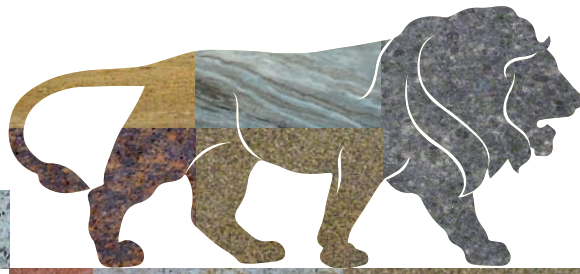




POKARNA LIMITED

India's No. 1 granite company



MAKING
IN INDIA,
SINCE 1991



2455 - Ancient Beige
by

Quantra





*Map not to scale

Contents

01

Chairman's
Address

Page 6

02

Corporate
Information

Page 8

03

Notice

Page 15

04

Directors'
Report

Page 25

05

Management
Discussion and
Analysis

Page 51

06

Corporate
Governance
Report

Page 61

07

Standalone
Auditor's Report

Page 74

08

Standalone
Balance Sheet

Page 78

09

Standalone
Statement of
Profit & Loss

Page 79

10

Standalone Cash
Flow Statement

Page 80

11

Standalone Notes
to Accounts

Page 83

12

Financial Information
of Subsidiary Company

Page 104

13

Consolidated
Auditor's Report

Page 105

14

Consolidated
Balance sheet

Page 107

15

Consolidated
Statement of
Profit & Loss

Page 108

16

Consolidated
Cash Flow
Statement

Page 109

17

Consolidated Notes
to Accounts

Page 112

18

Attendance Slip &
Proxy form

Page 133

2456 - Brown Leaf
by

Quantra

01

Chairman's Address

Dear Shareholders,

It gives me great pleasure to report an excellent year for your Company, which saw improved performance across a number of fronts. In FY 2014-15, Pokarna maintained its positive trend of the past few years: Robust sales growth for Granite & Quartz driven by our commitment towards offering the finest and the latest designs for our clients backed by superior quality process.

Before I begin discussing the key operational developments, let me briefly run you through the financial highlights across all our segments namely Granite, Apparels and Quartz. The Granite Division garnered revenues worth ₹ 183 crore as against ₹ 155 crore, growth of 18%, while reporting PBIT of ₹ 47.56 crore as against ₹ 30 crore of previous year FY14. Performance of Apparels Division continued to remain soft, having generated revenues of ₹ 7 crore during the year as against ₹ 14 crore during FY14. Quartz segment reported a strong performance with revenue growth of 120% for the year following revenue and PBIT of ₹ 135.73 crore and ₹ 31.63 crore.

Your Company's passion for producing the best stone surfaces has resulted in developing a strong brand connect with its customers across globe. Further, the Company's ability in manufacturing quality products across price-point, has enabled it to become a strong player in the industry. It is this fusion of passion and capability that has empowered us to meet our goals even during challenging times.

Knowing that innovation is core to the businesses success, your Company undertakes the necessary measures towards strengthening its R&D capabilities with a mission to develop top quality design and optimize the cost efficiencies of our manufacturing processes. Further, India especially, Andhra Pradesh and Telangana being home to some of the best

stone quarries offers an attractive cost benefit to the Company by offering easy access to raw material of preeminent quality.

Your Company is also undertaking steps towards widening its presence and improving its brand visibility across its existing and new targeted markets. We are working towards designing and implementing a prudent marketing strategy, focused on meeting the interest of all participants in the eco-system ranging from fabricators, developers, contractors, kitchen retailers, builders, architects and designers and not restricting it to end-users alone. Further, the Company, in line with requisite laws, is also engaging with the investment community in an endeavor towards enhancing understanding and visibility of Pokarna's business. Lastly, I believe that it is the consistently improving performance of the Company which will help strengthen its perception in the eyes of the business and investment community.

Your Company is taking steps towards widening and strengthening its Quartz surface distribution reach. Our agreement with Dekker Zevenhuizen B.V for distribution of captive brand during the year is amongst the many steps taken by us towards improving the brand accessibility besides firming up its depth in the market. Pokarna is striving towards creating a healthy mix of owned and third party distributors across key regions to help develop its business.

I would also like to take this opportunity to highlight our commitment towards protecting and safeguarding the environment. Your Company takes utmost efforts towards ensuring minimum impact. The Company rigorously scrutinizes its production process from a health, safety and environmental point of view. It is such dedication which has resulted in your Subsidiary Company being the first Quartz surfaces manufacturer in the country to have been awarded the GREENGUARD and GREENGUARD GOLD certification.



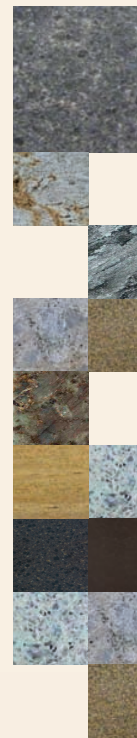
The future is bright. Engineered stone or Quartz is increasingly becoming the material of choice in developed markets and is also gaining traction in relatively nascent markets like India. Our Granite business too continues to grow steadily. I believe this is a reflection of the strong expertise we have built of this material and the markets. I look forward to continued future growth.

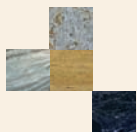
Lastly, I would like to thank you all our employees, who have played a key role in Company's performance. I would also like to thank our business partners, vendors and other business associates. Finally I would like to thank all our shareholders for their unrelenting support.

Yours sincerely,

Gautam Chand Jain

Chairman & Managing Director, Pokarna Limited





Corporate Information

BOARD OF DIRECTORS

Mr. Gautam Chand Jain, Chairman & Managing Director

Mr. Prakash Chand Jain, Non-Executive Director

Mr. Meka Yugandhar, Independent Director

Mr. Thati Venkataswamy Chowdary, Independent Director

Mr. Vinayak Rao Juvvadi, Independent Director

Mr. Mahender Chand, Independent Director

Mr. Dhanji Lakhamsi Sawla, Independent Director

Mr. Rahul Jain, Executive Director

Mrs. Apurva Jain, Executive Director

STATUTORY AUDITORS

M/s. S. Daga & Co., Chartered Accountants, Hyderabad

INTERNAL AUDITOR

Mr. M. Murali Jaganmohan, Chartered Accountant, Hyderabad

COST AUDITORS

M/s DZR & Co, Cost Accountants, Hyderabad

SECRETARIAL AUDITOR

Mr. K .V. Chalama Reddy, Company Secretary, Hyderabad

CHIEF FINANCIAL OFFICER

Mr. M. Viswanatha Reddy

COMPANY SECRETARY

Mr. Vinay Paruchuru

LISTED ON

Bombay Stock Exchange Limited (BSE)

Scrip code: 532486

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Karvy Computershare Private Limited,

Karvy Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda, Hyderabad – 500 032

BANKERS

Union Bank of India, Khairatabad, Hyderabad