

**ANNUAL REPORT**  
**2009 - 2010**



**GLITTEK GRANITES LIMITED**

**BOARD OF DIRECTORS**

MR. B. K. AGARWAL	- Chairman
MR. K. K. AGARWAL	- Managing Director
MR. ASHOKE AGARWAL	- Jt. Managing Director
MR. A. T. GOWDA	- Director
MR. A. VENKATESH	- Director
MR. A. DHANUKA	- Director

**COMPANY SECRETARY**

MR. VITHAL DAS MALL

**AUDITORS**

M/s. RUNGA & RUNGTA  
Chartered Accountants  
25, R. N. Mukherjee Road  
Kolkata - 700001

**BANKERS**

STATE BANK OF HYDERABAD

**REGISTERED OFFICE & WORKS**

42, K.I.A.D.B. Industrial Area  
Hoskote, Bangalore, Karnataka - 562114  
Phone : (080) 27971565, 27971566  
Fax : (080) 27971567  
E-mail : glittek@vsnl.com

**HEAD OFFICE**

224, A. J. C Bose Road  
Krishna - 711  
Kolkata - 700 017  
Phone : (033) 2290-7902, 2287-7892, 2287-7622  
Fax : (033) 2287-8577

**SHARE TRANSFER AGENT**

M/s. MCS Limited  
77/2A, Hazra Road, Kolkata - 700029

**Contact Person**

Mr. Tapas Roy  
Phone : (033) 2484-1892 / 93  
Fax : (033) 2474-7674  
E-mail : mcscal@cal2vsnl.net.in  
investorglittek@rediffmail.com

**EXCHANGE ON WHICH COMPANY'S  
SHARES ARE LISTED**

Bombay Stock Exchange Limited

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## NOTICE

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the Members of GLITTEK GRANITES LTD. will be held at its Registered Office at 42, K.I.A.D.B. Industrial Area, Hoskote - 562 114, Karnataka on Friday the 10<sup>th</sup> September 2010 at 12.30 P.M. to transact the following business:-

### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2010 and the Reports of the Directors and Auditors thereon.
2. To reappoint Mr. Kamal Kumar Agarwal who retires by rotation and being eligible offers himself for reappointment.
3. To reappoint Mr. Amit Dhanuka who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

**Registered Office :**  
42, K.I.A.D.B. Industrial Area  
Hoskote, Karnataka 562 114  
Date : 14<sup>th</sup> day of May, 2010.

By Order of the Board

**V D MALL**  
Company Secretary

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, if required, is annexed hereto and forms part of this notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 6<sup>th</sup> September, 2010 to 10<sup>th</sup> September, 2010 (both days inclusive) for the Annual General Meeting.
4. The members holding shares in the dematerialized mode are requested to intimate all changes with respect to their mandate, nomination, power of attorney, change of address, change in name etc. to their depository participant (DP), which would be changed automatically in the company's record which will help the company to provide efficient and better service to the members.
5. The shares of the Company are under compulsory demat list & can be traded only in demat form.
6. All documents if any referred to in the notice are open for inspection at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on any working day prior to the date of the meeting and also at the meeting.
7. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least seven days in advance of the AGM.
8. Details of Directors seeking re-appointment as required under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Kamal Kumar Agarwal, aged about 49 years, is the Promoter Director of the Company. He has vast experience in Granite Industry for over 17 years. He is holding 872100 equity shares of the Company. Members are advised to refer to the corporate Governance section for further details of Mr. Kamal Kumar Agarwal.

Mr. Amit Dhanuka, aged about 34 years is a practicing Chartered Accountant having about 12 years experience in Accountancy and Auditing. He does not hold any share in the Company. Members are advised to refer to the corporate Governance section for further details of Mr. Amit Dhanuka.

## DIRECTORS' REPORT

To the Shareholders

Your Directors have pleasure in presenting the twentieth Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March 2010.

### 1. FINANCIAL RESULTS

Particulars	31.03.2010	Rs. Lakhs 31.03.2009
Sales & Other Income	1735.39	1024.78
Profit before Interest, Depreciation & Tax	330.03	233.19
Less : Interest	158.11	96.12
Depreciation	140.68	122.35
Tax	4.83	3.27
Net Profit for the year	26.41	11.45
Balance brought forward from last year	(9.88)	(21.33)
Balance carried forward	16.53	(9.88)

### 2. DIVIDEND

In view of non-availability of sufficient profit, your Directors express their inability to recommend payment of dividend in respect of the year under review.

### 3. PERFORMANCE

During the year under review, your Company has achieved turnover of Rs.1735.39 Lacs in comparison to previous year Rs. 1024.78 Lacs and earned a Profit of Rs 26.41 Lacs in comparison to Rs. 11.45 Lacs in the previous year.

The increase in production capacity resulted from capital expenditure has stabilized and the export market seems to be picking up. Your company has requested its bankers to provide need based working capital which when sanctioned will give major boost to the company and with that support, your company is presently confident of achieving good performance in the current year.

### 4. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act,1956, as amended by the Companies (Amendment) Act, 2000 your Directors state that :

A. The Applicable Accounting Standards have been followed in the preparation of Annual Accounts.

B. The accounting policies have been selected and applied consistently and the judgments

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<sup>st</sup> March, 2010 and the Profit & Loss Account for the year ended on that date.

- C. Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D. The Annual Accounts have been prepared on a going concern basis.

### 5. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance with Auditors' Certificate on Compliance with conditions of Corporate Governance and a Management Discussion & Analysis Report have been attached as part of the Annual Report.

### 6. LISTING INFORMATION

The shares of the Company are listed with and traded in dematerialized form on Bombay Stock Exchange Ltd. (BSE).

The Listing Fee has been paid to the Stock Exchange for the year 2010-2011. The ISIN No. of the company is INE 741B01027.

### 7. RISK MANAGEMENT

As per listing requirement, the Company has adopted a risk management policy as approved in the Meeting of Board of Directors of the Company.

### 8. DIRECTORS

In accordance with Article 149 of the Articles of Association of the Company and the applicable provisions of the Companies Act, 1956, Mr. Kamal Kumar Agarwal and Mr. Amit Dhanuka will retire from the Board by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

### 9. AUDITORS & AUDITORS' REPORT

M/s. Rungta & Rungta, Chartered Accountants, statutory auditors of the company hold office until the conclusion of the ensuing Annual General meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them that their re-appointment, if made, would be within the limits laid down under Section 224(1)(B) of the



Companies Act, 1956.

The notes on accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

**10. FIXED DEPOSITS**

The Company has not accepted any fixed deposits during the year under review.

**11. PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as prescribed under sub-section 1(e) of Section 217 of the Act, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in the Annexure to this Report.

**12. INDUSTRIAL RELATIONS**

The Company continued to maintain cordial relation with the employees. The Directors express their appreciation for the very good co-operation received from all sections of all Associates/Officers of the Company.

**13. PARTICULARS OF EMPLOYEES**

No employee of the Company is covered under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

**14. ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation of the continued support rendered by the shareholders, customers, suppliers, Bankers, Financial Institutions, the Central Government and the State Government agencies for their cooperation extended to the Company.

*By order of the Board*  
**Kamal Kumar Agarwal**  
*Managing director*  
**(Ashoke Agarwal)**  
*Jt. Managing Director*

Place : Hoskote  
Date : 14th May 2010

## **ANNEXURE TO THE DIRECTOR'S REPORT**

Particulars required under the Companies (Disclosure of Board of Directors) Rules, 1988.

**A) CONSERVATION OF ENERGY**

- a) Your company accords highest priority for conservation of energy and necessary measures for optimising energy consumption have been taken.
- b) Additional Investment & proposal, if any, being implemented for reduction in consumption of energy. - Nil -
- c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The above measures have resulted in saving of energy.

**B) TECHNOLOGY ABSORPTION**

**a) Research and Development**

1. Specific areas in which Research & Development carried out by the Company, expenditure incurred on the same and benefits derived as a result of above efforts.  
No Research and Development work has been carried out by the Company and therefore, there is no expenditure on the head or any other benefit accrued from it.
2. Future plan of action  
The Company's financial problem has kept in abeyance its plan on research & development.



- b) Technology absorption, adaptation and innovation.

Technical Innovations/modifications are being made on regular basis to achieve cost reduction, product improvement etc.

**C) Foreign Exchange earnings and outgo:**

Rs. In lakhs

Particulars	Current Year	Previous year
Earnings	1317.72	910.83
Outgo	175.09	285.12

On behalf of the Board  
**Kamal Kumar Agarwal**  
*Managing Director*  
**Ashoke Agarwal**  
*Jt. Managing Director*

Place : Hoskote  
 Date : 14th May 2010

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the requirement of Clause 49 of the Listing Agreements with the Stock Exchanges, the Management Discussion and Analysis of the events that have taken place and conditions prevailing during the period under review are elucidated.

**a) INDUSTRY STRUCTURE & DEVELOPMENT**

The Company is engaged in manufacturing of Granite Tiles & Slabs. The main market for the company's product is USA, South Africa, U.K, UAE, Canada and Europe.

**b) OPPORTUNITY AND THREATS**

The company has established its very good brand image in the international market particularly in the USA. The Company expects to be benefitted from its current expansion programme as the world economy recovers.

The perceived threats for the Company are acute competition from Italy and China, ever increasing material cost, unremunerative prices and availability of good quality raw materials due to export of the same in raw form.

**c) RISKS & CONCERNS**

Rough Granite Blocks are raw material for products of the Company. As such the export of Rough Blocks may affect the profitability of the Company. Exports of the company are in US Dollar and imports are in EURO. Hence any adverse exchange fluctuation may affect the performance of the Company.

**d) INTERNAL CONTROL SYSTEM**

Through the long years of experience in its line of business, the Company has developed and implemented internal control systems in the various functional areas of its operation. Your Directors are satisfied about the adequacy of the same.

**e) HUMAN RESOURCES**

The Company has adequate 60 qualified and experienced human resources commensurate with its size and industrial relations continue to be cordial as the company continues to lay emphasis on development at all levels.

**f) CAUTIONARY STATEMENT**

Statement in this Report particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulation. Actual results might differ materially from those either expressed or implied.

**CORPORATE GOVERNANCE REPORT**

(Pursuant to clause 49 of the Listing Agreement)

In compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

Your Company's philosophy is to enhance customers' satisfaction and shareholder value by practicing the principles of good corporate governance, independence integrity, accountability and transperance.

**2. BOARD OF DIRECTORS :**

- i) Particulars of composition of Board of Directors, attendance of each Director at Board Meetings & the last Annual General Meeting, and number of other Board of Directors or Board Committees of which Directors are Member/Chairman, are as under :

Name of Director	Category	Attendance Particulars		No. of other Directorships and Committee Memberships, Chairmanships (Including Glittek Granites Limited)		
		Board Meetings	Last AGM	Other Director-ship	Committee Membership	Committee Chairman-ships
Sri B.K. Agarwal	Chairman	4	yes	1	3	–
Sri K.K. Agarwal	Managing Director	5	yes	2	1	–
Sri A. Agarwal	Jt. Managing Director	4	yes	2	–	–
Sri A.T. Gowda	Independent Non-Executive Director	4	No	–	3	2
Sri A. Venkatesh	Independent Non-Executive Director	5	yes	–	2	1
Sri Amit Dhanuka	Independent Director	4	No	–	–	–

\* This includes directorships held in public limited companies and excludes directorship held in private limited companies.

During the Financial Year ended 31<sup>st</sup> March, 2010 five Board meetings were held as per statutory requirements on 30<sup>th</sup> May 2009, 30<sup>th</sup> June 2009, 31<sup>st</sup> July 2009, 31<sup>st</sup> October 2009, and 30<sup>th</sup> January 2010.

- i) Particulars of Directors proposed to be appointed/reappointed are as follows :

Particulars	Shri K K Agarwal	Shri Amit Dhanuka
Age	49	34
Qualification	B. Com	B. Com., FCA., CS., (Graduate), DISA
Experience	Promoter Director of the Company having an experience of over 17 years in Granite Industry	Shri Amit Dhanuka, aged about 34 years is a practicing Chartered Accountant having about 12 years experience in Accountancy and Auditing.
Other Directorships	Granite Mart Limited Glittek Infrastructure Private Limited U.S.D. Industries Pvt Ltd (Under Liquidation upon amalgamation) Glittek Infotech Limited (Under Liquidation upon amalgamation) Kshitish Marketing Private Limited (Under Liquidation upon amalgamation) United Sales Agencies (Calcutta) Pvt Ltd	KHS TradeFin Private Limited



Particulars	Shri K K Agarwal	Shri Amit Dhanuka
Shareholding in the Company	872100	—
Relationship with Other directors	Brother of Shri K K Agarwal and Shri A Agarwal	None

Shri Bimal Kumar Agarwal, Shri Kamal Kumar Agarwal and Shri Ashoke Agarwal, Directors of the Company are brothers and none other directors are related inter-se.

iii) Shareholding of Non-Executive Directors in the Company :

Name	No. of Equity Shares
Sri B. K. Agarwal	899300
Sri A. T. Gowda	100

3. **SUBSIDIARY COMPANIES.**

The Company does not have any subsidiary Company.

4. **CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL**

The Board of Directors has already adopted Code of Conduct for the Directors and senior Management Personnel and the same has been posted on the website of the Company.

All the Board members have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director and CEO in this regard is given below:

As provided under clause 49 of the Listing Agreement with Stock Exchange(s), it is hereby declared that all the board members and senior Management Personnel of the Company have confirmed Compliance with the Code of Conduct for the year ended 31.03.10.

**COMMITTEES OF THE BOARD**

5. **AUDIT COMMITTEE :**

5.1 The audit committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observation of the Audits, adequacy of the internal control system, major accounting policies, practices and entries, compliances with accounting standards and listing agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow up thereon, to review the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

5.2 The Audit Committee of the Board of Directors comprises of following non-executive Directors held four meetings in the financial year ended 31/03/2010 on 30/06/2009, 31/07/2009, 31/10/2009 and 31/01/2010. Details as to attendance of members and the meeting are as follows :

Sl.No.	Name of the Director	Position	No of Meetings Attended
a)	Sri A.Venkatesh, FCA,	Chairman	4
b)	Sri A.T.Gowda,Mech Engineer,	Member	3
c)	Sri B.K.Agarwal,B. Com	Member	4



**6. REMUNERATION COMMITTEE :**

Remuneration Committee determines on behalf of the Board of Directors and shareholders, the Company's policy on specific remuneration packages for executive director including pension rights and any compensation payments. The following are the members of the committee.

Name of the Director	Independent/Non-Executive	Chairman/Member
Sri A.Venkatesh,FCA,	Independent	Chairman
Sri A.T.Gowda,Mech Engineer,	Independent	Member
Sri B.K.Agarwal,B. Com	Non-Executive	Member

No Remuneration Committee Meeting was held during the year.

Details of remuneration paid or payable to Directors for the financial year ended 31<sup>st</sup> March,2010, are set out below :

No remuneration is paid to Non-Executive directors except sitting fees for attending the meeting of the Board and committee thereof.

Name of the Director	Sitting fees	Salary & Perquisites	Contribution to provident funds	Contribution to superannuation fund	Total
Mr. Bimal Kumar Agarwal	-	-	-	-	-
Mr. Kamal Kumar Agarwal	-	600000	36000	84000	720000
Mr. Ashoke Agarwal	-	600000	36000	84000	720000
Mr. A. T. Gowda	2000	-	-	-	-
Mr. A. Venkatesh	2500	-	-	-	-
Mr. Amit Dhanuka	2000	-	-	-	-

- Note :**
- Presently, the Company does not have a scheme for grant of Stock option.
  - The employment of both Managing director and Joint Managing director are contractual in nature by necessary implications and is terminable by either side on three months' Notice or pay in lieu thereof. No severance fee is payable to any of the whole-time Directors upon termination of his employment.
  - No commission is paid to any director.

Shareholding of the Directors of the Company as on 31.03.2010

Sl.No.	Name of the Director	No. of shares held
1.	Mr. Bimal Kumar Agarwal	899300
2.	Mr. Kamal Kumar Agarwal	872100
3.	Mr. Ashoke Agarwal	899200
4.	Mr. A.T. Gowda	100
5.	Mr. A. Venkatesh	-
6.	Mr. Amit Dhanuka	-

**7. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Shareholders/Investors Grievance Committee was constituted on 30.01.2003. The Committee looks into Shareholders & Investors grievance. The following are the members of the committee.

Name	Designation	Nature
Mr. A. T. Gowda	Chairman	Independent
Mr. B. K. Agarwal	Member	Non-Executive
Mr. K. K. Agarwal	Member	Executive

Mr.V D Mall, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations,1992 and the Listing Agreements with the Stock Exchange.

During the year 2 complaints were received from the Shareholders and all of which have been resolved to date and there were no outstanding complaints as on 31<sup>st</sup> March, 2010.



## 8. GENERAL BODY MEETINGS

Location and time where last three Annual General Meetings were held is given below :

Financial Year	Location of the meeting	Date	Time
2006-07	42, K I A D B Industrial Area, Hoskote-562 114	28/09/2007	12.30 P.M
2007-08	42, K I A D B Industrial Area, Hoskote-562 114	23/09/2008	12.30 P.M
2008-09	42, K I A D B Industrial Area, Hoskote-562 114	16/09/2009	12.30 P.M

All resolutions including the special resolutions are generally passed by way of show of hands. No postal ballots were used for voting at these meetings. No Extra-Ordinary General Meeting was held during the financial year 2009-2010.

## 9. DISCLOSURES

- i) There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

**Note:** Schedule 19 of the Annual Accounts contains the details of related party transactions as required by the Accounting Standard-18 (As-18) on 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India.

- ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to Capital markets during the last three years.
- iii) Company has followed the Accounting Standards as prescribed by Central Government under the Companies (Accounting Standards) Rules, 2006, in the preparation of financial statements.
- iv) The Company did not raise funds through Public/Rights/Preferential issue during the financial year.
- v) In line with the requirement of SEBI, secretarial audit is carried out on a quarterly basis by a firm of practicing Company Secretary to confirm that the aggregate number of equity shares of the company held in NSDL & CDSL and in physical form tally with the total number of issued/paid - up listed and admitted Capital of the Company.
- vi) The Managing Director has certified to the Board in accordance with clause 49(V) of the Listing agreement in respect of CEO/CFO certification for the financial year 2009-10.
- vii) The Company has strengthened its risk management system and has further laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of properly defined frame work.

## 10. MEANS OF COMMUNICATION

The annual, half yearly and quarterly results are submitted to the Stock Exchanges and also published in leading English and Vernacular (Kannad) newspapers in accordance with the Listing Agreement.

Your Company's Management Discussion & Analysis of operations for the year ended 31st March, 2010 form part of the Annual Report and is given under the section so captioned.

## 11. GENERAL SHAREHOLDERS INFORMATION

- i) Annual General Meeting is proposed to be held on Friday the 10<sup>th</sup> September, 2010 at 12.30 P.M. at 42,K.I.A.D.B.Industrial Area, Hoskote - 562114, Bangalore, Kamataka.
- ii) Financial Calendar (tentative)  
Financial Year 1<sup>st</sup> April to 31<sup>st</sup> March, 2011.

Unaudited results for the	
quarter ending 30th June, 2010	: End July,2010
20 <sup>th</sup> Annual General Meeting	: 10th September,2010
Unaudited results for the quarter/half	
year ending 30 <sup>th</sup> September, 2010	: End October,2010
Unaudited results for the quarter/nine	
months ending 31st December, 2010	: End January, 2011
Audited results for the year ending	
31 <sup>st</sup> March, 2011	: End May,2011.
iii) Date of Book Closure	: 06.09.2010 to 10.09.2010 (Both days inclusive)

**OTHER INFORMATION :**

- iv) Dividend Payment : No Dividend is being recommended.
- v) Listing on Stock Exchanges : Bombay Stock Exchange Limited
- vi) Stock Code : 513528 (The Bombay Stock Exchange Ltd.)
- vii) Demat ISIN No. for NSDL & CDSL : INE 741B01027
- viii) Registrar and Transfer Agent : **M/s. MCS Limited**  
77/2A, Hazra Road, Kolkata-700029,  
Phone : (033) 2484 1892/93, Fax : (033) 2474 7674  
E-mail : mcscl@cal2vsnl.net.in
- ix) Plant Location : 42, K.I.A.D.B. Industrial Area, Hoskote-562114  
Bangalore, Karnataka.
- x) Share Transfer System : Trading in Equity Shares of the Company is permitted in dematerialized form w.e.f. 26.02.2001 for all classes of investors as per notification issued by the Securities and Exchange Board of India (SEBI).  
Physical transfer of shares are processed by the Share Transfer Agents and approved by the share transfer committee called as 'Shareholders Cum Investors Grievance Committee', which meets at frequent intervals. Share Transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.
- xi) Dematerialisation of Shares : 24692470 equity shares representing 95.12% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2010.
- xii) **Stock Price Data**

Month	Month's High Price	Month's Low Price	Volume	BSE Sensex	
				High	Low
April '09	2.38	1.91	2349	11492.10	9546.29
May '09	1.85	1.65	2965	14930.54	11621.30
June '09	3.09	1.81	30330	15600.30	14106.95
July '09	3.22	2.48	7088	15732.81	13219.99
August '09	2.59	2.00	27400	16002.46	14684.45
September '09	3.86	2.34	24206	17142.52	15356.72
October '09	3.62	2.58	35441	17493.17	15805.20
November '09	3.50	2.75	32669	17290.48	15330.56
December '09	3.20	2.72	17838	17530.94	16577.78
January '10	3.67	2.70	88722	17790.33	15982.08
February '10	3.50	2.95	36659	16669.25	15651.99
March '10	3.36	2.43	25901	17793.01	16438.45

Source BSE Website

- xiii)
- Distribution of Shareholding as on 31<sup>st</sup> March, 2010.**

Range of Shares	No. of Shares	% of Share Holdings	No. of Share Holders	% of Share Holders
1-500	1327500	5.11	7892	92.46
501-1000	292379	1.12	353	4.13
1001-2000	222169	0.85	136	1.59
2001-3000	88187	0.33	34	0.39
3001-4000	73216	0.28	20	0.23
4001-5000	104666	0.40	22	0.25
5001-10000	197026	0.75	27	0.31
10001-50000	745177	2.87	34	0.39
50001-100000	584909	2.25	7	0.80
Above 100000	22324171	85.99	10	0.11
<b>Total</b>	<b>25959400</b>	<b>100.00</b>	<b>8535</b>	<b>100.00</b>



xiv) Categories of shareholding as on March 31, 2010

Category	No. of shares held	% of holding
A. Promoter(s) Indian Promoter Including promoter acting in concert)	16580100	63.87
B. Non-Promoter		
Mutual Funds	-	-
Banks, Financial Institutions	5878971	22.65
Bodies Corporate	233593	0.90
NRI/OCBs	97509	0.37
Indian Public	3169227	12.21
<b>Total</b>	<b>25959400</b>	<b>100.00</b>

12. Among the non-mandatory requirements, the Company has constituted only the Remuneration committee.

Place : Hoskote  
Date : 14<sup>th</sup> day of May 2010

On behalf of the Board  
**Kamal Kumar Agarwal**  
Mg. Director

**ANNUAL DECLARATION BY MANAGING DIRECTOR (CEO) PURSUANT TO CLAUSE 49(I)(D)(II) OF STOCK EXCHANGE LISTING AGREEMENT**

As Managing Director (Chief Executive Officer) of GlitteK Granites Ltd. and as required by clause 49(I)(D)(ii) of the Stock Exchange Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business conduct and Ethics for the Financial year ended 31<sup>st</sup> March, 2010.

Place : Hoskote  
Date : 14<sup>th</sup> May, 2010

**Kamal Kumar Agarwal**  
Managing Director

## AUDITORS' CERTIFICATE

Auditors' certificate on compliance with the conditions of Corporate Governance as per clause 49 of the Listing Agreement with Stock Exchanges:

To the Members of  
**GlitteK Granites Limited**

We have examined the compliance of the conditions of Corporate Governance by GlitteK Granites Ltd. for the year ended 31.03.2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof adopted by the Company to ensure the compliance of the conditions of the 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rungta & Rungta  
Chartered Accountants  
(Registration No. 0305134E)

**C.A. S.K. Roongta**  
Partner

25, R.N. Mukherjee Road  
Kolkata the 14th day of May, 2010

Membership No. : 15234



## AUDITORS' REPORT

To the Members

**Glittek Granites Limited**

1. We have audited the attached Balance Sheet of Glittek Granites Limited as at 31<sup>st</sup> March, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v) On the basis of the written representation received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - vi) In our opinion to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
    - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Rungta & Rungta  
Chartered Accountants  
(Registration No. 0305134E)  
**C.A. S.K. Roongta**  
Partner  
Membership No. : 15234

25, R.N. Mukherjee Road  
Kolkata the 14th day of May, 2010

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GLITTEK GRANITES LTD. ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010.**

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (ii) Fixed assets have been physically verified by the management during the year based on a phased programme of verifying all the assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
- (iii) There was no substantial disposal of fixed assets during the year.
2. (i) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
- (ii) The procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification as compared to book records.
3. (i) During the year the Company has taken unsecured loan of Rs. 30.40 Lacs from one company covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs.82.57 lacs and year end balance is Rs.82.57 Lacs.
- (ii) In our opinion and according to the information and explanations given to us, the terms and conditions of such unsecured loan taken are not prima-facie prejudicial to the interest of the Company.
- (iii) There are no stipulations as to the payment of the principal amount in respect of unsecured loan.
- (iv) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
5. (i) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered.
- (ii) Transactions made in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant times.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. As explained to us, maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956.
9. (i) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material Statutory Dues as applicable with the appropriate authorities in India.



- (ii) At the end of financial year there were no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and cess which have not been deposited on account of any dispute except as set out below:

Sl. No	Name of the Statute	Nature of Dues	Amount (Rs in lacs)	Forum where dispute is pending
1.	The Karnataka Tax on Entry of Goods Act, 1979	Penalty on Entry Tax	3.30	The Karnataka Appellate Tribunal, Bangalore

10. There is no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company during the year has not defaulted in repayment of dues to financial institutions, banks. The Company has not issued any debentures.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the order are not applicable to the company.
15. According to the information & explanations given to us the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. Based on information and explanations given to us by the management, the Company has not taken any term loan.
17. On the basis of review of utilisation of funds on overall basis, related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties or Companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures during the period covered by our report.
20. The Company has not raised any money from the public during the year.
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company nor have been informed of such case by the management.

For Rungta & Rungta  
Chartered Accountants  
(Registration No. 0305134E)  
**C.A. S.K.Roongta**  
Partner  
Membership No. : 15234

25, R.N. Mukherjee Road  
Kolkata the 14th day of May, 2010

**BALANCE SHEET** as at 31st March, 2010

	SCHEDULE	31.03.2010 Rs.	31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	132,908,500	132,908,500
Reserves & Surplus	2	25,222,709	23,569,500
		<b>158,131,209</b>	<b>156,478,000</b>
<b>Loan Funds</b>			
Secured Loans	3	134,361,765	136,191,136
Unsecured Loans	4	8,033,230	7,483,674
<b>TOTAL</b>		<b>300,526,204</b>	<b>300,152,810</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	307,648,172	307,494,179
Less : Depreciation		147,981,118	133,912,991
Net Block		<b>159,667,054</b>	<b>173,581,188</b>
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	6	88,830,631	81,825,043
Sundry Debtors	7	56,848,733	52,272,217
Cash & Bank Balances	8	1,310,620	2,400,274
Loans & Advances	9	8,783,738	6,602,712
		<b>155,773,722</b>	<b>143,100,246</b>
Less : Current Liabilities & Provisions	10		
Current Liabilities		14,303,622	16,829,931
Provisions		717,604	837,892
		<b>15,021,226</b>	<b>17,667,823</b>
<b>Net Current Assets</b>		<b>140,752,496</b>	<b>125,432,423</b>
Miscellaneous Expenditure	11		
(To the extent not written off or adjusted)		106,654	151,092
Profit & Loss Account		-	988,107
(Debit Balance)			
<b>TOTAL</b>		<b>300,526,204</b>	<b>300,152,810</b>
<b>NOTES ON ACCOUNTS</b>	19		

The schedules referred to above form an integral part of the Accounts. This is the Balance Sheet referred to in our report of even date.

25, R.N.Mukherjee Road,  
Kolkata the 14th day of May, 2010.

For Rungta & Rungta  
Chartered Accountants  
(Registration No. 0305134E)

CA S. K. Roongta  
Partner  
Membership No. : 15234

On behalf of the Board  
Kamal Kumar Agarwal  
Managing Director  
Ashoke Agarwal  
Joint Managing Director  
V. D. Mall  
Company Secretary



**PROFIT & LOSS ACCOUNT** for the Year Ended 31st March, 2010

	SCHEDULE	31.03.2010 Rs.	31.03.2009 Rs.
<b>INCOME :</b>			
Sales	12	173,593,462	100,677,986
Other Income	13	(54,622)	1,799,984
Increase/(Decrease) in Stocks	14	6,485,449	11,630,474
<b>TOTAL</b>		<b>180,024,289</b>	<b>114,108,444</b>
<b>EXPENDITURE :</b>			
Purchase of Finished Goods		12,728,261	15,911,574
Manufacturing Expenses	15	103,344,607	47,636,983
Payment to & Provision for Employees	16	12,619,615	9,505,959
Administrative, Selling & Other Expenses	17	19,203,551	17,831,280
Interest	18	15,811,268	9,612,208
Depreciation		14,068,127	12,235,586
<b>TOTAL</b>		<b>177,775,429</b>	<b>112,733,590</b>
<b>Net Profit(Loss) for the year</b>		<b>2,248,860</b>	<b>1,374,854</b>
Add/(Less): Prior Period Adjustments		875,109	98,200
Profit before Tax		3,123,969	1,473,054
Provisions For Taxation :			
- Current Tax- MAT (including Wealth Tax)		482,653	161,000
- Fringe Benefit Tax		-	166,733
Profit after Tax		2,641,316	1,145,321
Balance Brought forward from the previous year		(988,107)	(2,133,428)
<b>Balance carried to Balance Sheet</b>		<b>1,653,209</b>	<b>(988,107)</b>
Basic & Diluted EPS (Rs.)		0.10	0.05

**NOTES ON ACCOUNTS**

19

The schedules referred to above form an integral part of the Accounts. This is the Profit and Loss Account referred to in our report of even date.

25, R.N.Mukherjee Road,  
Kolkata the 14th day of May, 2010.

For **Rungta & Rungta**  
Chartered Accountants  
(Registration No. 0305134E)

**CA S. K. Roongta**  
Partner  
Membership No. : 15234

On behalf of the Board  
**Kamal Kumar Agarwal**  
Managing Director  
**Ashoke Agarwal**  
Joint Managing Director  
**V. D. Mall**  
Company Secretary

**SCHEDULES** forming part of the Accounts

	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
2,80,00,000 (2,80,00,000) Equity Shares of Rs.5/- each	140,000,000	140,000,000
<b>Issued &amp; Subscribed</b>		
2,59,59,400 (2,59,59,400) Equity Shares of Rs. 5/- each	132,905,000	132,905,000
<b>Paid Up</b>		
2,59,59,400 (2,59,59,400) Equity Shares of Rs. 5/- each fully called up in cash	129,797,000	129,797,000
Add : Share Forfeiture Account	3,111,500	3,111,500
	<b>132,908,500</b>	<b>132,908,500</b>

Note : Out of the fresh issue of 7826000 equity shares issued in 2008-09, 4496000 equity shares are under lock-in upto 13th May, 2011.

<b>SCHEDULE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Capital Reserve	17,700,000	15,700,000
Share Premium	5,869,500	5,869,500
Karnataka State Investments Subsidy	-	2,000,000
Profit & Loss Account	1,653,209	-
	<b>25,222,709</b>	<b>23,569,500</b>

<b>SCHEDULE - 3</b>		
<b>SECURED LOANS</b>		
<b>i) Term Loans</b>		
SBH (Term Loan)	49,600,000	58,900,000
Accrued Interest on Term Loan	541,506	652,840
<b>ii) Working Capital Loans</b>		
<b>From a Scheduled Bank</b>		
Packing Credit	41,728,809	32,491,757
Bill Discounting	41,868,191	43,267,506
Crystallised Export Bills	-	-
Interest Accrued and Due	303,079	285,713
<b>ii) Car Loans</b>		
Citi Bank N.A.	-	138,320
Kotak Mahindra Prime Ltd	320,180	455,000
	<b>134,361,765</b>	<b>136,191,136</b>

**NOTES :**

- 1) Term Loan is secured by First Charge on all the Company's movable and immovable properties, both present and future subject to prior charges on specified movable assets created for working capital requirements.
- 2) Working capital loan is from State Bank of Hyderabad, Industrial Finance Branch, Bangalore which is secured by a first charge on the current assets and second charge on the fixed assets of the Company.
- 3) Secured loan other than Car Loans are additionally secured by the personal guarantee of three promoter directors of the Company.
- 4) Car Loans are secured by hypothecation of specific motor cars purchased from their assistance.
- 5) Term Loan due within one year Rs. 16400000/- (previous year Rs. 9300000/-)



**SCHEDULES** forming part of the Accounts (Contd.)

**SCHEDULE - 5  
FIXED ASSETS**

(Amount in Rs.)

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK	
	As at 01.04.2009	Additions During the year	Sold/ Adjusted During the year	As at 31.03.2010	As at 01.04.2009	For the year 31.03.2010	Written Back/ Adjusted	As at 31.03.2010	As at 31.03.2009
LAND	1839589	—	—	1839589	—	—	—	1839589	1839589
LEASE HOLD QUARRIES	1037885	—	—	1037885	—	—	—	1037885	1037885
LEASE HOLD * TENAMENTS (HOUSING)	645000	—	—	645000	—	—	—	645000	645000
BUILDINGS	46986228	0	—	46986228	15028499	1553706	—	16582205	31957729
PLANT & MACHINERY	245212005	360985	404880	245168110	113061400	11611626	—	124673026	132150605
FURNITURE & FITTINGS	2610523	11264	—	2621787	1960680	142071	—	2102751	649843
VEHICLES	6931009	0	—	6931009	2813464	646450	—	3459914	4117545
OTHER EQUIPMENTS	2231940	186624	—	2418564	1048948	114274	—	1163222	1182992
TOTAL	307494179	558873	404880	307648172	133912991	14068127	0	147981118	173581188
PREVIOUS YEAR	241035579	66691948	233348	307494179	121779196	12235586	101791	173581188	119256383

NOTE : \*Acquired under Lease cum Sale Agreement.

**SCHEDULES** forming part of the Accounts (Contd.)

	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
<b>SCHEDULE-4</b>		
<b>UNSECURED LOANS</b>		
From Bodies Corporate	7,563,881	6,880,000
From Directors	147,127	130,500
From Others	322,222	290,000
Interest Accrued and Due	-	183,174
	<b>8,033,230</b>	<b>7,483,674</b>
<b>SCHEDULE-5</b>		
<b>FIXED ASSETS (See adjacent page)</b>		
<b>SCHEDULE-6</b>		
<b>INVENTORIES</b> (As valued and Certified by Management)		
Stores & Spares (at lower of cost or net realisable value)	8,656,099	7,907,688
Raw Materials (at lower of cost or net realisable value)	2,896,495	3,265,560
Packing Material (at lower of cost or net realisable value)	55,180	89,741
Work-in-progress (at lower of estimated cost or estimated net realisable value)	65,084,634	51,535,570
Finished goods (at lower of estimated cost or estimated net realisable value)	11,423,757	18,407,501
Power & Fuel (at estimated realisable value)	175,354	-
DEPB License (at estimated realisable value)	58,877	-
Rejects & Scrap (at estimated realisable value)	480,235	618,983
	<b>88,830,631</b>	<b>81,825,043</b>
<b>SCHEDULE-7</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured)		
Debts outstanding for a period exceeding six months		
- considered good	7,854,607	2,330,602
- considered Doubtful	250,419	282,650
Other Debts	48,743,708	49,658,965
	<b>56,848,733</b>	<b>52,272,217</b>
<b>SCHEDULE-8</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand	236,157	116,358
Balances with Schedule Banks		
On Current Account	336,854	747,665
On Fixed Deposit Account *	737,610	1,536,251
	<b>1,310,620</b>	<b>2,400,274</b>
* Related Deposit receipts pledged with bank against Letter of Credits.		

**SCHEDULES** forming part of the Accounts (Contd.)

	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
<b>SCHEDULE-9</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured-considered good)		
Advances (Recoverable in cash or in kind or for value to be received)	5,700,673	3,157,471
Advance Tax (MAT)	50,000	480,000
Tax Deducted at source	146,757	139,933
Fringe Benefit Tax	218,619	168,619
Wealth Tax (Asset)	11,000	-
Other Deposits	2,656,689	2,656,689
	<u>8,783,738</u>	<u>6,602,712</u>
<b>SCHEDULE-10</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities :</b>		
Advances from Customers	741,230	318,774
Sundry Creditors	9,024,122	13,608,842
Due to Banks (Cheque Overdrawn)	4,261,202	2,902,315
OD Interest on Late Realisation	277,068	-
	<u>14,303,622</u>	<u>16,829,931</u>
<b>Provisions :</b>		
Provision for Income Tax	57,059	660,000
Provision for Wealth Tax	11,159	11,159
Provision for Fringe Benefit Tax	166,733	166,733
Provision for IT MAT	482,653	-
	<u>717,604</u>	<u>837,892</u>
<b>SCHEDULE-11</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
to the extent not written off or adjusted)		
Capital Issue Expenses	151,092	197,755
<b>Less : Written off during the year</b>	<u>44,438</u>	<u>46,663</u>
	<u>106,654</u>	<u>151,092</u>
<b>SCHEDULE-12</b>		
<b>SALES</b>		
Finished Products (Export Sales)	172,781,790	100,936,884
Less : Sales Return	<u>-</u>	<u>758,360</u>
Domestic Sales	787,672	562,748
Less : Custom Duty	<u>-</u>	<u>63,286</u>
Sales Metal Scarp	24,000	-
	<u>173,593,462</u>	<u>100,677,986</u>

**SCHEDULES** forming part of the Accounts (Contd.)

	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
<b>SCHEDULE-13</b>		
<b>OTHER INCOME</b>		
Interest On Deposits (Gross-Tax deducted at source Rs.13463/- Previous year Rs.12410/-)	91,362	48,782
Interest on BESCOM Deposits (Gross-Tax deducted at source Rs.12390/- Previous year Rs.27,259/-)	120,294	120,294
Interest On Income Tax Refund	-	1,432
Liability no longer required written off	38,154	116,919
Service Tax (Refund Recd.)	426,343	713,498
Forex Rate Difference	(887,389)	785,660
Sundry Balance W/Off (Net)	-	11,116
DEPB License	120,979	-
Brokerage & Commission (Gross- Tax deducted at source Rs. 6857/- Previous year - Rs. 143/-)	33,717	2,283
Interest	1,918	-
	<b>(54,622)</b>	<b>1,799,984</b>
<b>SCHEDULE-14</b>		
<b>INCREASE / (DECREASE) IN STOCKS</b>		
Finished Goods	(6,983,744)	3,612,721
Work-In-Progress	13,549,064	8,272,373
DEPB License	58,877	-
Rejects & Scrap	(138,748)	(254,620)
	<b>6,485,449</b>	<b>11,630,474</b>
<b>SCHEDULE-15</b>		
<b>MANUFACTURING EXPENSES</b>		
Raw Materials Consumed	63,743,752	32,399,383
Stores & Spares Consumed	22,234,142	6,806,320
Packing Materials Consumed	3,088,772	1,231,978
Power & Fuel	10,249,884	5,574,715
Repairs to Building	1,723,704	256,645
Repairs to Machinery	169,505	141,259
Carriage Inward & Handling	677,829	283,672
Labour Charges	1,109,675	801,263
Water Charges	78,417	81,880
Electrical Maintenance	191,600	56,925
Sand Blasting Charges	-	2,944
Raw Material Inspection Charges	77,326	-
	<b>103,344,607</b>	<b>47,636,983</b>

**SCHEDULES** forming part of the Accounts (Contd.)

	As At 31.03.2010 Rs.	As At 31.03.2009 Rs.
<b>SCHEDULE-16</b>		
<b>PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>		
Salary & Benefits	11,268,747	8,363,332
Contribution to E.S.I. P.F. & Group Gratuity	788,508	742,107
Staff Welfare	562,359	400,520
	<b>12,619,615</b>	<b>9,505,959</b>
<b>SCHEDULE-17</b>		
<b>ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Advertisement & Business Promotion	535,552	427,840
Repairs to Others	147,921	85,729
Freight & Forwarding	4,356,122	3,662,504
Managerial Remuneration	1,446,500	1,446,500
Auditors Remuneration	58,000	50,000
For Audit Fee	25,000	25,000
For Tax Audit Fee	10,000	10,000
For Certification & Others	23,000	15,000
Travelling & Conveyance	4,328,620	1,649,405
Legal & Professional Charges	211,638	227,447
Insurance Charges	291,410	226,703
Rent	1,177,344	1,443,344
Rates & Taxes	200,209	508,324
Vehicle Upkeep	612,231	812,841
Postage & Telephone Expenses	885,811	1,052,847
Printing & Stationery	182,647	185,639
Security & Service Charges	710,293	614,290
Bank Charges	1,342,329	761,237
Miscellaneous Expenditure written off	44,438	46,663
Fumigation Charges	115,367	82,730
ECGC Premium	1,446,970	956,725
Membership & Subscription	86,178	73,332
Other Expenses	534,131	582,139
Business Exhibition Expenses	479,746	-
Finished Goods Inspection Chgs	5,500	-
Bad Debts	-	2,935,042
Sundry Balance Written Off	4,593	-
	<b>19,203,551</b>	<b>17,831,280</b>
<b>SCHEDULE-18</b>		
<b>INTEREST AND FINANCIAL CHARGES</b>		
On Term Loan	7,001,798	3,913,661
To Others	8,809,470	5,698,548
	<b>15,811,268</b>	<b>9,612,208</b>

**SCHEDULE-19****NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES :****a) Accounting Convention**

The financial statements are prepared in accordance with applicable Accounting Standards in India, except as mentioned in paragraph 'j' below. A summary of important accounting policies, which have been applied consistently is set out below.

**b) Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenue and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

**c) Fixed Assets**

Fixed Assets are stated at cost. Cost includes cost of acquisition, non-refundable levies, directly attributable cost of bringing the assets to the working condition for intended use, expenditure during construction period and interest up to the date the assets is put to use. (And also refer note i).

**d) Depreciation**

Depreciation on Fixed Assets is charged on Straight Line Method as per Schedule XIV of the Companies Act, 1956, except in case of assets added or disposed off it is charged on prorata basis with reference to the date of addition/deletion.

**e) Amortisation**

Leasehold quarries and housing tenements acquired under lease cum sale agreement shall be amortised after execution of Sale Deeds. Expenditure incurred on acquisition and development of leasehold quarries are amortised over the unexpired period of their lease after these become operational. The company has purchased a Time Sharing Holiday Resort from Club Mahindra Holidays. The same is effective from April 2003 for a period of 25 years and will be amortised equally over a period of 25 years. Capital issue expenses are amortised over a period of 5 years.

**f) Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An Impairment loss is charged to the Profit & Loss Account in the year in which the assets is identified as impaired. The Impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**g) Investments**

Investments are valued at acquisition cost.

**h) Inventories**

- i) Raw materials, stores and spares & packaging materials are valued at cost or net realisable value whichever is lower.
- ii) Work In Progress and Finished Products are valued at estimated cost or net realisable value whichever is lower
- iii) Scraps & Rejects are valued at estimated realisable value.

The cost of raw material is computed at actual cost and stock and spares and packing material at weighted average basis.

Finished goods and WIP include cost of conversion and other cost incurred in bringing the inventories to the present location and condition.

Estimated realisable value is calculated on the basis of current selling price less the normal selling expenses incurred in making the sale.



**i) Foreign Currency Transaction :**

The transaction in foreign currencies on revenue account are stated at the rates of exchange prevailing on the date of transaction. Outstanding Foreign currency assets/liabilities are translated at the exchange rate prevailing as on Balance Sheet date. Gains or losses on these assets & liabilities relating to the acquisition of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognised in the Profit & Loss Account.

**j) Revenue Recognition :**

- (i) Revenue /Income and Cost/Expenditure are generally accounted for on accrual basis as they are earned or incurred, except, in case of significant uncertainties.
- (ii) Subsidy receivable against an expense is deducted from such expense.
- (iii) The basis of accounting of Cenvat Credit for Service Tax on Input services has been changed from acceptance/ receipt of claims basis to accrual basis. This change has resulted in an increase in profit by Rs.586787.

However claim for the period up to 31st March 2009 is continued to be accounted for on acceptance/receipt basis and accordingly claim received for the period prior to that date will be accounted for as Service Tax refund received under other income in Profit & Loss Account.

- (iv) Domestic Sales is exclusive of custom duty.

**k) Retirement Benefits :**

Defined contribution scheme : Company's contribution towards Provident Fund and Superannuation Fund paid/payable during the year are charged to Profit & Loss Account.

Defined Benefit Plan :The company has a defined benefit gratuity plan covering all its employees. Gratuity is covered under a scheme of LIC and contribution in respect of such scheme are recognized in Profit & Loss Account. The liability at the Balance Sheet date is provided for based on actuarial valuation carried out by Life Insurance Corporation of India in accordance with AS 15 of employee benefits issued by the Institute of Chartered Accountants of India.

Disclosure in respect of DCS and DBS as required under AS 15 have been given in Note 5 below to the extent practical and the availability of information.

**l) Expenditure on Expansion :**

Expenditure directly related to construction activity is capitalised. Indirect expenditure including borrowing cost directly related to construction or incidental thereto is allocated amongst the assets created on pro-rata basis.

**m) Governments Grants :**

Government grants in the nature of State Investment subsidy are accounted for on cash basis and treated as capital reserve.

**n) Taxation :**

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of Deferred Tax Assets are reviewed to reassess realisation.

**o) Contingent Liabilities**

Contingent liabilities are not provided for and are generally disclosed by way of notes to accounts.



2. Contingent liabilities are not provided for in respect of :
- Estimated amount of Contracts remaining to be executed on Capital Accounts & not provided for (net of advances) Rs.474250 (previous year - Nil)
  - Liabilities on account of unexpired letter of credit Rs.25,73,645 (Previous year Rs.61.11,013)
  - Demand for Rs.3.30 lacs (Previous year Rs.3.30 Lacs) in respect of entry tax has not been accepted by the company and the company has filed appeals before the appropriate authorities against the same.
  - Pending outcome of legal and other claims filed by the company, additional liabilities that may arise in this respect on final settlement is currently not ascertainable and has accordingly not been provided for.
  - Demand for ESI amounting to Rs.121391 (previous year - Nil) has not been accepted by the company and an appeal has been filed before appropriate authorities against the same. Rs. 60696 (previous year - Nil) paid against the same is included in Loan and Advances.
  - Demand for Refund of Service Tax claim received for Rs.868148 against which the company has preferred an appeal.
3. The Company's appeal for rejection of refund claim of cenvat credit of service tax amounting to Rs 2,47,773 (previous year- Rs. 247773) for the period from 01.01.2005 to 31.03.2006 filed in previous year is still pending before the CESTAT. Claim received during the year for earlier year amounting to Rs. 426343 (previous year Rs. 713498) has been credited under other income in Profit & Loss Account. From current year the expenses against which service tax refund has been claimed or to be claimed are accounted for net of service tax.
4. In the absence of necessary information relating to the suppliers registered as Micro, Small and Medium enterprises under the Micro, Small and Medium Enterprises (Development) Act, 2006, the Company has not been able to identify such suppliers and the information required under the said Act could not be compiled and disclosed.
5. The details of the company's post-retirement benefit plans for gratuity for its employees determined as per actuarial valuation by Life Insurance Corporation of India are given below:

1. Assumptions	31.03.2010	31.03.2009
Discount Rate	8%	8%
Expected Rate of return	9%	9%
Salary Escalation	7%	7%
Mortality Rate	LIC(1994-96) ultimate	LIC(1994-96) ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
	31.03.2010 (Rs.)	31.03.2009 (Rs.)
2. Table showing changes in present value of obligations		
Present value of obligations as at beginning of year	1167107	1227857
Interest cost	93369	98229
Current Service Cost	143785	126783
Benefits Paid	0	-246841
Actuarial (gain)/Loss on obligations	-16113	-38921
Present value of obligations as at end of year	1388148	1167107



	31.03.2010 (Rs.)	31.03.2009 (Rs.)
3. Table showing changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	1362722	1201223
Expected return on plan assets	124474	97069
Contributions	136685	311271
Benefits paid	NIL	-246841
Actuarial (gain) / loss on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	1623881	1362722
4. Actuarial Gain/ Loss recognized		
Actuarial (gain)/ loss for the year -Obligation	-16113	-38921
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL
Total (gain)/ loss for the year	-16113	-38921
Actuarial (gain)/ loss recognized in the year	-16113	-38921
5. The amounts to be recognized in the balance sheet and statements of profit and loss Account		
Present value of obligations as at the end of year	1388148	1167107
Fair value of plan assets as at the end of the year	1623881	1362722
Funded status	235733	195615
Net Asset/(liability) recognized in balance sheet	NIL	NIL
6. Expenses Recognised in statement of Profit & Loss Account		
Current Service cost	111259	126783
Interest Cost	93369	98229
Expected return on plan assets	124474	97069
Net Actuarial (gain)/ Loss recognised in the year	-16113	-38921
Expenses recognised in statement of Profit & loss*	64041	89022
* Gain of Rs. 64041 (Previous year Rs.89022) has not been recognised in the profit & Loss Account as the fair value of plant assets is more than the present value of obligation as disclosed above.		
a. Premium paid for the year amounting to Rs.148847 (Previous year Rs.322488) has been debited to the Profit & Loss Account under Payments to & for employees.		
b. The Plan assets of the company are managed by Life Insurance Corporation of India and the composition of investments relating to these assets is not available with company.		

6. The following expenses related to expansion of the production unit have been capitalised during the year.

	31.03.2010 (Rs.)	31.03.2009 (Rs.)
Brought Forward b/f	Nil	1544901
Bank Charges	Nil	1874
Legal & Professional Charges	Nil	123056
Interest on term Loan	Nil	2492360
Salary	Nil	1037357
Power & Fuel	Nil	755690
Preferential Issue Expenses	Nil	140,697
Travelling Expenses	Nil	16730
Fringe Benefit Tax	Nil	15464
Rates & Taxes	Nil	421250
	Nil	6549379



7. Leasehold quarries are yet to become operational.
8. Sale Deeds in respect of Housing tenements are yet to be executed.
9. The company does not have more than one reportable segment in terms of Accounting Standard - 17 "Segment Reporting".
10. Balances of Sundry Creditors, Sundry Debtors, Advances & dues against car loan are subject to confirmation.
11. Related party disclosure as per AS-18

As required by Accounting Standard AS-18 "Related Parties Disclosure" issued by "The Institute of Chartered Accountants of India" are as follows :-

A. Particulars of Associate / Subsidiary Companies :

Name	Nature of relationship
U.S.D. Industries Pvt. Ltd	Associate Company
Granite Mart Ltd.	Associate Company
Virdhi Commercial Co. Limited	Associate Company
Glittek Infotech Limited	Associate Company

B. Particulars of Key Management Personnel :

Name	Nature of relationship
Mr. Bimal Kumar Agarwal	Promoter & Director
Mr. Kamal Kumar Agarwal	Managing Director
Mr. Ashoke Agarwal	Joint Managing Director

C. Particulars of Relatives of Key Managerial Personnel

Name	Nature of relationship
Mrs. Alpana Agarwal	Wife of Managing Director
Mrs. Manjula Agarwal	Wife of Joint Managing Director

D. Details of transactions with Associate Company

	31.03.2010 Rs.	31.03.2009 Rs.
(i) Granite Mart Ltd.		
Purchase during the year	6811820	10370771
Sale during the year	14499872	8106153
Rent paid during the year	36000	27000
(ii) Virdhi Commercial Co. Ltd.		
Unsecured Loan Taken	3040000	775000
Interest Paid	407862	7760
Loan Repaid	NIL	20000
Balance outstanding at year end	7563881	761161
Share application	NIL	NIL
Share Allotted	NIL	11217500
Share Premium	NIL	1682625
Office Maintenance (Received)	25200	25200
Preference Shares redeemed	NIL	15100000
(iii) U.S.D. Industries PVT. Ltd.*		
Unsecured Loan Repaid during the year	NIL	2160000
Share application	NIL	9999850
Share Allotted	NIL	9739000
Share Premium	NIL	1460850
(iv) Glittek infotech Ltd.*		
Unsecured Loan Taken	NIL	3400000
Interest Paid	NIL	173368
Balance outstanding at year end	NIL	3437568

\* Merged with Virdhi Commercial Co. Ltd.



	31.03.2010 Rs.	31.03.2009 Rs.
E. Details of transactions relating to persons referred to in (B) above		
(i) Remuneration to Management Personnel :		
(a) Mr. Kamal Kumar Agarwal	720,000	720,000
(b) Mr. Ashoke Agarwal	720,000	720,000
(ii) Particulars Transaction with Key management Personnel :		
(a) Sri Ashoke Agarwal		
Share application	NIL	NIL
Share Allotted	NIL	175,000
Share Premium	NIL	26,250
Unsecured Loan Taken	NIL	275,000
Loan Repaid	NIL	254,500
Interest Paid	2,085	2,971
Balance outstanding at year end	25,037	23,165
Maximum Outstanding during the year	25,037	275,000
(b) Sri Kamal Kumar Agarwal		
Share application	NIL	NIL
Share Allotted	NIL	305,000
Share Premium	NIL	45,750
Unsecured Loan Taken	NIL	275,000
Loan Repaid	NIL	165,000
Interest Paid	10,166	3,295
Balance outstanding at year end	122,090	112,956
Maximum Outstanding during the year	122,090	275,000
F. Details of transactions with persons referred to in (C) above		
(i) Unsecured Loan :		
(a) Mrs. Alpana Agarwal		
Unsecured Loan Taken	NIL	240,000
Loan Repaid	NIL	120,000
Interest Paid	11,164	4,497
Balance outstanding at year end	134,066	124,034
(b) Mrs. Manjula Agarwal		
Unsecured Loan Taken	NIL	240,000
Loan Repaid	NIL	70,000
Interest Paid	15,667	4,547
Balance outstanding at year end	188,156	174,079
(ii) Rent paid :		
Mrs. Alpana Agarwal	330,000	330,000
Mrs. Manjula Agarwal	330,000	330,000
12. Earning Per Share :		
Net Profit/(Loss) for the Year	2,641,316	1,145,321
Weighted average Number of Ordinary Shares	25,959,400	25,037,433
	Rs.5/-each	Rs.5/-each
Basic & Diluted EPS	0.10	0.05
13. As required by Accounting Standard AS-22 on accounting for Taxes on Income, no deferred tax liability / asset has been computed because there is no reasonable certainty that sufficient future taxable profits will be available.		
14. There is no impairment loss on any assets in terms of AS-28 issued by the Institute of Chartered Accountants of India.		



## 15. Quantitative and Other Information :-

	31.03.2010		31.03.2009	
	Slabs	Tiles	Slabs	Tiles
Licenced Capacity	126,000 Sqm	225,000 Sqm	126,000 Sqm	225,000 Sqm
Installed Capacity	126,000 Sqm	225,000 Sqm	126,000 Sqm	225,000 Sqm

## a) Finished Product

	31.03.2010				31.03.2009			
	Slabs		Tiles		Slabs		Tiles	
	Qty (Sqm.)	Value (Rs.)	Qty (Sqm.)	Value (Rs.)	Qty (Sqm.)	Value (Rs.)	Qty (Sqm.)	Value (Rs.)
Opening Stock	2337.110	6717670	6919.690	11698483	888.423	1493336	9516.449	13294241
Production*	51594.859	-	**12660.907	-	24871.693	-	**10404.512	-
Sales	53432.968	158944105	***13547.896	15225356	23423.006	82971529	***13001.271	17769743
Closing Stock	499.001	1127029	6032.701	10296727	2337.110	6717670	6919.690	11698483

\* 3239.432 Sqm of slabs purchased is included (Previous year 4736.372 Sqm)

\*\* 5834.634 Sqm of tiles purchased is included (Previous year 3814.045 Sqm)

\*\*\* Includes production of rejects 1484.61 Sqm (previous year 804.356 Sqm)

\*\*\* Includes Sales of Rejects 2211.69 Sqm (Previous year 1557.053 Sqm)

## b) Raw Material Consumed (Indigenous)

	31.03.2010		31.03.2009	
	Qty (Cbm.)	Value (Rs.)	Qty (Cbm.)	Value (Rs.)
Rough Block	2544.725	63743752	1330.572	32399383
		31.03.2010 Rs.		31.03.2009 Rs.

## 16. Value of imports on C.I.F.Basis.

Spare Parts and Components	15409539	6548304
Capital Goods	Nil	21331686

## 17. Earnings in Foreign Currency

Value of exports of Finished Goods on F.O.B.basis	131772032	91083033
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## 18. Expenditure in foreign currency

Travelling Expenses	1993941	492333
Membership & Subscription	8413	6646
Books & Periodicals	7355	8689
Brokerage & Commission	89906	124688
	2099615	632356

## 19. Managerial remuneration includes

Managing Director and Joint Managing Director :		
Salary (inclusive of contribution to Provident and Superannuation Fund)	1440000	1440000
Non whole time Director :		
Board Meeting Fees	6500	6500
	1446500	1446500



## 20. Stores and Spares Consumed

	31.03.2010		31.03.2009	
	Rs.	%	Rs.	%
Imported	14955520	67.26	4701627	69.08
Indigenous	7278622	32.74	2104693	30.92
	<u>22234142</u>	<u>100.00</u>	<u>6806320</u>	<u>100.00</u>

	31.03.2010	31.03.2009
	Rs.	Rs.
21. Prior period adjustments represents the following :		
a) Credit relating to earlier years	948413	186947
b) Debit relating to earlier years		
Net Credit	(73304)	(88747)
	<u>875109</u>	<u>98200</u>

22. Previous year's figures have been regrouped and rearranged wherever considered necessary to make them comparable with this year's figures.



23. Information pursuant to part IV of Schedule VI of the Companies Act, 1956

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

**I. REGISTRATION DETAILS**

Registration No.	23497	State Code	08
Balance sheet date	31.03.2010		

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS'000)**

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. '000)**

Total Liabilities	300526	Total Assets	300526
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**Sources of Funds**

Paid up Capital	132908	Reserves & Surplus	25223
Secured Loans	134362	Unsecured Loans	8033

**Application of Funds**

Net Fixed Assets	159667	Investments	—
Net Current Assets	140752	Misc. Expenditure	107
Accumulated Losses	0		

**IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. '000)**

Turnover	173593	Total Expenditure	178663
Profit/(Loss) before tax	3124	Profit/(Loss) after tax	2641
Earning per Share in Rs.	0.10	Dividend Rate %	Nil

**V. GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY**

Item Code No.(ITC Code)	: 680223.01
Product Description	: Granite Slabs & Tiles

The schedules referred to above form an integral part of the Accounts

25, R.N.Mukherjee Road,  
Kolkata the 14th day of May, 2010.

For **Rungta & Rungta**  
Chartered Accountants  
(Registration No. 0305134E)

**CA S. K. Roongta**  
Partner  
Membership No. : 15234

On behalf of the Board  
**Kamal Kumar Agarwal**  
Managing Director  
**Ashoke Agarwal**  
Joint Managing Director  
**V. D. Mall**  
Company Secretary





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	31.03.2010 (Rs. in lacs)	31.03.2009 (Rs. in lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax as per Profit and Loss Account	31.24	14.73
Adjusted for :		
Depreciation	140.68	122.36
Interest Paid	158.11	96.12
Interest Received	-0.91	-0.49
Miscellaneous Expenses W/Off	0.44	0.47
Share issue Expenses	0.00	-1.58
Foreign Exchange Fluctuation	-8.87	-7.86
	<u>289.45</u>	<u>209.02</u>
<b>Operating Profit before working capital changes</b>	<b>320.69</b>	<b>223.75</b>
Adjusted for :		
Trade & Other Receivables	-67.58	-15.62
Inventories	-70.06	-110.42
Trade Payables	-26.47	-302.63
Gain from Foreign Exchange Fluctuation	8.87	7.86
	<u>-155.22</u>	<u>-420.79</u>
<b>Cash Generated from operating activities</b>	<b>165.47</b>	<b>-197.04</b>
Adjustment for :		
Direct Taxes (paid)	-4.83	-4.51
<b>Net cash from operating Activities</b>	<b>160.64</b>	<b>-201.55</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	-1.54	-664.59
Interest Received	0.91	0.49
<b>Net Cash used in investing activities</b>	<b>-0.63</b>	<b>-664.10</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issue of Share Capital	0.00	450.00
Redemption of Preference Shares	0.00	-213.00
Increase in Borrowings	-12.80	723.95
Interest Paid	-158.11	-96.12
<b>Net Cash used in financing activities :</b>	<b>-170.91</b>	<b>864.83</b>
<b>D. Net Increase in Cash and Cash equivalents (A+B+C)</b>	<b>-10.90</b>	<b>-0.82</b>
<b>E. Cash and Cash equivalents at the beginning of the year</b>	<b>24.00</b>	<b>24.82</b>
<b>F. Cash &amp; Cash equivalents at the close of the year (D+E)</b>	<b>13.10</b>	<b>24.00</b>

Note : (I) Figures for the previous year have been regrouped, wherever considered necessary.

On Behalf of the Board

Kamal Kumar Agarwal  
Managing Director

Ashoke Agarwal  
Jt. Managing Director

V.D. Mail  
Company Secretary

#### Auditors' Certificate

We have verified the above Cash Flow Statement prepared by the Company and certify that the statement has been derived from the accounts of the company audited by us and has been prepared in accordance with Stock Exchange Listing requirements.

**For RUNGTA & RUNGTA**  
Chartered Accountants  
(Registration No. 0305134E)  
CA S.K. Roongta  
Partner  
Membership No 15234

25 R.N. Mukherjee Road  
Kolkata the 14th day of May, 2010.

**GLITTEK GRANITES LIMITED**  
Registered Office : 42, K.I.A.D.B., Industrial Area  
Hoskote, Bangalore, Karnaaka-562114

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL.  
Joint shareholders may obtain additional Attendance Slips on request (Ledger Folio no. & Name of the Shareholders/  
Joint Holders/Proxy & address as given on address slip in BLOCK LETTERS to be furnished below) :

Name of Shareholder/Proxy	Ledger Folio No./Client ID/ *DP ID No.	No. of Shares held

I hereby record my presence at the Twenty Annual General Meeting of the Company to be held on Friday, the 10th day of September, 2010 at 12.30 P.M. at 42, K.I.A.D.B. Industrial Area, Hoskote, Bangalore, Karnataka-562114.

\* Applicable for member holding share in electronic form

SIGNATURE OF THE

SHAREHOLDER OF PROXY \_\_\_\_\_

Notes :

1. Shareholders/Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after signing it.
2. Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

**GLITTEK GRANITES LIMITED**

Registered Office : 42, K.I.A.D.B., Industrial Area  
Hoskote, Bangalore, Karnaaka-562114

**FORM OF PROXY**

(Ledger Folio No. & Name of the Shareholders/Joint holders/Proxy & address as given on the address slip in Block Letters to be furnished below) :

Ledger Folio No./Client ID/ DP ID No.	No. of Shares held

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member/Members of Glittek Granites Limited hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ of \_\_\_\_\_ failing him  
my/our behalf at the Twenty Annual General Meeting of the Company, to be held on Friday, the 10th day of September,  
2010 at 12.30 P.M. and to any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Signature \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

- Notes : 1. The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
2. Those member who have multiple Folios with different joint holders may use copies of this Attendance Slip/Proxy.

BOOK - POST



*If undelivered please return to :*

**GLITTEK GRANITES LIMITED**

42, K.I.A.D.B., Industrial Area

Hoskote, Bangalore,

Karnataka - 562114.