

CARYSIL®
KITCHEN SINK

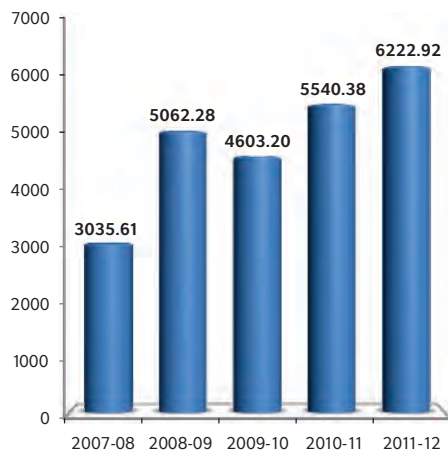


Acrysil Limited
25th Annual Report 2011-12

FINANCIAL HIGHLIGHTS

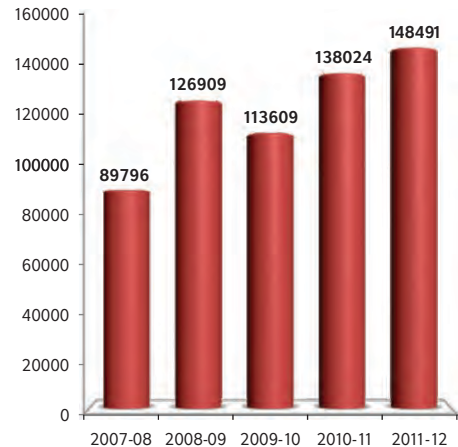
Sales Turnover

(Rs. in lacs)



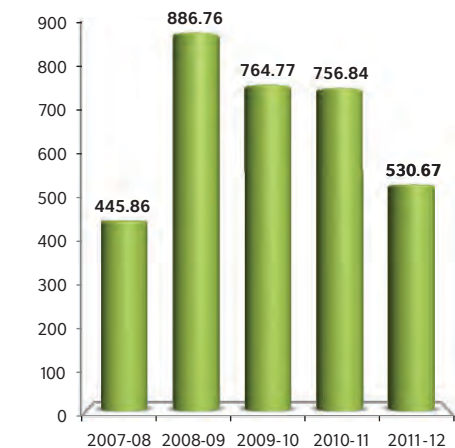
Sales Quantity

(Qty. in numbers)



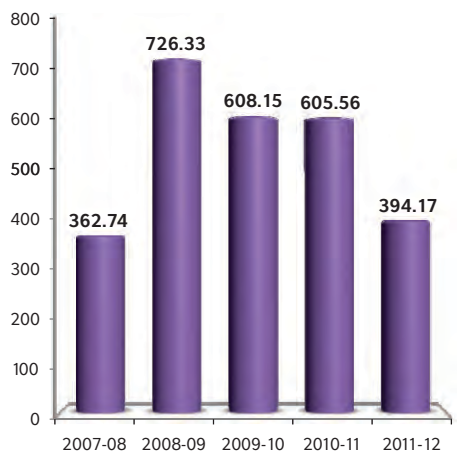
Profit Before Tax (PBT)

(Rs. in lacs)



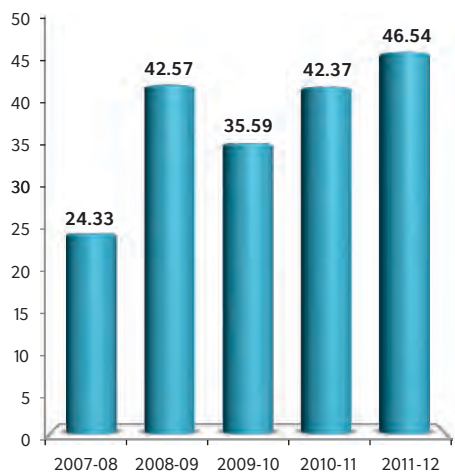
Profit After Tax (PAT)

(Rs. in lacs)



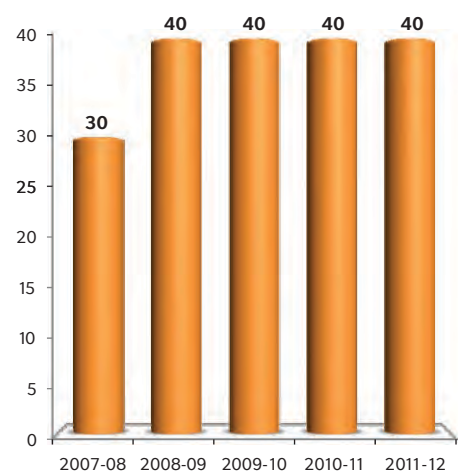
Foreign Earnings (FOB)

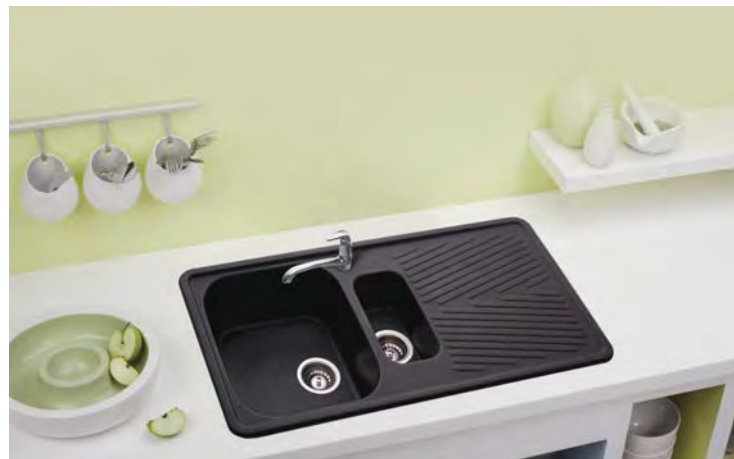
(Rs. in crores)



Dividend History

(Percentage)





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CORPORATE INFORMATION

Board of Directors

Shri Ashwin M. Parekh,
Executive Chairman

Shri Chirag A. Parekh,
Vice Chairman & Managing Director

Shri M. Nageswara Rao

Shri Jagdish R. Naik

Shri Ajit R. Sanghvi

Dr. Minoo D. Daver

Shri Apurva R. Shah

Shri Rustam Mulla

Company Secretary

Damodar Sejpal

Auditors

Sanghavi & Company
Chartered Accountants, Bhavnagar

Registrar & Transfer Agent

M/s Bigshare Services Pvt. Ltd.
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Sakivihar Road,
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Phone: (022) 40430200
Fax: (022) 28475207
E mail: investor@bigshareonline.com

Bankers

State Bank of India, Bhavnagar

Works

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Navagam, Post: Vartej,
Bhavnagar 364 060, Gujarat (India)
Phone: (0278) 2540218, 2540893
2540392, 2540232
Fax: (0278) 2540558

Registered Office

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J. B. Nagar, Andheri-Kurla Road,
Andheri (East), Mumbai-400 059 (India)
Phone: (022) 66711101, 66711105
Fax: (022) 66711109



Spreading Our Wings

In its surge towards its place at the pinnacle of premium kitchen fittings, Acrysil has truly spread its wings.

Opening up new markets. Finding new customers. Introducing new product lines.

And establishing new relationships and alliances. Both internationally and now domestically, Acrysil has scored new triumphs while soaring towards the peaks of global pre-eminence.

It's a flight powered by research-based product offerings of matchless distinction ...while upgraded technologies and human skills enhance both productivity and profitability.

It's a flight of the entire extended Acrysil family towards the most rewarding outcomes ahead.

CHAIRMAN'S LETTER



Ashwin Parekh, Founder and Chairman

Dear Shareholders,

Today, I would like to share with you some thoughts about the onward march of time. It's an appropriate theme, since your company had its beginnings in making industrial jewels for quartz crystal watches.

We must never forget that time does not stand still, and neither can we. Events keep unfolding, technologies and markets keep advancing, and we have to keep moving just to maintain our position. And since we want to constantly increase our lead in market share, in technology, in our customer base, in our performance – obviously even more movement is required of us.

This movement too is being driven by quartz – by the inherent potential of composite quartz kitchen sinks, on which we have built an entire niche range of premium deluxe kitchen

“ We make high end designer kitchen sinks that very few in the world do, but that everyone who aspires for the finest in life, needs. This is a source of pride and it defines Acrysil. ”

fittings. These are products that are right for the times. Across the globe, they appeal to the emergent market of people and institutions that have reached a position where they can demand the highest standards of design, functionality and finish. For this very select, very discerning, very niche market, cost is secondary. Value and quality come first. Pride of ownership is paramount.

It's this market that is taking to our product range, in more and more impressive numbers. And because time does not stand still, we cannot either. More than ever, it's been a year of acquiring new institutional customers. Penetrating into new overseas geographies. Launching new product lines while extending the range of models and price-tags to choose from. Building new partnerships and alliances for technology and marketing. Venturing into entirely new product categories designed for the modern kitchen. And engaging in many promotional activities of various kinds. Meanwhile, we've also been attending to our bottom line with more efficient and productive technologies, systems, processes and human skills.

Most importantly, since the whole world is knocking on India's door, how could we lag behind? That's why we are making a major thrust in domestic sales. We are putting together a suitable mix of offerings, and tying up with the right global business houses, so that we can be an undisputed leader in our premium segment here at home...and among the top few names overseas.

There is absolutely no doubt in my mind that we will attain these peaks. As time marches on, and we count the minutes, hours and days moving by, we must also count our blessings. We have all the makings of a winner, so why should we not realize our visions of tomorrow? All we have to do is keep moving...with the right moves.

We must never lose sight of our value proposition, our focus on premium customers for whom cost is not a constraint — so long as they receive true value. That value must be much more than mere gloss and status-symbol appeal. It must always include elegance in design and efficiency in function, coupled with durability and strength.

I have no doubt at all that we are destined to succeed in this endeavour. I know you too share in this certainty, and you too look forward to the rewards that the future holds.

And, of course, with the support that you have offered through the years. I know that I will continue to thank you for it for years and years to come.

Thank you.

Ashwin Parekh
Founder and Chairman

MANAGING DIRECTOR'S MESSAGE



Chirag Parekh, Vice-Chairman & Managing Director

“ We deliver results. That is the ultimate output of a focused and strong business model. Over the next few years, our performance will accelerate. ”

Dear Friends,

The fiscal year 2011-12 was a most challenging year as markets round the world continued to grapple with economic recovery. Even in the domestic markets the recovery was painfully slow. European markets were particularly difficult with the crisis in various countries like Greece, Spain and Italy, which resulted in unprecedented uncertainty in these markets. Not surprisingly, there was a marked slowdown in the construction and renovation markets across the world.

Under the circumstances, our performance was commendable and this reflects in the strength of the company's business model and quality of its products.

We are right on track with our push in overseas markets as well as inroads on the domestic front. So there are many new developments that I would like to share with you.

We have some major new institutional customers in the US and Germany, many of them the result of our acquisition of Acrysil GmbH as a subsidiary last year. These new buyers themselves have extensive

networks for distribution and marketing, so there is considerable potential there. At the same time, we have made an entry into some entirely new geographies, most importantly Columbia, Hungary, Iran and Israel. As you can imagine, that's quite a diverse spread. It helps illustrate that our appeal cuts across all geographical and cultural boundaries.

We have customized several new models – that is, new styling and designs – for the tastes of clientele in Europe, Russia, USA and the Far East. This represents a substantial investment, but it is one that will repay itself multifold in our export sales. It also gives us something new to show in the many overseas trade fairs and exhibitions in which we are asserting our presence.

In this context, I should mention that stainless steel sinks are finding excellent acceptance in Singapore as well as European markets, so much so that we are focusing on new technologies for even better quality and lower cost in their manufacture. We will certainly diversify the range into stainless steel wash basins as well.

Finally, what may be the most important new thrust of all – we are making a serious all-out push in the domestic arena. We are out to be No. 1 in the premium kitchen segment in not more than five years. Accordingly, we are putting together a package of new products that includes various Appliances, Chimneys, Cooking Hobs and Ovens, slated to be launched in October 2012.

All these ambitious plans require strong support from within. We cannot simply expect to coast to victory based on our unique position as India's only quartz kitchen sinks manufacturer. That's why we have sharpened our systems and processes, especially in R&D, HR skill acquisition, standards compliance and other quality drivers. We are constantly upgrading our technologies with an eye on better productivity, more reliable high quality, and of course economical operation, because margins are under more pressure now than they have ever been. Employee performance too is being made subject to processes of evaluation, goal-setting, productivity-based incentives and other ways of getting the

best out of our people. In this effort we have taken guidance from specialized institutes which are highly reputed in maximising human potential.

So long as we closely stick by these principles, we will certainly reach our goal of being India's first name in kitchen sinks across all categories - quartz, stainless steel, and whatever new materials we might explore in the future. We are confident that our portfolio of products will provide us with sufficient growth opportunities in the future.

This year marks the completion of 25 years of our journey as a Company. This is a milestone event made possible by the tremendous support of our shareholders. As an expression of gratitude, the Board of Directors has recommended a bonus issue in the ratio of 1:2, to the shareholders.

I extend my gratitude to all our employees, our shareholders, our business associates and our customers for their enduring trust and support.

Thank you.

Chirag Parekh
Vice-Chairman & Managing Director

In a class of its own.

Carysil Kitchen Sinks.

From Acrysil, a product with world-wide acceptance and world-class quality. Something that's so much more than just a kitchen sink.

It's a lifestyle accessory. A designer's dream. A home-maker's pride.

It has contemporary international styling in a range of pleasing colours.

It doesn't scratch, stain or dent. It's resistant to heat. It's easy to clean, and completely food-safe. And years later, it'll still like you installed it yesterday.

And it's one-of-a-kind. India's only indigenous brand of sinks made with quartz bonded with resin, and precisely and uniformly moulded . Yielding a high-gloss material that's got all the plusses of granite...without any of the minusses.

Its hardly surprising therefore, that our Carysil quartz sinks are widely sought as the connoisseurs choice, in niche markets, both domestic and international.

