

# THE NEXT ORBIT



ASIAN GRANITO INDIA LIMITED | ANNUAL REPORT, 2014-15

## FORWARD-LOOKING STATEMENT

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of these results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## CONTENTS

<b>02</b>	Corporate identity	<b>24</b>	Business segments
<b>04</b>	Our year-on-year performance	<b>26</b>	Risk management
<b>06</b>	Milestones	<b>28</b>	Notice
<b>08</b>	Core competencies	<b>34</b>	Director's Report
<b>10</b>	Chairman's message	<b>55</b>	Management discussion and analysis
<b>18</b>	Managing Director's review	<b>58</b>	Corporate Governance Report
<b>20</b>	Our business model	<b>70</b>	Financial section

**AT ASIAN GRANITO, WE  
ARE A ₹ 907.84 CRORE-  
REVENUE COMPANY  
ASPIRING TO BECOME  
MORE THAN ₹ 2,000  
CRORE-REVENUE  
COMPANY OVER THE  
NEXT FIVE YEARS.**

**THROUGH PRODUCT  
INNOVATION.**

**THROUGH OPERATIONAL  
EXCELLENCE.**

**THROUGH A WIDER AND  
DEEPER MARKET REACH.**

**GRADUATING TO THE  
NEXT ORBIT.**

IF IT IS A  
**DIFFERENT  
DESIGN,**  
IT MUST BE ASIAN GRANITO.

IF IT IS A  
**NEW  
APPLICATION,**  
IT MUST BE ASIAN GRANITO.

IF IT IS A  
**DARING  
INITIATIVE,**  
IT MUST BE ASIAN GRANITO.

#### SNAPSHOT

Asian Granito India Limited was established in 2000 by Kamlesh Patel and Mukesh Patel.

The Company is among the top-four Indian ceramic companies and one of the largest manufacturers of polished vitrified and polished glazed vitrified tiles, wall and floor tiles, composite

marble and quartz stone in the country. Following its pioneering efforts in the introduction of digital printing in technical collaboration with SACMI (Italy) and a world-class quality management system, the Company has successfully built one of the most expansive digital tiles portfolios in the country.

#### VISIBILITY

Asian Granito is headquartered in Ahmedabad (Gujarat) with eight manufacturing facilities in Gujarat with a production capacity of more than 100,000 square metres per day.

The Company enjoys a pan-India marketing and distribution network comprising more than 4,000 dealers and sub-dealers operating from 16 depots and more than 91 showrooms (75 Tiles World exclusive

showrooms). Besides, the Company exports products to more than 50 countries.

The Company's shares are listed and actively traded on the Bombay and National Stock Exchanges. The Company's market capitalisation was ₹ 270.31 crore as on March 31, 2015; the promoters held 37.52% of the Company's equity (as on March 31, 2015).

#### OFFERINGS

The Company offers a wide range of products, including:

- Ceramic wall, ceramic floor and porcelain floor tiles
- Polished vitrified tiles (PVT) both

in soluble salt and double-charged variants

- Polished glazed vitrified tiles (PGVT) with digital print
- Marble and quartz

## AWARDS AND ACCOLADES

- Asian Granito was acknowledged as a 'Power Brand – Rising Star' in India by Planman Marcom in 2012
- The Company was recognised as the most trusted brand in the floor and wall tile categories in 2011 by *Reader's Digest*
- Asian Granito was acknowledged as an 'Indian Power Brand' by Planman Marcom in 2013
- Asian Granito was recognised by *The Economic Times* among 'The Most Promising Brands of India, 2015'
- Kamlesh Patel and Mukesh Patel were recognised among the 'Top-100 Most Inspiring Entrepreneurs of India' by *The Economic Times* in 2015
- Asian Granito won the 'The Most Innovative Stall Award' at *The Economic Times* ACETECH Exhibition, 2014
- Asian Granito won the 'The Best Stall Award' at Stone Mart, 2014
- Asian Granito won the 'Best Stall Award' at the CREDAI exhibition in Hyderabad
- Asian Granito was acknowledged for its success story at the Vibrant Gujarat 2015 SME Summit
- Asian Granito received an award for 'Energy Conservation' from the President of India
- Asian Granito received an award at the Décor India Exhibition, 2014-15

## VISION

- To be a leader in the ceramic industry
- To uphold quality at every stage and maintain consistency to win the trust of our valued customers worldwide
- To maintain our position as an innovative global leader

## CLIENTELE

The Company's clientele comprises brand-enhancing institutional customers, including :

## HOSPITALITY

The Leela Palace, Hotels and Resorts ■ ITC Hotels ■ Bharati Hotels

## REAL ESTATE

Adani Group ■ Lodha Group ■ Godrej Group ■ TATA Group ■ Ansal API ■ DLF Masters ■ Unitech ■ Sobha Developers ■ Brigade Group ■ SLS Developers ■ Rohan Housing ■ Prestige Group ■ Sriram Properties ■ Skyline Builders ■ Muthoot Developers ■ Kent Construction

## EDUCATIONAL INSTITUTIONS

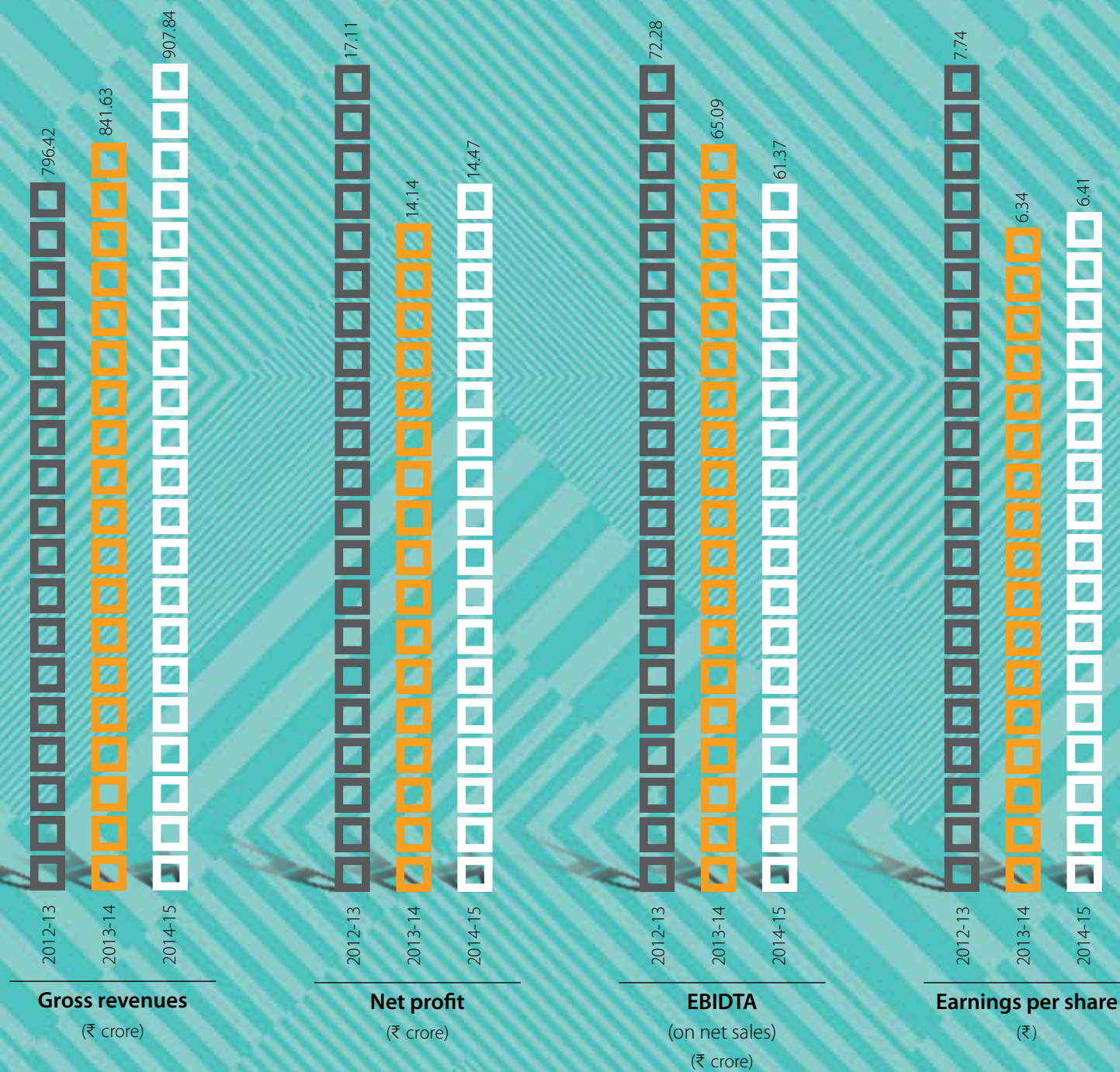
Rajasthan Agricultural Research Institute (Jaipur) ■ Manipal University (Jaipur) ■ Central University of Rajasthan (Jaipur) ■ SDM Institute of Technology (Ujire) ■ Raja Rajeshwari Medical College (Bengaluru)

## BELIEFS AND VALUES

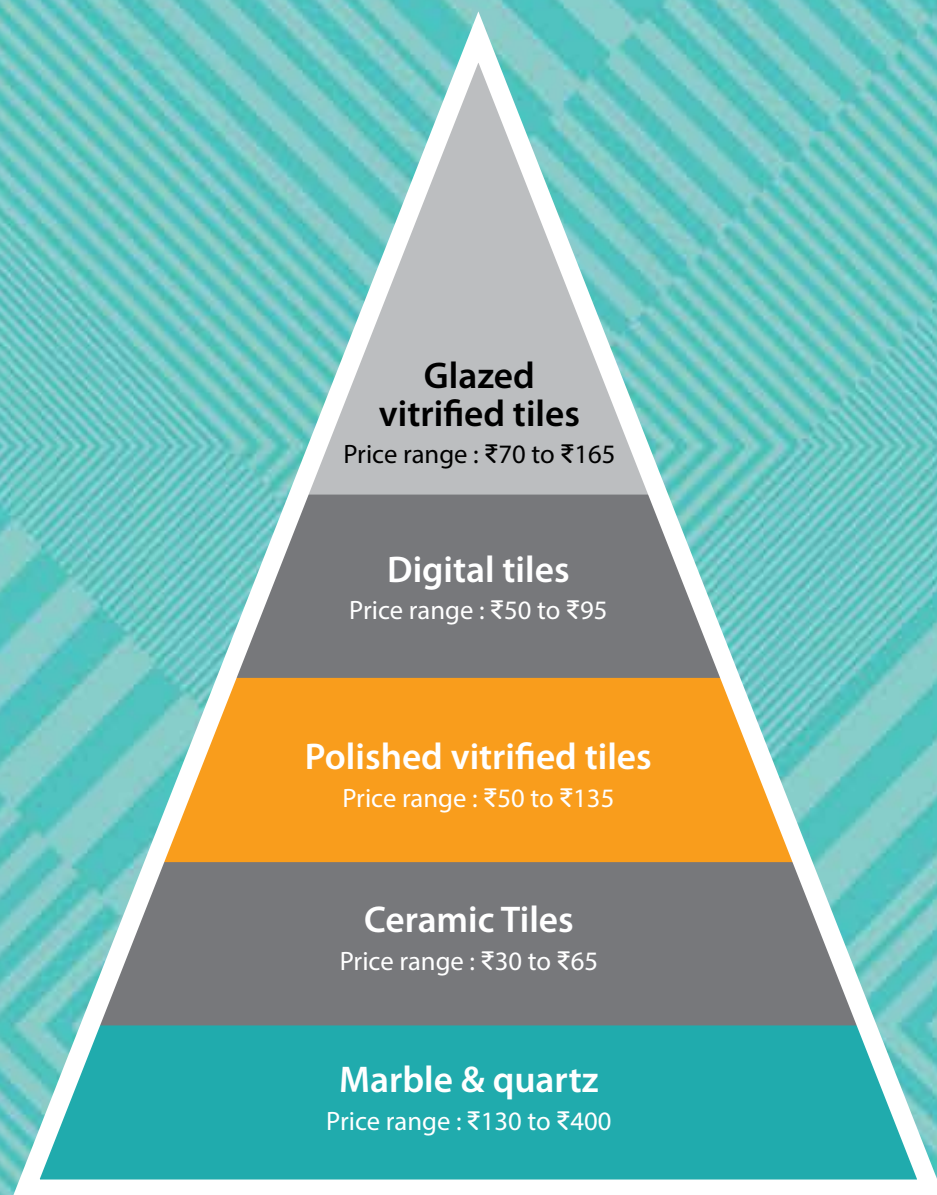
As change-leaders, we believe in adapting to changing times while staying rooted to our traditional values. Thus, our belief system reflects a subtle synthesis of traditional and modern values.



# OUR YEAR-ON-YEAR PERFORMANCE







**907.84**

GROSS REVENUES  
(₹ CRORE)

**14.47**

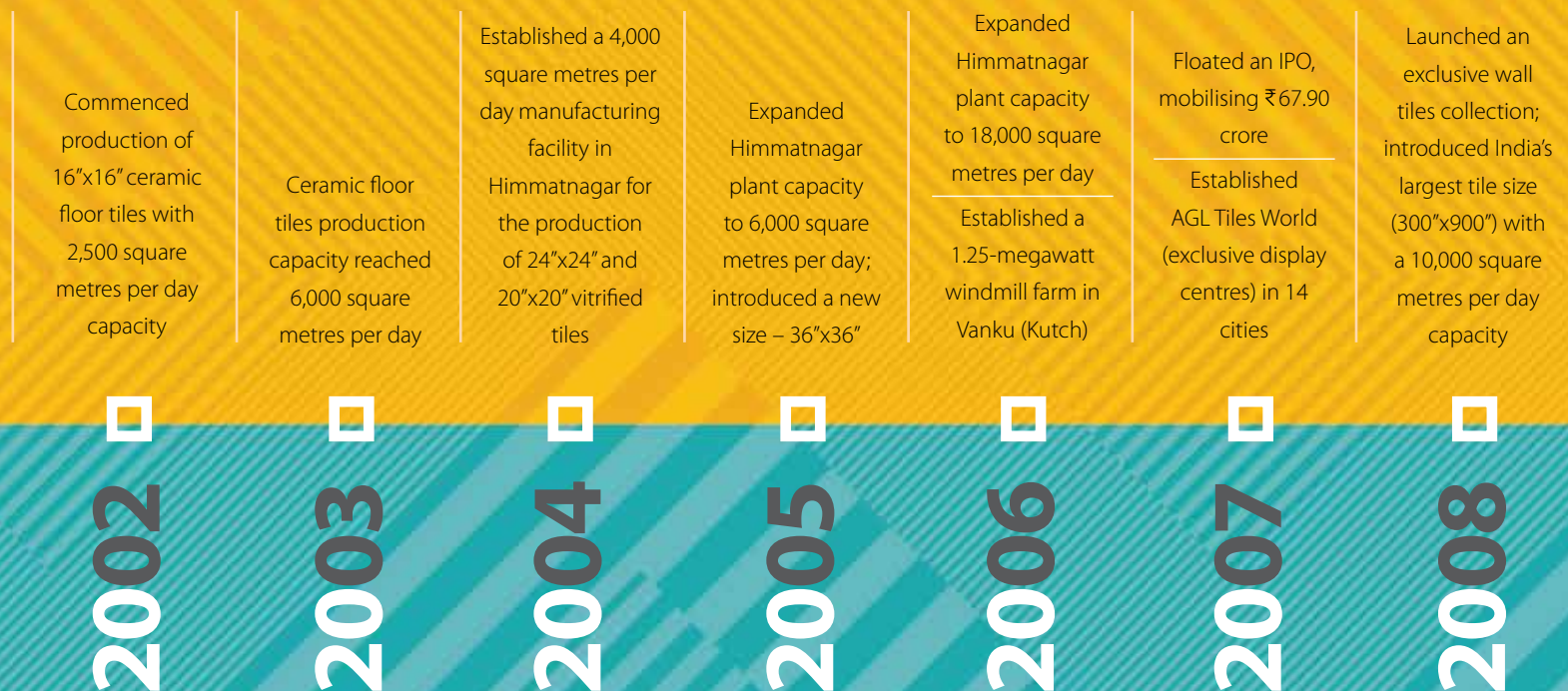
NET PROFIT  
(₹ CRORE)

**6.41**

EARNINGS PER SHARE  
(₹)

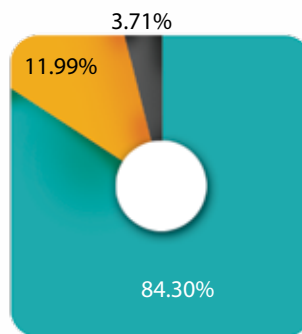
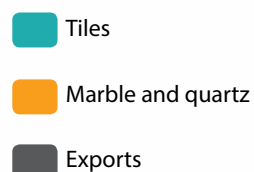


# ASIAN GRANITO. CONVERTING STEPPING STONES INTO MILESTONES

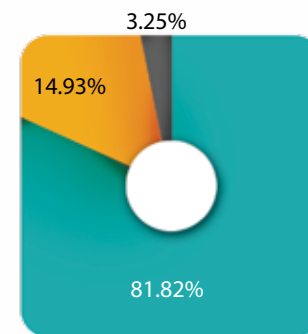


## PERFORMANCE HIGHLIGHTS

### SALES MIX (BY SEGMENT)

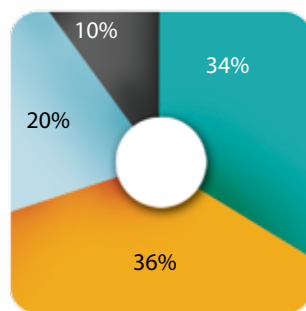


2014-15

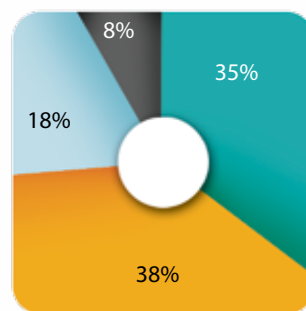


2013-14



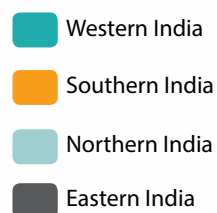


**2014-15**



**2013-14**

## SALES MIX (BY GEOGRAPHY)



## **CORE COMPETENCIES**

### **RICH EXPERIENCE**

Asian Granito's promoters possess an entrenched experience spanning more than two decades. More over, the Company's robust management team comprises seasoned professionals who have helped Asian Granito emerge as India's fourth-largest tile company over the past 14 years.

### **WIDE PRODUCT BASKET**

Asian Granito's wide product portfolio addresses diverse needs and budgets. The Company offers 1,200+ designs across 16 display centres and adds more than 100 products on an average every quarter. The Company's tiles are available across a price range of ₹45 to ₹400 per square feet.

### **CERTIFICATIONS**

The Company's manufacturing facilities have been bestowed with ISO 9001:2008 and ISO 14001:2004, reflecting procedural consistency and qualitative excellence. The Company's CE certification and IGBC-member status validates its superiority in the realm of exports and environment sustainability. Besides, the Company conducts periodic quality audits across manufacturing units, ensuring the seamless manufacture of GRIHA-certified products.