16	3,405.44
Other Equity (Note 14)	86,143.51	59,192.36
Total Equity	91,818.67	62,597.80
Adjusted Net Debt to Total Equity Ratio	0.16	0.43

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

37 Employee Benefits

a) Defined Contribution Plans:

The Group's makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Group make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Details of Amount Recognized as Expenses during the year:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to Provident Fund	323.63	273.91
Total	323.63	273.91

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

b) Defined Benefit Plan:

The Group has defined benefit gratuity plan for its employees. The employees who has completed five years or more of service is entitled to gratuity on termination of his employment at 15 days last drawn salary for each completed year of service. The scheme is funded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by Ind AS - 19. Gratuity has been recognised in the financial statement as per details given below:

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest Risk:

A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the consolidated financial statements as at March 31, 2022 and March 31, 2021.

(i) Reconciliation in Present Value of Defined Benefit Obligation:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligations as at beginning of the year	631.68	567.82
Current service cost	111.24	112.33
Interest cost	42.80	38.42
Actuarial (Gains)/Losses	14.85	(32.21)
Benefits paid	(90.60)	(54.68)
Defined benefit obligations as at end of the year	709.97	631.68

(ii) Reconciliation change in Fair Value of Plan Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the beginning of the year	323.06	250.13
Interest Income	22.10	16.97
Contribution by Employer	173.40	103.20
Benefits paid from the fund	(88.08)	(52.16)
Return on Plan Assets, Excluding Interest Income	2.38	4.92
Fair Value of Plan Assets at the end of the year	432.86	323.06



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(iii) Amount Recognised in Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
PVO at the end of year	709.97	631.68
Fair value of planned assets at the end of year	(432.87)	(323.06)
Net Liability recognised in the balance sheet	277.10	308.62

(iv) Amount Recognised in Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	111.24	112.33
Interest cost	20.70	21.45
Expense recognised	131.94	133.78

(v) Amount Recognised in Other Comprehensive Income:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Actuarial (Gains)/ Losses	13.56	(32.51)

(vi) Principal Assumptions used in Determining Defined Benefit Obligations for the Group

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate (Per Annum)	5.66%-7.15%	5%-7.64%
Salary escalation rate (Per Annum)	4%-6%	4%-6%
Mortality Rate [as % of Indian Assured Lives Mortality (IALM) (2006-08) Ultimate]	IALM (2012-14) Rates	IALM (2006-08) Rates
Normal Retirement Age (In Years)	58	58
Average Future Service (In Years)	8-11	8-22

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Additional Disclosure Items

(vii) Category of Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Fund	432.87	324.42

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(viii) Expected Cash flow of Maturity Profile for following years of Defined Benefit Obligations:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 Year	46.57	59.01
Between 2 to 5 Year	224.40	169.86
Between 6 to 10 Year	326.61	278.78
Beyond 10 Years	780.98	744.85

(ix) Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Under Base Scenario		
Salary Escalation - Up by 1 %	59.63	54.66
Salary Escalation - Down by 1%	(53.52)	(48.82)
Withdrawal Rates - Up by 1%	9.38	7.33
Withdrawal Rates - Down by 1 %	(10.76)	(8.53)
Discount Rates - Up by 1 %	(52.86)	(48.22)
Discount Rates - Down by 1 %	60.49	55.45

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in Lakhs)

Total employee benefit liabilities	Note	As at March 31, 2022	As at March 31, 2021
Provisions	18		
Non Current		126.38	159.17
Current		150.72	149.45

38 Related Party Disclosures

As per the Ind AS - 24 'Related Party Disclosures', the related parties of the Group are as follows :

(a) Name of the Related Parties and Nature of Relationships :

(i) Associate:

Astron Paper & Board Mill Limited (Refer Note 6)

(ii) Key Management Personnel (KMP) and Directors

Name	Designation
Kamleshkumar B Patel	Chairman and Managing Director
Mukeshbhai J Patel	Managing Director
Sureshbhai J Patel	Director
Bhogibhai B Patel	Director
Kanubhai B Patel	Director
Bhavesbhai V Patel	Director
CA Amarendra Kumar Gupta	Chief Financial Officer
Dr Dhruti Trivedi	Company Secretary
Renuka A Upadhyay (Till 31/10/2020)	Company Secretary

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(iii) Independent Directors

Amrutlal I Patel (Upto 23/06/2021)	Hemendrakumar C Shah
Kandarp G Trivedi (w.e.f. 26/06/2021)	Mukesh M Shah
Indira Nityanandam	Dipti A Mehta
Maganlal Prajapati (w.e.f.26/05/2021)	
Late Premijibhai R Chaudhari (upto 29/04/2021)	

(iv) Relatives of Key Management Personnel (KMP) and Directors

Hinaben K Patel	Sureshbhai B Patel
Bhagubhai P Patel	Vinodbhai L Patel
Shaunakbhai M Patel	Vipulbhai V Patel
Shaliniben S Patel	Rameshbhai B Patel
Hirenbai S Patel	

(v) Enterprises over which KMP and/or their relatives having significant influence

Affil Vitrified Private Limited	AGL Infrastructure Private Limited
Asian Institute of Technology	Adicon Ceramica LLP
Amaton Ceramic LLP	

(vi) Post Employment Benefit Plan

Asian Granito India Limited Employees Group Gratuity Fund

(b) Terms and Conditions of Transactions with Related Parties

(i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(c) Transactions with Director and Key Managerial Personnel

Compensation of Director and Key Managerial Personnel of the Group

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Kamleshkumar B Patel	58.56	45.88
Mukeshbhai J Patel	44.40	37.82
Sureshbhai J Patel	39.12	33.39
Bhavesbhai V Patel	23.76	21.42
Kanubhai B Patel	25.05	24.26
Bhogibhai B Patel	17.16	16.99
CA Amarendra Kumar Gupta	45.23	35.46
Renuka A Upadhyay (Till 31/10/2020)	-	7.59
Dr Dhruvi Trivedi	9.50	3.30
Total compensation paid to Director and Key Managerial Personnel	262.78	226.11

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

The following table summarizes related-party transactions and balances for the year ended/as at March 31, 2022 and March 31, 2021

(₹ in Lakhs)

Particulars	Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchase of Products	-	-	-	78.86	7,901.51	1,862.64	15.99	27.42
Sale of Products	-	-	-	-	5,471.37	31.22	-	-
Interest Paid	-	-	-	-	72.00	65.82	2.25	10.80
Interest Received	-	-	-	-	15.63	20.16	-	-
Rent Paid	-	-	-	-	18.49	15.95	11.47	9.19
Loan Given	-	-	-	-	-	4.00	-	-
Loan Taken	-	-	-	-	-	325.00	16.74	200.00
Loan Repaid	-	-	-	-	-	-	1,648.01	456.50
Loan Recovered	-	-	-	-	43.00	63.00	-	-
Reimbursement of (Expense) / Income	-	-	-	-	9.70	-0.46	-	-
Disinvestment	-	-	877.50	-	-	-	-	-
Director's Remuneration	-	-	-	-	-	-	208.05	179.76
Director Sitting Fee	-	-	-	-	-	-	10.25	5.85
Employee Benefit Expenses	-	-	-	-	-	-	199.59	191.35
Corporate Social Responsibility	-	-	-	-	66.31	63.33	-	-
Contribution to Gratuity Fund	-	-	-	-	163.40	103.20	-	-
Preferential Share Amount Received	-	-	-	-	-	-	239.40	3,195.45
Outstanding Balances								
Trade Payable	-	-	2,380.00	20.93	19.03	20.07	13.22	22.15
Trade Receivable	-	-	-	-	2,146.08	-	-	-
Advance to Vendor	-	-	-	-	-	571.83	-	-
Deposit	-	-	-	-	-	-	2.76	2.76
Investment (Refer Note 6)	-	-	-	2,603.78	-	-	-	-
Loan Given	-	-	-	-	136.81	165.75	-	-
Loan Taken	-	-	-	-	451.06	1,862.25	0.85	468.96

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others			KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	
Transactions During the Period									
Purchase of Material / Finished Goods									
Astron Paper & Board Mill Limited	-	-	-	78.86	-	-	-	-	
Affil Vitrified Private Limited	-	-	-	-	7,885.38	1,862.64	-	-	
Amaton Ceramic LLP	-	-	-	-	16.13	-	-	-	
Bhavesbhai V Patel	-	-	-	-	-	-	5.87	6.66	
Vinodbhai L Patel	-	-	-	-	-	-	1.34	8.83	
Vipulbhai V Patel	-	-	-	-	-	-	8.78	11.93	
	-	-	-	78.86	7,901.51	1,862.64	15.99	27.42	
Sale of Products									
Affil Vitrified Private Limited	-	-	-	-	5,471.37	31.22	-	-	
Asian Institute of Technology	-	-	-	-	0.17	-	-	-	
Amaton Ceramic LLP	-	-	-	-	15.10	-	-	-	
Adicon Ceramica LLP	-	-	-	-	9.30	-	-	-	
	-	-	-	-	5,471.37	31.22	-	-	
Interest Paid									
Shaunakbhai Mukeshbhai Patel	-	-	-	-	-	-	2.25	10.80	
AGL Infrastructure Private Limited	-	-	-	-	26.14	10.47	-	-	
Affil Vitrified Private Limited	-	-	-	-	45.86	55.35	-	-	
	-	-	-	-	72.00	65.82	2.25	10.80	
Interest Received									
AGL Infrastructure Private Limited	-	-	-	-	6.76	7.97	-	-	
Asian Institute of Technology	-	-	-	-	8.87	12.19	-	-	
	-	-	-	-	15.63	20.16	-	-	
Rent Received									
AGL Infrastructure Private Limited	-	-	-	-	0.04	-	-	-	
Rent Paid									
AGL Infrastructure Private Limited	-	-	-	-	18.49	15.95	-	-	
Others	-	-	-	-	-	-	11.47	9.19	
	-	-	-	-	18.49	15.95	11.47	9.19	



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Loan Given								
Asian Institute of Technology	-	-	-	-	-	4.00	-	-
Loan Taken								
AGL Infrastructure Private Limited	-	-	-	-	-	325.00	-	-
Vipulbhai V Patel	-	-	-	-	-	-	16.74	150.00
Mukeshbhai J Patel	-	-	-	-	-	-	-	50.00
Loan Repaid								
Kamleshkumar B Patel	-	-	-	-	-	-	50.00	-
Mukeshbhai J Patel	-	-	-	-	-	-	25.00	25.00
Shaunakkumar M Patel	-	-	-	-	-	-	120.00	-
Vipulbhai V Patel	-	-	-	-	-	-	339.85	431.50
AGL Infrastructure Private Limited	-	-	-	-	437.55	-	139.52	-
Affil Vitrified Private Limited	-	-	-	-	-	-	973.64	-
	-	-	-	-	-	-	1,648.01	456.50
Loan Recovered								
AGL Infrastructure Private Limited	-	-	-	-	13.00	15.50	-	-
Asian Institute of Technology	-	-	-	-	30.00	47.50	-	-
	-	-	-	-	43.00	63.00	-	-
Reimbursement of (Expense) / Income								
Affil Vitrified Private Limited	-	-	-	-	9.70	(0.46)	-	-
	-	-	-	-	9.70	(0.46)	-	-
Disinvestment								
Astron Paper & Board Mill Limited	-	-	877.50	-	-	-	-	-
	-	-	877.50	-	-	-	-	-
Director's Remuneration								
Kamleshkumar B Patel	-	-	-	-	-	-	58.56	45.88
Mukeshbhai B Patel	-	-	-	-	-	-	44.40	37.82



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Sureshbhai J Patel	-	-	-	-	-	-	39.12	33.39
Bhaveshbhai V Patel	-	-	-	-	-	-	23.76	21.42
Kanubhai B Patel	-	-	-	-	-	-	25.05	24.26
Bhogibhai B Patel	-	-	-	-	-	-	17.16	16.99
Director Sitting Fee	-	-	-	-	-	-	208.05	179.76
Amrutlal I Patel	-	-	-	-	-	-	0.10	0.50
Late Premjibhai R Chaudhari	-	-	-	-	-	-	-	1.00
Maganbhai Prajapati	-	-	-	-	-	-	1.40	-
Indira Nityanandam	-	-	-	-	-	-	0.50	0.10
Hemendrakumar C Shah	-	-	-	-	-	-	2.35	1.75
Mukesh M Shah	-	-	-	-	-	-	2.25	1.25
Dipti A Mehta	-	-	-	-	-	-	2.25	1.25
Kandarp G Trivedi	-	-	-	-	-	-	1.40	-
Employee Benefit Expenses	-	-	-	-	-	-	10.25	5.85
Others	-	-	-	-	-	-	199.59	191.35
Corporate Social Responsibility	-	-	-	-	-	-	199.59	191.35
Asian Institute of Technology	-	-	-	-	66.31	63.33	-	-
Contribution to Gratuity Fund	-	-	-	-	66.31	63.33	-	-
Asian Granito India Limited Employees Group Gratuity Fund	-	-	-	-	163.40	103.20	-	-
Preferential Share Amount Received	-	-	-	-	163.40	103.20	-	-
Others	-	-	-	-	-	-	239.40	3,195.45
	-	-	-	-	-	-	239.40	3,195.45



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Joint Ventures		Associate		KMP and/or their Relatives having Significant Influence and Others		KMP / Relatives of KMP	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Balances as at year end								
Trade Payable								
Astron Paper & Board Mills Limited	-	-	-	20.93	-	-	-	-
Affil Vitrified Private Limited	-	-	2,380.00	-	-	20.07	-	-
Amaton Ceramic LLP	-	-	-	-	19.03	-	-	-
Bhaveshbhai V Patel	-	-	-	-	-	-	-	6.14
Vinodbhai L Patel	-	-	-	-	-	-	13.22	11.88
Vipulbhai V Patel	-	-	-	-	-	-	-	4.13
	-	-	2,380.00	20.93	19.03	20.07	13.22	22.15
Trade Receivable								
Affil Vitrified Private Limited	-	-	-	-	2,119.86	-	-	-
Asian Institute of Technology	-	-	-	-	0.20	-	-	-
Amaton Ceramic LLP	-	-	-	-	17.82	-	-	-
Adicon Ceramica LLP	-	-	-	-	8.20	-	-	-
	-	-	-	-	2,146.08	-	-	-
Advance to Vendor								
Affil Vitrified Private Limited	-	-	-	-	-	571.83	-	-
	-	-	-	-	-	571.83	-	-
Deposit								
Shaliniiben S Patel	-	-	-	-	-	-	1.38	1.38
Hinaben K Patel	-	-	-	-	-	-	1.38	1.38
	-	-	-	-	-	-	2.76	2.76
Loan Given								
AGL Infrastructure Private Limited	-	-	-	-	54.62	61.54	-	-
Asian Institute of Technology	-	-	-	-	82.19	104.21	-	-
	-	-	-	-	136.81	165.75	-	-
Loan Taken								
Mukeshbhai J Patel	-	-	-	-	-	-	-	25.00
ShaunakKumar M Patel	-	-	-	-	-	-	-	120.00
Vipulbhai V Patel	-	-	-	-	-	-	0.85	323.96
AGL Infrastructure Private Limited	-	-	-	-	451.06	888.61	-	-
Affil Vitrified Private Limited	-	-	-	-	-	973.64	-	-
	-	-	-	-	451.06	1,862.25	0.85	468.96

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

39 Contingent Liabilities and Commitments

I. Contingent liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Group not acknowledged as debts comprise of		
i) In respect of Pending Income Tax Demands	3,141.18	1,890.50
ii) In respect of Pending Sales Tax Demands	4,278.70	4,336.69
iii) In respect of Pending Excise Duty claim by DGFT	-	167.97
iv) In respect of Pending Excise Duty claim by DGCEI	2,241.04	2,241.04
v) In respect of Pending Custom Duty claim by DRI	-	473.51
vi) In respect of Pending Consumer/Legal Cases	70.05	72.00
vii) Others	114.23	114.23
(b) Bank guarantees for Performance, Earnest Money and Security Deposits	3,394.33	3,273.15
(c) Duty on Machinery Imported under EPCG Scheme	-	133.28
(d) Corporate Guarantees	15,303.72	14,315.00
Total	28,543.25	27,017.37

II. Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Letter of Credit Opened with Banks	1,535.92	338.07
Total	1,535.92	338.07

The above matters are currently being considered by the tax authorities with various forums and the Group expects the judgement will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement and decision pending with tax authorities at various forums. The potential undiscounted amount of total payments for taxes that the Group may be required to make if there was an adverse decision related to these disputed demands on regulators as of the date reporting period ends are as stated above.

- 40** The Group has not received full information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act); disclosure relating to amount unpaid at year end together with interest paid/payable have been given based on the information so far available with the Group/identified by the Group management:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 the principal amount and the interest due thereon remaining unpaid to any supplier at the end of the year	161.66	237.72
2 the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
3 the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4 the amount of interest accrued and remaining unpaid at the end of the year	1.57	1.74
5 the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

41 Leases

A. Operating Lease Commitments - Group as lessee

The Group's lease asset classes primarily consist of leases for Office and Other Building. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Right of Use Assets (Refer Note 3)	893.02	794.83
Total	893.02	794.83

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Recognition on adoption of Ind AS 116	-	-
(ii) Opening Lease Liabilities	892.34	1,126.64
(iii) Additions during the year	444.79	273.48
(iv) Finance cost accrued during the year	95.99	102.71
(v) Payment of lease liabilities	(338.78)	(299.05)
(vi) Rent concession on Lease Rentals	(11.02)	(87.38)
(vii) Sale of Lease Liabilities	(59.59)	(224.06)
Total	1,023.73	892.34

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(Measured at amortised cost, Refer Note 31)		
(i) Non-current lease liabilities	799.74	691.29
(ii) Current lease liabilities	223.99	201.05
Total	1,023.73	892.34



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on discounted basis

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Not later than a year	268.49	201.05
(ii) Later than a year but not later than five years	606.97	515.60
(iii) More than five years	148.27	175.69

The following impact have been given in profit and loss of Ind AS 116 - Leases

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Depreciation and Amortisation	293.97	335.39
(ii) Finance Cost (Net)	97.67	97.15
(iii) Lease Rent Cost	(338.78)	(299.05)
(iv) Ind As 116 Lease Concession	11.02	87.38
(v) Profit / (Loss) on Sale of Lease Asset	6.98	15.81
Profit before tax	70.86	236.68

B. Operating Lease Commitments - Company as lessor

The Group has given various premises under operating lease or leave and license Agreements. These are generally cancellable, having a term between 11 months and 3 years and have no specific obligation for renewal.

42 Segment Information

The Group has only one reportable segment viz, Tiles and Marbles as per Ind As 108 'Operating Segment'.

Entity Wide Disclosure

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current Operating Assets:		
In India	54,783.65	49,426.56
Outside India	-	-
Total	54,783.65	49,426.56

Geographic Information

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from external customers:		
In India	1,35,827.12	1,07,045.12
Outside India	20,195.40	21,567.26
Total	1,56,022.52	1,28,612.37

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

43 Disclosure of Significant Interest in Subsidiaries as per Ind AS 27

Sr. No.	Name of Entities	Relationship	Places of Business	Ownership as at	
				March 31, 2022	March 31, 2021
1	AGL Industries Limited	Subsidiary	India	100.00%	100.00%
2	Amazone Ceramics Limited	Subsidiary	India	97.77%	95.32%
3	AGL Global Trade Private Limited	Subsidiary	India	100.00%	100.00%
4	Powergrace Industries Limited	Step Subsidiary	India	100.00%	100.00%
5	Gresart Ceramica Private Limited	Step Subsidiary	India	61.00%	-
6	Crystal Ceramic Industries Private Limited	Subsidiary	India	70.00%	70.00%
7	AGL Surfaces Private Limited	Subsidiary	India	100.00%	-
8	AGL Sanitaryware Private limited	Subsidiary	India	100.00%	-
9	Future Ceramic Private limited	Subsidiary	India	100.00%	-

44 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45 The Holding Company has incorporated Wholly owned subsidiary named AGL Surfaces Private Limited, Future Ceramic Private Limited and AGL Sanitaryware Private Limited for manufacturing of various tiles and sanitaryware on January 12, 2022, February 03, 2022 and February 07, 2022 respectively having its equity share capital of 10,000 equity shares of ₹ 10 each.

46 COVID-19 is the infectious disease caused by the most recently discovered coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. In assessing the recoverability of receivables and other financials assets, the Group has considered internal and external information upto the date of approval of these consolidated financial statements. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

47 In the opinion of Board of Directors

- Current assets, non-current loans and advances are realizable in the ordinary course of business, at the value at which they are stated.
- The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

48 Balance of Trade receivables, Trade payables, loans and advances are subject to confirmation from the respective parties.

49 The figures pertaining to previous periods have been regrouped and restated wherever necessary, to make them comparable.

50 Relationship with Struck off Companies

Details of transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 are as follow:

(₹ in Lakhs)

Name of struck off Company	Nature of Transactions with Struck-Off Company	Balance Outstanding as at March 31 2022	Relationship with the Struck off Company, if any, to be disclosed	Balance Outstanding as at March 31 2021	Relationship with the Struck off Company, if any, to be disclosed
B.G.Shirke Construction Technology Pvt. Ltd	Trade Receivables	14.75	-	-	-
In-Art Projects India (P) Ltd.	Trade Receivables	4.09	-	4.09	-
Visva Tiles and Bath Fittings Pvt Ltd.	Trade Receivables	5.64	-	5.64	-



Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

51 Other Statutory Information

- (i) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (ii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

52 Additional information as required by Paragraph 2 of the general Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in Lakhs)

Particulars	Net Assets		Share of Profit and Loss		Share of Other Comprehensive Income		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	₹	% of Consolidated Profit and Loss	₹	% of Consolidated Other Comprehensive Income	₹	% of Consolidated Total Comprehensive Income	₹
Parent								
Asian Granito India Limited	87.85%	83,693.22	95.48%	8792.76	21.49%	(2.55)	95.58%	8790.21
Subsidiaries								
Amazoone Ceramics Limited	7.41%	7,059.49	2.24%	206.09	28.34%	(3.36)	2.20%	202.73
AGL Industries Limited	0.39%	375.17	0.24%	22.06	-	-	0.24%	22.06
Crystal Ceramics Industries Limited	9.89%	9,418.37	0.39%	35.70	61.15%	(7.26)	0.31%	28.44
Agl Global Trade Private Limited	-0.01%	(5.02)	-0.02%	(1.77)	-	-	-0.02%	(1.77)
AGL Surfaces Private Limited	0.00%	(0.62)	-0.02%	(1.62)			-0.02%	(1.62)
AGL Sanitaryware Private limited	0.00%	(0.39)	-0.02%	(1.39)			-0.02%	(1.39)
Future Ceramic Private limited	0.00%	(0.35)	-0.01%	(1.34)			-0.01%	(1.34)

Notes to the Consolidated Financial Statements

for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Net Assets		Share of Profit and Loss		Share of Other Comprehensive Income		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	₹	% of Consolidated Profit and Loss	₹	% of Consolidated Other Comprehensive Income	₹	% of Consolidated Total Comprehensive Income	₹
Step Subsidiaries								
Powergrace Industries Limited	0.61%	577.63	1.55%	142.39	-11.54%	1.37	1.56%	143.75
Gresart Ceramica Private Limited	1.32%	1,253.20	0.00%	(0.38)			0.00%	(0.38)
Inter Company Eliminations	-7.46%	(7102.79)	-0.37%	(33.95)			-0.37%	(33.95)
Associates								
Astron Paper & Board Mill Limited	-	-	0.55%	50.36	0.60%	(0.07)	0.55%	50.29

As per our report of even date attached

For **R R S & Associates**
Chartered Accountants
ICAI Firm Reg. No.- 118336W

Hitesh V. Kriplani
Partner
Membership No.- 140693
Place: Ahmedabad
Date: 24 May, 2022

For and on behalf of the Board of Directors

Kamleshkumar B. Patel
Chairman & Managing Director
DIN: 00229700

CA Amarendra Kumar Gupta
Chief Financial Officer
Membership No.- 063510
Place: Ahmedabad
Date: 24 May, 2022

Mukeshbhai J. Patel
Managing Director
DIN: 00406744

Dr. Dhruvi Trivedi
Company Secretary
Membership No.- A31842



Notice

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF **ASIAN GRANITO INDIA LIMITED** will be held on Friday, 16 September, 2022 at 11:00 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at the registered office of the Company situated at 202, Dev Arc, Opposite Iskon Temple, S. G. Highway, Ahmedabad, Gujarat – 380 015 to transact the following businesses:

ORDINARY BUSINESSES

1. To receive, consider and adopt the Standalone and Consolidate Financial Statements as at 31 March, 2022 including the Audited Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To declare dividend of ₹ 0.70/- (7%) per equity share for the financial year 2021-22.
3. To appoint a Director in place of Mr. Sureshbhai J Patel (holding DIN 00233565), director, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESSES:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

To consider and approve increase in authorised capital of the Company from ₹ 1,27,00,00,000/- to ₹ 1,40,00,00,000/- and alter Memorandum of Association accordingly:

"RESOLVED THAT with the consent of the Board of Directors of the Company and pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory

modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from ₹ 1,27,00,00,000 /- (Rupees One Hundred Twenty Seven crores only) consisting of 12,70,00,000 (Twelve crores Seventy lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 1,40,00,00,000 /- (Rupees One Hundred Forty crores Only) consisting of 14,00,00,000 (Fourteen crores) Equity Shares of ₹ 10/- (Rupees Ten Only) each."

"RESOLVED FURTHER THAT pursuant to provisions of Section 13 and all other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

- V. The Authorised Share Capital of the Company shall be ₹ 1,40,00,00,000/- (Rupees One Hundred Forty crores Only) consisting of 14,00,00,000 (Fourteen crores) Equity Shares of ₹ 10/- (Rupees Ten Only) each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the Company."

"RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to make application, file forms etc. with the Registrar of Companies, Gujarat and to do all such acts, deeds and things as may be required or deemed expedient to implement this resolution."

Registered Office and Corporate Office:
202, Dev Arc, Opp. Iskon Temple,
S.G Highway
Ahmedabad – 380 015

By Order of the Board of Directors

Place: Ahmedabad
Date: 12 August, 2022

Dhruvi Trivedi
Company Secretary
Membership No. A31842

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Item No. 4 set out above is annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”) has vide its circular no. 20/2020 dated 5 May, 2020 read with circular nos. 14/2020 and 17/2020 dated 8 April, 2020 and 13 April, 2020 respectively (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. MCA had vide circular no. 03/2022 dated 5 May, 2022 has allowed the Companies whose AGM are due to be held in the year 2022, to conduct their AGMs on or before 31 December, 2022 in accordance with the requirement provided in this Circular. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 27th AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the 27th AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is annexed hereto.
3. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through electronic voting (“e-voting”).
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. All the members of the Company are encouraged to attend and vote at the AGM through VC/OAVM.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and pursuant to the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the day of the AGM will be provided by NSDL. Members of the Company holding shares as on the cut-off date i.e. 09 September, 2022, may cast their vote either by remote e-voting or e-voting system as on date of AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
8. In compliance with the MCA and SEBI Circulars, Notice of the 27th AGM along with the Annual Report 2021-22 is being sent through electronic mode only to those Members whose e-mail id is registered with the Company’s Registrar and Share Transfer Agent (“RTA”) / Depository Participants (“DPs”) as on Friday, 19 August, 2022. Members may note that the Notice of AGM and the Annual Report of the Company for the financial year 2021-22 is uploaded on the Company’s website www.aglasiangranito.com and may be accessed by the members and will also be available on the website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Members who have not registered their e-mail id are requested to register the same with the Company / Registrar and Share Transfer Agent (“RTA”) / respective DPs. This may be treated as an advance opportunity in terms of proviso to Rule 18 (3) (i) of the Companies (Management and Administration) Rules, 2014.
9. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company by an e-mail, a certified copy of the Board Resolution/Authority letter authorising their representative to attend and vote on their behalf at the Meeting through e-voting at cs@aglasiangranito.com.
10. Only bonafide members of the Company whose names appear on the Register of Members as on 09 September, 2022 being cut-off date will be permitted to attend the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the AGM.
11. As per the provision of Section 72 of the Act, the facility for making Nomination is available for the members in



respect of their shareholding in the Company either in single or with joint names. The members are requested to submit the complete and signed form SH-13 with their Depository Participant (DP) who holds the shares in dematerialized form and those who are holding physical shares shall send the same to the Registrar and Share Transfer Agent – Link Intime India Private Limited (the 'RTA').

12. Members holding shares in physical form are requested to notify/send the following to the RTA of the Company:
 - i. Any change in their mailing address;
 - ii. Particulars of their Bank account, PAN no. and e-mail ids in case the same have not been sent earlier;
 - iii. Members who hold shares in physical form in multiple folios in identical names are requested to send the share certificate for consolidation into single folio.

Further, please note that Members holding equity shares in electronic form are requested to contact to their DP with whom they are maintaining the demat accounts for updation in address, PAN no., e-mail IDs, Bank details, Bank mandate, ECS mandate, etc.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and all the relevant documents referred to in this Notice will be available for inspection electronically to the Members during the AGM. Members seeking to inspect such documents can send the e-mail id to cs@aglasiangranito.com by mentioning the details of Folio No. / Client ID - DP ID wherein the shares of the Company are held by the Member(s).
14. The Board of Directors has recommended a dividend of ₹ 0.70/- per fully paid-up equity share (i.e. 7%) of ₹ 10/- each for the financial year ended on 31 March, 2022. The members holding shares on record date i.e. 10 June, 2022, will only be entitled to receive the final dividend, if approved by the members at the AGM. The dividend, once approved by the members at the AGM, will be paid within statutory time limit of 30 days, through direct credit to the bank account or send demand drafts / cheques as per permitted mode.
15. Members wishing to claim dividends for previous financial years, which remain unclaimed, are requested to correspond with the Company's Registrars and Transfer Agent (RTA). In case any unclaimed Dividend Warrant is lying with any member, the same should be forwarded to RTA for revalidation.

Members are requested to note that dividends not encashed or claimed within seven years from the thirty days of declaration of dividend, will, as per Section 124 of the Companies Act, 2013, be transferred to the IEPF.

Further, provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of IEPF Rules as amended, inter-alia, mandates the Company to transfer all such shares, in respect of which dividend have not been paid or claimed for seven consecutive years or more, to the demat account of IEPF Authority.

Unclaimed dividend information is available on the website of IEPF viz. www.iepf.gov.in and also on the website of the Company www.aglasiangranito.com

16. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. 01 April, 2020 and the Company is required to deduct income tax from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. In general, Members are requested to complete and / or update their Residential Status, Permanent Account Number ('PAN') and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company / its RTA.

A Resident individual member with PAN and who is not liable to pay Income Tax can submit a yearly declaration in Form no. 15G / 15H, to avail the benefit of non-deduction of tax at source by uploading documents on the portal of our RTA i.e. Link Intime India Private Limited. Members are requested to note that, inter-alia in case the PAN duly linked with Aadhar is not registered or declarations with requisite information are not provided, the tax will be deducted at higher rate of 20%.

Non-resident members can avail beneficial rates under tax treaty between India and their Country of residence, subject to providing necessary documents. i.e. self-attested copy of PAN Card (if available), No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F or any other documents which may be required to avail the tax treaty benefits by uploading documents on the portal of our RTA i.e. Link Intime India Private Limited.

17. Pursuant to SEBI Circular dated 03 November, 2021 read with SEBI Circulars dated 14 December, 2021 and 25 January, 2022 on Common and Simplified Norms for processing Investor's Service, the shareholders holding shares in Physical mode are mandatorily required to record their PAN, Address with PIN code, e-mail id, Mobile Number, Bank Account details, Specimen Signature and

Nomination with the Company / RTA of the Company. The salient features and requirements of the circular are as follows:

- a) **If case of Non- Updation of KYC:** Folios wherein any one of the cited details / documents, (i.e PAN, Address with PIN code, e-mail id, Mobile Number, Bank Account details, Specimen Signature and Nomination) are not available on or after 01 April, 2023, shall be frozen as per SEBI circular. The securities in the frozen folios shall be eligible to lodge any grievance or avail service request from the RTA only after furnishing the complete documents / details as aforesaid. And eligible for any payment including dividend, interest or redemption payment only through electronic mode upon complying with the above stated requirements.
- b) The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circular are available on Company website as well as the website of RTA. Original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook / statement attested by the bank which is mandatory for registering the new bank details.
- c) **Mandatory Linkage of PAN with Aadhaar:** As per the Central Board of Direct Taxes (CBDT), it is mandatory to link PAN with Aadhaar number by 31 March, 2023. A communication in this regard was already sent to physical shareholders. Security holders who are yet to link the PAN with Aadhaar number are requested to get the same done before 31 March, 2023. Post 31 March, 2023 or any other date as may be specified by the CBDT, RTAs shall accept only valid PANs and the ones which are linked to the Aadhaar number. The folios in which PAN is / are not valid as on the notified cut-off date of 31 March, 2023 or any other date as may be specified by the CBDT, shall also be frozen.

In view of the above, we request you to submit the KYC Form, duly completed along with Investor Service Request Form (ISR) – 1 and the required supporting documents as stated in Form ISR-1 at the earliest with RTA i.e. Link Intime India Private Limited, Ahmedabad. Necessary communication through letters have been sent to all the physical shareholders in this regard on 17 February, 2022.

18. At the 24th AGM held on 30 September, 2019 the Members approved appointment of R R S & Associates, Chartered Accountants (Firm Registration No.118336W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 29th AGM. The requirement to place the matter relating to appointment of Auditors for

ratification by Members at every AGM has been done away with the Companies (Amendment) Act, 2017 with effect from 07 May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at this AGM.

19. Additional information of Mr. Sureshbhai Patel, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standard on General Meetings (SS 2), in respect of Directors seeking reappointment at the AGM is annexed herewith as **Annexure A**.
20. Only bonafide members of the Company whose names appear on the Register of Members will be permitted to attend the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the AGM.
21. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. However, the members having their shareholding in the Demat form are requested to provide their PAN details to their respective DPs and those who have shares in physical mode are requested to provide their PAN details to the Company or the RTA of the Company.
22. (a) Considering the ongoing pandemic situation and in compliance with MCA Circular, Notice of AGM is being sent through electronic mode to all the members whose email IDs are registered with the Company/ DPs.
(b) We urge members to update your email addresses with the Company or DPs.
23. The Notice of AGM is available at the Company's website www.aglasiangranito.com. The Notice of the AGM is also available on <https://www.evoting.nsdl.com>.
24. The Company has dedicated E-mail address info@aglasiangranito.com / cs@aglasiangranito.com for members to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
25. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 including amendment thereto and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility to the members to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting No. 02/2021-22 by electronic means and the items of business given in the Notice of the AGM may be transacted through e-voting services. The facility of casting vote through e-voting system from a place other than venue of the



AGM ('remote e-voting') will be provided by National Securities Depository Limited ('NSDL').

26. The remote e-voting period commences at 09:00 a.m. IST on Tuesday, 13 September, 2022 and ends at 5:00 p.m. IST on Thursday, 15 September, 2022. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on Cut-off date of Friday, 09 September, 2022 ('Cut-off date'), may cast their vote by remote e-voting. No remote e-voting shall be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled for voting upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
27. The Register of Members and Share Transfer Book of the Company will remain closed from Saturday, 10 September, 2022 to Friday, 16 September, 2022 (both days inclusive) for the purpose of AGM and to determine the list of members entitled to receive dividend, if approved by the shareholders at the AGM.
28. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Friday, 09 September, 2022. Any person, holding shares in physical form and non-individual shareholders who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 09 September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or ahmedabad@linkintime.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, 09 September, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
29. Mr. Rajesh Parekh, Practicing Company Secretary (Membership No. A8073) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner failing him Ms. Aishwarya Parekh, Practicing Company Secretary (Membership No. A58980) can carry on the Scrutinising process.
30. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in

employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 2 working days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith. The result declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website <http://www.aglasiangranito.com> and on the website of NSDL immediately after the result is declared by the Chairman and the same shall be simultaneously communicated to the BSE Limited and National Stock Exchange of India Limited.

31. The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.
32. Voting process and instruction regarding e-voting:

The instructions for shareholders voting electronically are as under:

The remote e-voting period begins on 09:00 a.m. IST on Tuesday, 13 September, 2022 and ends at 5:00 p.m. IST on Thursday, 15 September, 2022. During this period, shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 09 September, 2022 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 09 September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 09 September, 2022.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 09 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

 App Store
  Google Play



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
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Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.



Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial

password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the Companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@csrajeshparekh.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Nipul Shah at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@aglasiangranito.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@aglasiangranito.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in



demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General Meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions and register themselves as speaker shareholder

may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@aglasiangranito.com on or before 12 September, 2022 (5:00 p.m. IST). The same will be replied by the Company suitably.

6. Those shareholders who have registered themselves as speaker shareholder only be allowed to express their views/ask questions during the meeting.

Explanatory Statement in respect of special businesses pursuant to Section 102(1) of the Companies Act, 2013 setting out material facts:

The following Explanatory Statement sets out all material facts relating to the special businesses set out in the accompanying notice of the AGM.

Item No. 4:

To facilitate any fund raising in future via either equity issue (either through direct placement such as QIP / ADR / Preferential Issue, Rights Issue, Further Public Offer or via convertible instruments, such as warrants) and / or Convertible Debt instruments etc., it is desirable to increase the Authorized Share Capital of the Company. Hence, Directors propose to increase the Authorized Share Capital of the Company from ₹ 1,27,00,00,000/- (Rupees One Hundred Twenty Seven crores Only) consisting of 12,70,00,000 (Twelve crores Seventy lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 1,40,00,00,000/- (Rupees one hundred and forty crore only) consisting of 14,00,00,000 (Fourteen crore only) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

Pursuant to Sections 61 and 64 of the Companies Act, 2013, the consent of the Members of the Company is required to increase the Authorized Share Capital. Accordingly, the Board of Directors of the Company, vide its resolution passed at the meeting held on 12 August, 2022, has proposed to increase the Authorized Share Capital of the Company and seeks the approval of Members for the same by way of passing an Ordinary Resolution.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company, and accordingly the Board now seeks the approval of Members for the same by way of passing an Ordinary Resolution.

Pursuant to Section 13 and 62 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Board recommends this Ordinary Resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested, financial or otherwise, in this Ordinary Resolution except to the extent of their shareholding in the Company, if any.

Annexure A

Information pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General meetings ('SS-2') issued by the Institute of Company Secretaries of India regarding the Director proposed to be re-appointed:

Name of Director	Mr. Sureshbhai J Patel
Director Identification Number	00233565
Date of Birth	27 September, 1966
Age as on 12 August, 2022	56 years
Date of first appointment on Board	11 May, 2011
Qualification	Bachelor of Commerce
Brief Profile / Experience including expertise in specific functional areas	He has over 25 years of experience in ceramic industry
No. of Shares held as on 12 August, 2022	52,98,481
Terms and conditions of re-appointment	There is no change in the terms and conditions relating to appointment of Mr. Sureshbhai J Patel as Director of the Company, as approved by the members at the AGM held on 29 September, 2011.
Directorships held in other companies*	None
Directorship of listed entities from which director has resigned in the past 3 years	None
Chairman / Member of the Committees in other Companies	None
Remuneration sought and last drawn	As mentioned in the Report on Corporate Governance.
Number of meetings of the Board attended during the year.	9 out of 9
Relationship with other Directors and other Key Managerial Personnel of the Company	Brother of Mr. Mukeshbhai J Patel, Managing Director of the Company.

Note: * excludes directorships held in Private / Foreign Companies.

**The Committee of the Board of Directors includes only Audit committee and Stakeholders Relationship committee as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Registered Office and Corporate Office:
 202, Dev Arc, Opp. Iskon Temple,
 S.G Highway
 Ahmedabad – 380 015

By Order of the Board of Directors

Place: Ahmedabad
 Date: 12 August, 2022

Dhruti Trivedi
 Company Secretary
 Membership No. A31842

CORPORATE INFORMATION

BOARD OF DIRECTORS

- 1) **Mr. Kamleshkumar Patel** – Chairman and Managing Director
- 2) **Mr. Mukeshbhai Patel** – Managing Director
- 3) **Mr. Sureshbhai Patel** – Executive Director
- 4) **Mr. Bhaveshbhai Patel** – Executive Director
- 5) **Mr. Kanubhai Patel** – Executive Director
- 6) **Mr. Bhogibhai Patel** – Executive Director
- 7) **Mr. Hemendrakumar Shah** – Independent Director
- 8) **Mr. Mukesh Shah** – Independent Director
- 9) **Mrs. Dipti Mehta** – Independent Director (upto 08 August, 2022)
- 10) **Dr. Indira Nityanandam** – Independent Director
- 11) **Late P. R. Chaudhari** – Independent Director (upto 29 April, 2021)
- 12) **Mr. Amrutbhai Patel** – Independent Director (upto 23 June, 2021)
- 13) **Mr. Maganlal Parajapati** – Independent Director (w.e.f. 26 May, 2021)
- 14) **Mr. Kandarp Trivedi** – Independent Director (w.e.f. 26 June, 2021)

KEY-MANAGERIAL PERSONNEL

- 1) **Mr. Amarendra Kumar Gupta** – Chief Financial Officer (upto 09 June, 2022)
- 2) **Mr. Mehul Shah** – Chief Financial Officer (w.e.f. 10 June, 2022)
- 3) **Dr. Dhruvi M Trivedi** – Company Secretary and Compliance Officer

BANKERS

HDFC Bank
IndusInd Bank

REGISTERED AND CORPORATE OFFICE

202, Dev Arc, Opp. Iskon Temple,
S. G. Highway, Ahmedabad – 380059
Tel. 079 66125500/698; Fax. 079 66125600/66058672
Email: info@aglasiangranito.com;
Web: www.aglasiangranito.com
CIN: L17110GJ1995PLC027025

PLANTS

- 1) Ceramic Zone, Katwad Road, At & Po. Dalpur, Taluka Prantij 383 120, Dist.: Sabarkantha.
- 2) Plot No. 767, Nr. JTI, Kheda- Dholka Highway, Village: Radhu, Dist: Kheda
- 3) Behind Sardar Plant, Idar-383430, Dist. Sabarkantha

STATUTORY AUDITORS

M/s. R R S & Associates
Chartered Accountants

AUDIT COMMITTEE

- 1) **Mr. Hemendrakumar Shah** – Chairman (upto 16 June, 2021)
- 2) **Mr. Kandarp Trivedi** – Chairman (w.e.f. 26 June, 2021)
- 3) **Late P. R. Chaudhari** – Member (upto 29 April, 2021)
- 4) **Mr. Maganlal Prajapati** – Member (w.e.f. 26 May, 2021)
- 5) **Mr. Kamleshkumar Patel** – Member

NOMINATION AND REMUNERATION COMMITTEE

- 1) **Mr. Mukeshbhai Shah** – Chairman
- 2) **Mr. Hemendrakumar Shah** – Member
- 3) **Mr. Kandarp Trivedi** – Member (w.e.f. 26 June, 2021)
- 4) **Mr. Kamleshkumar Patel** – Member
- 5) **Mr. Amrutbhai Patel** – Member (upto 23 June, 2021)

STAKEHOLDERS RELATIONSHIP COMMITTEE

- 1) **Dr. Indira Nityanandam** – Chairperson
- 2) **Mr. Amrutbhai Patel** – Member (upto 23 June, 2021)
- 3) **Mr. Kamleshkumar Patel** – Member
- 4) **Mr. Kandarp Trivedi** – Member (w.e.f. 26 June, 2021)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- 1) **Mr. Kamleshkumar Patel** – Chairman
- 2) **Mr. Mukeshbhai Patel** – Member
- 3) **Dr. Indira Nityanandam** – Member

RISK MANAGEMENT COMMITTEE:

- 1) **Mr. Mukeshbhai Patel** – Chairman
- 2) **Mr. Kamleshkumar Patel** – Member
- 3) **Mr. Maganlal Prajapati** – Member

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime (India) Private Limited
506-508, Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre, Near XT Xavier's College
Corner Off C G Road, Navrangpura, Ahmedabad 380009
Tel. +91 79 26465179 /86 /87
E-mail id: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

SCRIP CODE, SYMBOL AND ISIN:

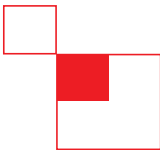
- 1) **BSE Scrip Code:** 532888
- 2) **NSE Symbol:** ASIANTILES
- 3) **ISIN:** INE022I01019

SECRETARIAL AUDITORS

M/s. RPAP & Co.
Company Secretaries



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AN INITIATIVE BY HR



Congratulations

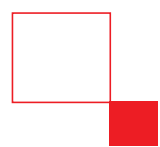
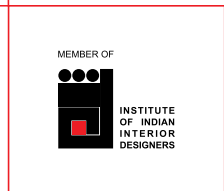
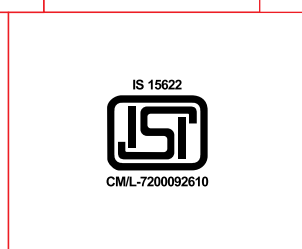
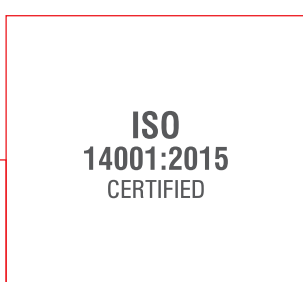
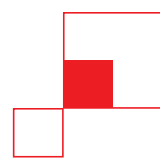
to
Each and Every Stakeholders of
BRAND AGL
for their contributions and
unstoppable efforts

Your efforts are acclaimed by Industry.



Gujarat Best Employer Brand Awards 2021





Tiles · Marble · Quartz · Bathware

Registered & Corporate Office:

202, Dev Arc, Opp. Iskcon Temple,
S.G. Highway, Ahmedabad - 380 015,
Gujarat (India)

Phone: +91 79 6612 5500 / 698
Fax: +91 79 6612 5600 / 6605 8672
E-mail: info@aglasiangranito.com
Website: www.aglasiangranito.com
CIN: L17110GJ1995PLC027025

Concept, Content & Design
WYATT Prism
COMMUNICATIONS (info@wyatt.co.in)