

**30<sup>th</sup> Annual Report**  
**2020 - 21**

**DEFINE, DEFY, DELIVER:**  
**30 YEARS OF POKARNA**

# INSIDE THIS REPORT

## Corporate Overview

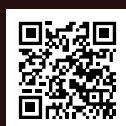
Who we are	04
Key Highlights	06
Relying on inherent strengths	07
Chairman's Message	08
Tracking our Finances	10
Creating a Stronger Brand	12
Manufacturing 4.0	14
Tailored services to delight customers	16
Board of Directors	17
Corporate Information	18

## Statutory Reports

Management Discussion & Analysis	19
Notice	27
Boards' Report to Shareholder	43
Business Responsibility Report	60
Corporate Governance Report	65

## Financial Statements

Standalone Financial Statements	81
Consolidated Financial Statements	129



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## Forward-looking Statement

This report contains forward-looking statements. Such forward-looking statements include, without limitation, statements regarding cost savings, productivity, operating performance, cost structure and competitive position. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to price volatility, currency fluctuations, increased production costs and variances in grade or recovery rates from those assumed in mining plans, political and operational risks in the countries in which we operate, and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly revisions to any forward-looking statement, to reflect events or circumstances after the date of this annual report release, or to reflect the occurrence of unanticipated events, except as may be required under applicable laws.


# DEFINE. DEFY. DELIVER.

In the last three decades of our existence, we have risen and fallen, accomplished several milestones and have been witness to a rather phenomenal journey. It has not only strengthened our foundations but, also continued to define who we are today.

Along the way, we have defied odds to succeed and prosper. Our resilience and the ability to adapt to evolving circumstances enabled us to rise above challenges. Remaining unfazed in the face of crisis, we have embraced newer methods to improve efficiency and deliver exceptional results.

We have also revamped our existing product portfolio, ventured into newer business segments and consistently upgraded our capacities to renew our position in the industry. What emerged, was our constant capability to deliver returns to our stakeholders.

**Pokarna today is perfectly poised to define its growth path and fulfil customer expectations, overcoming odds to design a brighter future.**



# POKARNA. THIRTY ROCK SOLID YEARS.

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For thirty years, we've given you the  
world's finest natural granite...

For over a decade, we also bring you  
the world's finest quartz surfaces.

**1991 ▶**

The Journey started with the acquisition of a black galaxy granite quarry

**1995 ▶**

Listed on Hyderabad and Madras Stock Exchanges

**1996 ▶**

Acquired and turned around a sick granite processing unit

**2000 ▶**

Acquired and turned around another sick granite processing unit

**2003 ▶**

Crossed ₹ 100 crore topline  
Listed on BSE

**2004 ▶**

Commenced commercial operations at apparel manufacturing facility and launched brand STANZA

**2007 ▶**

Listed FCCB's on SGX

**2009 ▶**

PESL commenced commercial operation of Unit 1

**2015 ▶**

PESL crossed ₹ 100 cr topline  
Retirement of FCCB's

**2016 ▶**

PESL crossed ₹ 200 crore topline  
PESL seeks exit from CDR mechanism after remarkable turnaround  
Listed on NSE

**2020 ▶**

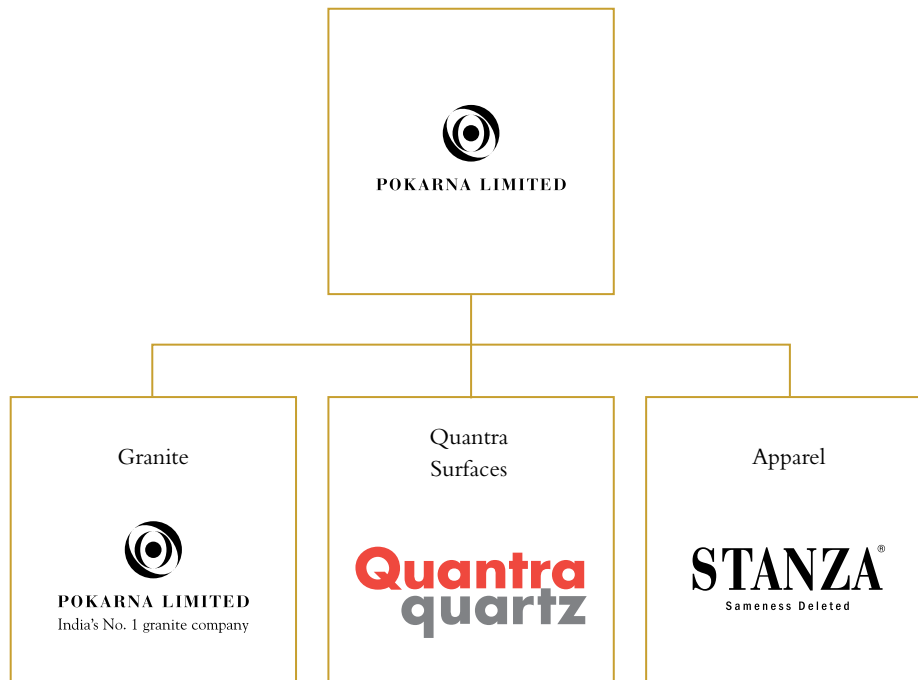
PESL crossed ₹ 300 crore topline

**2021**

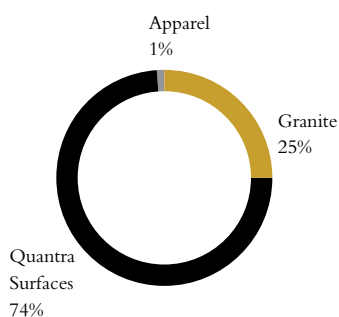
PESL commenced commercial operation of Unit 2

# Who we are

We are India's leading exporters of Granite and largest exporter of Quartz surfaces. With manufacturing facilities in Telangana and Andhra Pradesh, we export to over 20 countries. We market Quartz surfaces under the brand Quantra. Our Quartz surfaces operations are under our wholly owned subsidiary Pokarna Engineered Stone Limited. Our products are well accepted across developed and developing nations. We also possess the best of the manufacturing technologies where we use patented Bretonstone® technology for Quartz surfaces. Our brand Quantra today stands as a synonym for best quality product and design. We also have a very robust distribution network across various countries where we are known for our perfection. We offer a vast range of natural stones, quarried from our 15 mines (color-wise) and finished at our two factories in Telangana. Our brand Quantra offers some of the most exhaustive range of designs. We also manufacture apparel and market under our brand STANZA.



## Revenue share (by product segments, in %)



## Our five pillars



Value our  
people



Health, safety and  
sustainability



Embrace  
Technology  
and  
Innovation

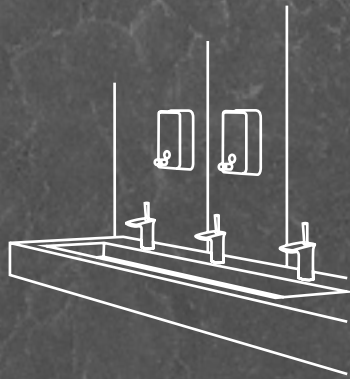


Operating  
Performance

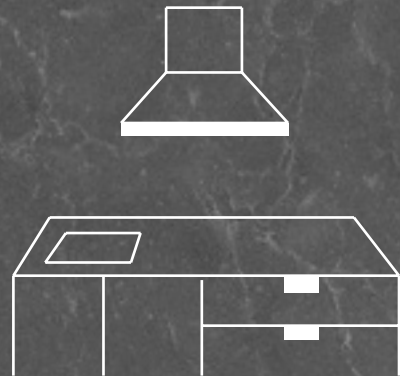


Focus on  
Profitable Growth

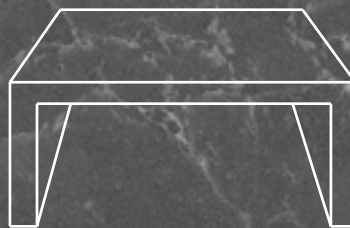
# QUARTZ APPLICATION



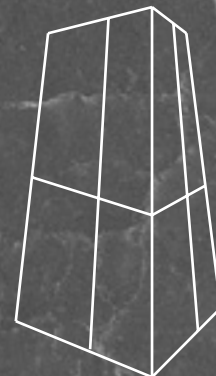
**Bathroom**



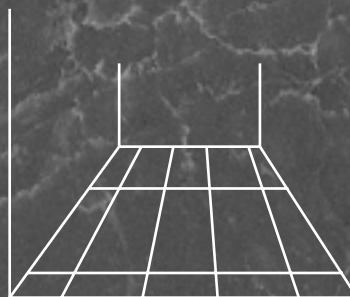
**Kitchen countertops**



**Furniture**



**Cladding**



**Flooring**

# Key Highlights

**30**

Years of experience

**2**

State-of-the-art Granite manufacturing facilities located in Telangana

**10+**

Captive Quarries located in Andhra Pradesh, Telangana and Tamil Nadu

**2**

State-of-the-art Quartz manufacturing facility in Telangana and Andhra Pradesh

**20+**

Countries of presence

**24.76%**

5-year CAGR growth of Networth

**19.92%**

5-year CAGR growth of Gross Block

**24.76%**

5-year CAGR growth of Book Value



# Relying on inherent strengths

## Leveraging our core competencies



### Enduring partnerships

Our business sustainability is formed in the bedrock of strong relationships we have built over the years with our customers, business partners and vendors.



### Contemporary technology

Our manufacturing facilities are equipped with Breton technology, one of the finest in the world and we are among the very few companies in India to have it within our manufacturing ecosystem. We continuously strive to improvise and improve technology within our operations to enhance efficiencies.



### Expansive global presence

Over the years, we have successfully established a strong foothold in more than xx countries across the globe. Our revenue from export accounts for xx% of our total revenue share in FY21.



### Customer-centric business model

At Pokarna, we strive to build a customer-centric business that prioritizes customer needs. We aim to understand their requirements and deliver products that meet and exceed expectations.



### Robust product offerings

We have leveraged our expertise and experience to develop a product pipeline that is above-par with international standards and benchmarks. Our wide portfolio of products allows customers to choose products based on their customized needs.



### Thriving human resources

Our strong leadership and committed team ensure effective implementation of strategies backed by a strong workforce.. We constantly invest in our people, introducing right training and skill development programs that empower them in their holistic development.



### Experience and expertise

Today, Pokarna is a brand that resonates with trust and quality. Our years of investment in building capacities backed by strong product knowledge has led us to dominate with a growing market share in the industry space.

## Creating Value for



### Customers

- Innovative and unique products
- Cost-effective and superior quality products
- Multiple options in terms of colour and design



### Investors and shareholders

- Constant payment of dividend
- Timely disclosure of material information
- Sustained balance sheet
- Effective risk management framework



### Communities

- Social upliftment
- Reduction of environmental impact



### Employees

- Fair and timely remuneration
- Opportunities for Career growth
- Focus on occupational health & safety
- Performance and merit-based reward system



### Suppliers and business partners

- Mutually beneficial relationship
- Creating and maintaining long-standing relationship

# Chairman's Message



We strive to build a strong and innovative product pipeline, increase operational margins, focus on branding, and grow our visibility in both domestic and foreign markets.

## Dear Stakeholders,

In common with all organisations, the global pandemic has generated an unprecedented level of disruption to our businesses. In FY 21, our results were decimated by one of the steepest sales declines in the history of our industry, when most of our customers and facilities operated either at a limited capacity or were completely shut down for varying amounts of time. To address rapidly changing conditions, we quickly implemented strategic initiatives to protect our people, support our customers and stabilize the business at that moment as well as strengthen it for the long term.

A discussion of our financial performance can be found in Boards Report & MDA section of the Annual Report.

In line with Company's growth strategy and cash-generative characteristics, the board has recommended dividend of 30% per share.

