

22ND
ANNUAL REPORT 2012-13



SUN GRANITE EXPORT LIMITED

**SUN GRANITE EXPORT LTD.
ANNUAL REPORT 2012-13**

NOTICE

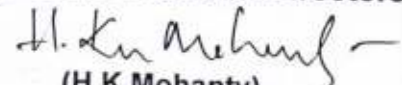
Notice is hereby given that the 22nd ANNUAL GENERAL MEETING of the members of the Sun Granite Export Limited will be held at the Registered Office at Vill.- Paniora, Po- Palaspur, Via- Janla, Dist. Khurda – 752054 (Orissa) on **Monday, the 30th September 2013** at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon.
2. To appoint as an Addl. Director Mr.H K Panda, Mr.Giridhar Bhavaraju & Mr.R.N.Swain, who retires by rotation and being eligible, offers him for reappointment.
3. To appoint M/s. Samantaray & Co. Chartered Accountants, the retiring Auditors of the company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

Date: 02.09.2013
Bhubaneswar

By Order of the Board of Directors


(H K Mohanty)
Managing Director

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy should reach the registered office of the Company at least 48 hours before the time of the meeting.
2. The Register of Members and share transfer books will remain closed from 22nd September 2013 to 30th September 2013(both days inclusive).
3. Members desiring to seek any information on the annual Accounts/ operations are requested to write to the Company at least Seven days before the date of the meeting so as to enable the management to keep the information ready.
4. Members /Proxies attending the meeting are requested to bring copy of their Annual Report with them in meeting.

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5. All communications relating to shares are to be addressed to the Company or the Company's Share Transfer Agent/ M/s. Maheswari Datamatics Pvt. Ltd, 6, Mangoe Lane, (Surendra Mohan Ghosh Sarani) 2nd Floor Kolkata: 700001.
6. Information required to be furnished under the listing Agreement.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed /reappointed are given below:

- 1) Name : Smitarani Sutar
Date of Birth : NA
Qualification : Company Secretary
Directorship : NA
Expertise : Secretarial, Corporate & Legal Advisor
- 2) Name : Mr.H K Panda
Date of Birth : NA
Qualification : B.E.
Directorship : Yes
Expertise : Engineering
- 3) Name : Mr.Giridhar Bhavaraju
Date of Birth : NA
Qualification : Graduation
Directorship : Yes
Expertise : Acquisition,Merger, Take over
- 4) Name : Mr.R.N.Swain
Date of Birth : NA
Qualification : Graduation
Directorship : Yes
Expertise : Corporate & Legal Advisor

EXPLANATORY STATEMENT PURSUANT TO SUB SECTION (2) OF SECTION 173 OF THE COMPANIES ACT. 1956 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING.

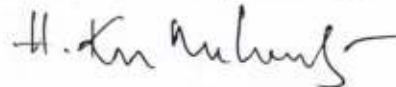
- 5) Mr.H K Panda, Mr.Giridhar Bhavaraju & Mr.R.N.Swain was appointed as an Addl. Director of the company on August 26th 2011 by the Board of Directors of the Company. According to the provision of the Section 260 of the Companies Act, 1956, he hold office as Director only up to date of the ensuing Annual General Meeting. As require by Section 257 of the Act, a notice has been received from

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member signifying his intention to propose appointment of Mr.H K Panda, Mr.Giridhar Bhavaraju & Mr.R.N.Swain as an Addl. Director along with a deposit of Rupees five hundred. The Board considers it desirable that the Company should continue to avail itself of his services.

None of the director are concerned or interested in the above said resolution, except, as a member of the company.

By Order of the Board of Directors
For Sun Granite Export Limited



(H.K. Mohanty)
Managing Director

Date 02.09.2013
Bhubaneswar

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 22nd Annual report with the Audited Accounts for the year ended 31st March 2013.

FINANCIAL PERFORMANCE

(Rupees in lacs)

Particulars	Year Ending 2012-13	Year Ending 2011-12
Total Income INCLUDING other income	50.76	55.70
Expenditure	117.45	168.49
Interest & Financial Charges	27.09	26.50
Depreciation	104.52	129.15
Net Profit/(loss)	(198.30)	(268.44)
Provision For Income Tax	Nil	Nil
Profit Carried to Balance Sheet	(198.30)	(268.44)

DIVIDEND

In view of marginal profit Directors of the Company do not recommend any dividend for the year 2012.13.

OPERATION AND FINANCIAL PERFORMANCE.

During the financial year 2012-13 the Company achieved sales of Rs.45.70 Lacs as against sales of Rs. 50.63 lacs during the previous year. Decrease in capacity utilization has resulted to poor performance. Operations of two quarries remained under suspension due to legal problem created by the Forest Department, Ganjam District, Orissa. The Management has taken up the matter with the appropriate forums for redressal and made fresh application for new quarries to meet the requirement of Raw materials of the Company. Besides the company was unable to arrange required working capital finance to run the company smoothly. Efforts are expected to be taken in this regard to improve the performance of the company in forthcoming year.

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DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby declare that:

- (i) in the preparation of the Annual Accounts for the financial year 2012-13, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applies them consistently and made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit and loss of the Company for the year ended on that date.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the enclosed Annual Accounts on a going concern basis.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

A report on corporate Governance and Management Discussion & Analysis Report appears in the Annexure-1 and Annexure-2 respectively to the Directors report.

AUDITORS

M /s. Samantaray & Co., Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for reappointment.

AUDITORS REPORT

The Auditors in their report have referred to the notes forming part of the Accounts, which are self explanatory and do not require further elucidation.

DIRECTORS

Mr. Satyajit Deshpriya Mishra, Mr.N.K.Bhaumik & Mr.Tushar R.Parekh have resigned from the Board of Directors of the company and appointed Mr.H K Panda, Mr.Giridhar Bhavaraju & Mr.R.N.Swain in their place w.e.f. 28.08.2011 respectively. The Board appreciate the value of services rendered by those directors appointed during their tenure.

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PARTICULARS OF EMPLOYEES

No employees are coming within the purview provision under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rule 1975.

FIXED DEPOSIT.

The company has not accepted or renewed any deposits within the meaning of Section 58 A of the Companies Act 1956 and the Rules made there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE.

Information pertaining to Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is given as under:

- A. Conservation of Energy, Company is making all round efforts for the Conservation of Energy per unit production.
- B. Technology Absorption: The Company has adopted indigenous Technology.
- C. Foreign Exchange earnings and Outgo during the financial year 2012-2013;
- | | | |
|----------------------------------|------------|-------|
| i. Total Foreign Exchange earned | | Nil |
| ii. Total Foreign exchange outgo | | |
| 1. Import of Consumables | 10.75 | |
| 2. Foreign Travels | Nil | |
| 3. Sales Commission | <u>Nil</u> | 10.75 |

STATUS OF LISTING IN STOCK EXCHANGE

Your company's shares are listed in Stock Exchange (s) at Mumbai, Bhubaneswar; Kolkata & Ahmedabad Annual Listing fees are due to the Stock Exchange(s). The company proposes to regularize the dues of stock exchanges.

CERTIFICATE ON CORPORATE GOVERNANCE

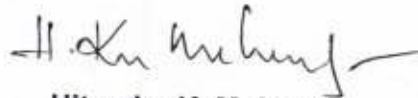
Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

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ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the continued assistance and cooperation extended to the Company by the Govt. of Odisha, the IFCI Ltd, the State Bank Of India, shareholders, the dedicated employees and all other who are continuing to assist your Company.

For and on behalf of the Board of Directors



Hitendra K. Mohanty
Chairman cum Managing Director

Bhubaneswar
Date: 02.09.2013

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AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members
Sun Granite Export Ltd.,**

We have examined the Compliance of Conditions of Corporate Governance by Sun Granite Export Ltd for the financial year ended 31st March 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management, Our examination was limited to the procedures and implementations thereof adopted by the company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said clause. 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, we certify that the company has complied with the conditions of the Corporate Governance except constitution of remuneration committee as stipulated in the above mentioned Listing Agreement.

We state that in respect of Investor grievances received during the year ended 31st March' 2013 no investor grievances are pending against the company as on 31st March' 2013 as per the records maintained by the Company.

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.

Bhubaneswar

Date: 02.09.2013

For Samantaray & Co.



**C S Samantaray (FCA)
Chartered Accountants**

CORPORATE GOVERNANCE

Company's Philosophy on code of Governance

The company's philosophy on corporate governance envisage the attainment of the high level of transparency and accountability in the functioning of the company and assist the top management of the company in the efficient conduct of its business internally and externally. Including its interaction with employees, shareholders, creditors, consumers and institutional and other lenders and place due emphasis on regulatory compliance.

The company believes that its system and actions must be followed for enhancing corporate performance and maximizing shareholder value in the long term.

A) Board of Directors

The Composition of the Board is in accordance with the requirement of the corporate Governance Code of the listing Agreement with the Stock Exchange. The Board of Directors consists of optimal combination of Executive, Non-executive and Independent Director.

The present strength of the Board is Five Director Comprising of Two Executive Directors, One Non-Executive Director and Two Independent Directors. The Chairman of the Board is an Executive Director.

Mr. H K Panda, Mr.Giridhar Bhavaraju & Mr.R N Swain have been appointed as Addl. Director with effect from 26.08.2011. Independent Directors are Directors, who apart from receiving Directors' remuneration do not have any other material pecuniary relationship or transactions with the Company.

The present composition of the Board of Directors and also the number of other Directorship or Board Committees of which he is a member / Chairman are as under..

Name of the Directors	Category of Directorship	Number of other Directorships	Number of other committee membership
Shri Gyanendra K Mohanty	Chairman	2	Nil
Shri Hitendra K. Mohanty	Managing Director	2	Nil
Shri H K Panda	Non-Executive Director	Nil	Nil
Shri Giridhar Bhavaraju	Independent Director	Nil	Nil
Shri R N Swain	Non-Executive Director	Nil	Nil

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Attendance of each Director at the Board Meetings and The last Annual General Meeting.

SI No.	Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM held 28.09.2012
1	Shri G K Mohanty	4	4	Present
2	Shri H K Mohanty	4	4	Present
3	Shri H K Panda	4	-	Absent
4	Shri Giridhar Bhavaraju	4	4	Present
5	Shri R N Swain	4	-	Absent

Number of Board Meetings held and the dates on which held

During the financial year 31st March 2013, Four Board Meetings were held on 15.04.2012, 28.09.2012, 10.12.2012, 23.02.2013

Independent/ Non executive Directors

The company has three Non Executive Directors namely Mr. H K Panda, Mr.Giridhar Bhavaraju & Mr.R N Swain.

B) Audit Committee

The composition of Audit Committee as on 31-03-2013 was as follows.

1. Shri G. K Mohanty, Chairman,
2. Shri H K Panda, Member,
3. Shri Giridhar Bhavaraju, Member

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. During the financial year ended 31st March 2013, four audit committee were held on 30.04.2012, 30.07.2012, 31.10.2012, 31.01.2013.

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C) Shareholders / Investors Grievance Committee

- 1) Shri H K Panda, Chairman
- 2) Shri G. K Mohanty, Member
- 3) Shri R N Swain, Member

During the year under review Four shareholders Grievance Committee were held on 30.04.2012, 30.07.2012, 31.10.2012, 31.01.2013.

D) Remuneration Committee

- 1) Shri Giridhar Bhavaraju , Chairman
- 2) Shri G. K Mohanty, Member
- 3) Shri H K Panda, Member

No remuneration Committee were held during the year.

E) Share Transfer Committee

- 1) Shri H K Panda, Chairman
- 2) Shri G. K Mohanty, Member
- 3) Shri R N Swain, Member

During the year under review Five Share Transfer Committee were held 30.04.2012, 30.07.2012, 31.10.2012, 31.01.2013, 15.03.2013.

The board has constituted Share Transfer Committee to consider and approve share transfer cases of more than 2000 shares and authorized the company secretary to approve share transfers up to 2000 shares. The status of share transfers is regularly placed before the Board meeting.

Annual General Meetings

Location and time for last 3 Annual General Meetings were as follows.

Year	Location	Date	Time
2009-10	At-Paniora, Po-Palaspur, Dist-Khurda	30.09.2010	10.30 AM
2010-11	At-Paniora, Po-Palaspur, Dist-Khurda	30.09.2011	10.30 AM
2011-12	At-Paniora, Po-Palaspur, Dist-Khurda	28.09.2012	10.30 AM

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Disclosure

- a. As per the disclosures given by the Directors of the Company, there was no materially related party transactions that have potential conflicts with the Company at Large.
- b. The CEO of the company has certified to the Board with regard to compliance made in terms of clause 49 (v) of the Listing Agreement.

General Share holder Information

Quarterly Results

Quarterly un-audited financial results are published in newspapers and also submitted to the Stock Exchange Management's Discussion and Analysis forms a part of the Annual Report of the Company which is posted to the shareholders of the Company along with Notice of AGM every Year.

General House Holders Information

Annual General Meeting is scheduled to be held on Monday the 30th September, 2013 at 10.30 AM at Paniora Po: Palaspur, Dist: Khurda-752054 (Orissa)

Financial Calendar (Tentative and subject to Change)

Events	Tentative Date	
Annual General Meeting for the year ending	31.03.2012	28.09.2012
Un audited Financial Results for the quarter ending	30.06.2012	July-2012
Un audited Financial Results for the quarter ending	30.09.2012	October-2012
Un audited Financial Results for the quarter ending	31.12.2012	January-2013
Un audited Financial Results for the quarter ending	31.03.2013	April-2013

Book Closure Date

From 22nd September 2011 to 30th September 2012 (both days inclusive) for the purpose of Annual General Meeting.

Listing on Stock Exchange

The company's shares are listed in the Stock Exchange at Mumbai, Bhubaneswar Stock Exchange Association Ltd, and the Stock Exchange, Ahmedabad. The Company had paid the

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Dematerialisation of Shares & Liquidity

The company proposes to dematerialize its equity shares within the current financial year.

Liquidity: The Company's Securities are not frequently traded.

Plant Location

Factory: At: Paniora, Po: Palaspur, Dist: - Khurda, Pin: 752054, Orissa

Quarries

Lohardubri in District of Kalahandi, Orissa.

Sikulibadi in the District of Ganjam, Orissa (Work obstructed by Forest Department)

Bedaki in the District of Nayagarh, Orissa, (Taken on sub-lease from Orissa Mining Corporation)

Salepali in the District of Balangiri.

Address for Correspondence

The Company's Registered Office is situated
At: Paniora, Po: Palaspur, Dist: Khurda, Pin: 752054 (Orissa)
Tel: 0674-3294595
Fax: 0674-2467626

E Mail: sungranite@sancharnet.in
sungranite2012@yahoo.com

Website: www.sungranite.co.in

Shareholders correspondence relating to share transfers, change of address should addressed to the company's registrar and Share Transfer Agent to :

M/s. Maheswari Datamatics Pvt. Ltd.,
6, Mangoe Lane, 2nd Floor,
(Surendra Mohan Ghosh Sarani)
Kolkata-700001

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MANAGEMENT DISCUSSION AND ANALYSIS

Industry Scenario and Development

The overall trend of the Indian Granite was healthy in the year 2007-08 as the Granite Industries come out of reversionary trend because of increase demand in national and international market. However, due to acute shortage of raw materials during the last financial year the performance of this company could not rise up to the expectations.

The company which has one of the largest modern plants of its kind in eastern India has been successfully exploring and creating its own market in USA, Middle East, and Australia. In order to overcome the obstacles of shortage of raw materials faced during 2008-09, the company has been making serious efforts to take more quarries on lease from Government of Orissa.

The demand for polished Granite slabs continuously grows due to market increase in construction activities in all sectors. With this positive factor the Management is optimistic about the future performance of the company.

Internal Control

Your company has adequate internal control systems commensurate with its size and works in highly automated environment.

Risk and Concerns

The major consumables utilized by the company are imported. Further, being 100% export oriented unit foreign exchange fluctuation has a commercial bearing on the performance of the Company. The Government's policy for grant of quarries as well as demarcation forest area concerns your company, for which adequate measures are being taken.

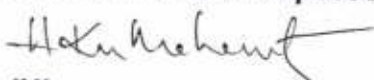
Human Resources / Industrial Relations

Your company's endeavor has been to attract, and nurture human potential by developing a culture of family and human values. The purpose is to encourage and attain the optimum human potential development. The company has during the year continued to have good industrial relation with its employees.

DECLARATION

As provided under clause 49 of the listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Employees have affirmed Compliance with the code of conduct for the year ended 31st March 2013.

For Sun Granite Export Ltd.



**(Hitendra K. Mohanty)
Managing Director**



Ref. No.....

Date.....

AUDITOR'S REPORT

To
The Members,
Sun Granite Export Limited.

We have audited the attached Balance Sheet of Sun Granite Export Limited, as at 31st March, 2013 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. We report as under:

- A 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.
- B. 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.
- C. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-sec (4A) of sec 227 of the Companies Act, 1956, we enclose in the Annexure a statement the matters specified in paragraph 4 & 5 of the said order
- D. Further to our comments as said above, we report that:
- a) we have obtained all the information and explanations, which to the best of knowledge and belief were necessary for the purposes of our audit ;
 - b) 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 ;
 - c) the Balance Sheet, the Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account ;



- d) in our opinion, Balance Sheet, the 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;
- e) on the basis of written information's received from the Directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and 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:
- i) In the case of the balance sheet, of the state of affairs of the company as at 31st March 2013, and
- i) In the case of the profit and loss account of the loss for the year ended on that date.

Place: Bhubaneswar

Date : 28.09.2013

For Samantaray & Co.
Chartered Accountant



CA C.S. Samantaray (FCA)
Chartered Accountant
Mem.No.-051265



ANNEXURE TO THE AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE)

- 1)
 - a) Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
 - b) The Company has a regular program of physical verification of fixed assets, which in our opinion is reasonable having regard to size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion and according to the information and explanations, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2)
 - a) As explained to us all stocks of finished goods, stores, spare parts and raw materials have been physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of the physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventories. As explained to us the discrepancies between the physical stock and book stock were not material and dealt with properly in the books of account.
- 3) The Company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, except unsecured loan from director's taken for settlement of IFCI dues which was been repaid regularly with interest. As observed the director's have taken loan from Axis bank and lent the same to the company for purpose of repayment to IFCI. The repayment along with interest payable to Axis bank/ India Bull Financial Services Limited was being made by the company on behalf of Director.
- 4) In our opinion and according to the information given to us there is adequate internal control procedure commensurate with the size of the company and the nature of its business, for purchase of stores, raw material components, plant and machinery, equipment and other similar assets and for the sale of goods.
- 5) The company has not accepted any deposits from the public.
- 6) The Company is not required to maintain cost records under section 209(1)(d) of the Companies Act' 1956.



- a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income Tax and Sales Tax applicable to it have not generally been regularly deposited with the appropriate authorities.
- b) According to the information and explanations given to us the undisputed amounts payable as at 31st march' 2013 for a period of more than six months from the date they became payable are given below.

Name of Status / Nature of Dues	Amount (in Rs.)	Period to which amount related	Date of Payment
Investor Education and Protection Fund	10230.00	2002-03	
	8534.00	2003-04	
Income Tax	241173.00	A.Y. 2004-05	
	386645.00	A.Y 2005-06	
	93045.00	A.Y. 2007-08	
T D S	47556.00	2004-05	
	232421.00	2005-06	
	345357.80	2006-07	
Luxury Tax	13916.00	2005-06	

- c) According to the information and explanations given to us the disputed amounts payable as at 31st march' 2013 for a period of more than six months from the date they became payable are given below.

Name of the Status	Forum where Is dispute the pending	Period to which amount relates	Amt.(Rs.)	Amount paidonprotest
Income Tax	Income Tax Tribunal	1995-96	7,44,945.00	201722.00
Entry Tax	Commissioner of Sales Tax	2000-01	6,34,307.00	175000.00

- 7) The company has accumulated losses to the tune of Rs.780.46 lakhs at the end of the financial year and has incurred cash losses of Rs.302.81 lakhs during the financial year covered by our audit and also incurred cash losses in the immediately preceding financial year.
- 8) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 9) In our opinion and according to the information and explanations given to us, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.



- 10) The company is not dealing or trading in shares, securities, debentures and other investments.
- 11) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- 12) In our opinion, the term loans have been applied for the purpose for which they were raised.
- 13) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment or vice versa.
- 14) According to the information and explanations given to us, the company has not made any preferential allotment of shares to companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
- 15) The company has not issued debentures during the year and hence requirement of reporting regarding creation of securities in respect of debentures issued does not arise.
- 16) The company has not raised any money by public issue during the year.
- 17) It has observed that the company has defaulted in repayment of dues to the banker, The State Bank of India, Commercial Branch, Bhubaneswar as per details given bellow,

Banker- SBI, Commercial Br Rs. 14,00,000.00 Defaulted since 30th Jun' 2005

The term loan installments due after 30.06.2005 are also under default. Besides the working capital facilities provided by said banker are irregular.

- 18) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Bhubaneswar
Date: 28.09.2013

For Samantaray & Co.
Chartered Accountant

CA C.S. Samantaray (FCA)
Chartered Accountant
Mem.No.-051265



SUN GRANITE EXPORT LIMITED
AT.: PANIORA, PO.: PALASPUR
DIST.: KHURDA-752054

BALANCE SHEET AS AT 31ST MARCH 2013

<u>PARTICULARS</u>	<u>NOTES</u>	<u>AS ON 31.03.2013</u> <u>(AMOUNT IN INR)</u>	<u>AS ON 31.03.2012</u> <u>(AMOUNT IN INR)</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders Fund</u>			
Share Capital	1	106,786,000.00	106,786,000.00
Reserves & Surplus	2	15,541,225.17	15,541,225.17
Share Application Money Pending Allotment			
<u>Non-current Liabilities</u>			
Long term Borrowings	3	85,579,212.47	89,543,156.47
Deffered Tax liability (NET)	4	520,075.00	520,075.00
Other Long Term Liabilities			
Long Term Provisions			
<u>Current Liabilities</u>			
Short Term Borrowings	5	Nil	Nil
Trade Payable	6	2,017,893.50	2,568,393.50
Other Current Liabilities	7	4,859,702.32	5,132,434.32
Short Term Provisions	8		
Total		215,304,108.46	220,091,284.46
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
<u>Fixed Assets</u>			
Tangible Assets	11	38,200,115.89	43,341,916.10
Intangible Assets			
Capital Work In Progress			
<u>Non-Current investment</u>			
Long Term Loans & Advances	9	-	-
<u>Other non-current Assets</u>			
Preliminary Expenses	10	-	-
Pre-Operative Expenses	12	-	-
<u>Misc. Expenses (To the extent not Written off or Adjusted)</u>			
Mining Development Expenditure		11,850,884.24	17,829,790.85
Profit & Loss Account Debit Balance		89,325,201.47	69,495,715.50
<u>Current Assets</u>			
Current Investments (KKIT)		Nil	Nil
Inventories	13	43,457,235.62	47,327,735.62
Trade Receivables	14	21,488,444.37	31,488,444.37
Cash & Cash Equivalents	15	681,752.50	739,026.06
Short Term Loans & advances	16	1,656,912.00	1,336,533.00
Other current Assets	17	8,643,562.37	8,532,122.96
Total		215,304,108.46	220,091,284.46

Significant Accounting Policies
Notes on Financial Statements

A to L
1 to 29

As per our Report of even date

For and on Behalf of
Samantaray & Co.
Chartered Accountants

CA C.S. Samantaray (FCA)
M.No-051265
Place: Cuttack
Date: 28.09.2013



For & On behalf of the Board of Directors

For Sun Granite Export Limited

H. K. Mohanty
Chairman-cum- Managing Director
Hitendra K. Mohanty
Chairman-cum- Managing Director

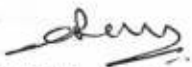
G. K. Mohanty
Director
Gyanendra K. Mohanty
Director

PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2013

<u>PARTICULARS</u>	<u>NOTES</u>	<u>AS ON 31.03.2013</u> <u>(AMOUNT IN INR)</u>	<u>AS ON 31.03.2012</u> <u>(AMOUNT IN INR)</u>
INCOME			
Revenue from operations	18	4,570,015.00	5,063,453.00
Other Income		506,648.62	506,648.62
Total Revenue		5,076,663.62	5,570,101.62
EXPENDITURE			
Excise Duty		119,150.00	364,089.00
Cost Raw Materials Consumed	19	5,057,370.00	6,223,855.31
Changes in Inventories of finished Goods & Stock in Process	20	3,070,500.00	4,484,047.00
Employee Benefits Expenses	21	1,104,023.00	1,280,356.00
Finance Costs	22	2,709,576.52	2,649,832.69
Depreciation & Amortisation expenses	23	10,451,809.07	12,914,804.83
Other Expenses	24	2,393,721.00	4,497,085.20
Total Expenses		24,906,149.59	32,414,070.03
Profit/(Loss) before Tax		(19,829,485.97)	(26,843,968.41)
<u>Tax Expenses</u>			
Current Tax		-	-
Deferred Tax	8	-	-
Profit/(Loss) after Tax	4	(19,829,485.97)	(26,843,968.41)
Earnings per equity shares of face value of Rs 100 Each Basic and Diluted		N.A	N.A
Significant Accounting Policies	A to L		
Notes on Financial Statements	1 to 29		

As per our Report of even date

For and on Behalf of
Samantaray & Co.
Chartered Accountants


CA C.S. Samantaray (FCA)
M.No-051265
Place: Cuttack
Date: 28.09.2013



For & On behalf of the Board of Directors
Sun Granite Export Limited
For Sun Granite Export Ltd. For Sun Granite Export Ltd.


Chairman-cum-Managing Director
Hitendra K. Mohanty
Chairman-cum-Managing Director


Director
Gyanendra K. Mohanty
Director

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1. SHARE CAPITAL	Amount in INR	
	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Authorised Share Capital : 1,10,00,000 Equity Share of Rs.10/- each .110,000,000/-	110,000,000.00	110,000,000.00
Issued & Subscribed Capital 106,78,600 equity share of Rs.10/- each fully issued and subscribed out of which	106,786,000.00	106,786,000.00
. Paid up Capital 106,78,600 equity share Rs.10/- each fully paid up in cash at par	106,786,000.00	106,786,000.00
TOTAL	106,786,000.00	106,786,000.00

2. RESERVE & SURPLUS	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
----------------------	------------------------	------------------------

The Movement in Reserves and Surplus is set out below:

Profit and Loss Account

Particulars	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Capital Reserve	11,792,134.47	11,792,134.47
General Reserve	3,749,090.70	3,749,090.70
TOTAL	15,541,225.17	15,541,225.17



For Sun Granite Export Ltd.
H. K. Mohan
 Chairman-cum-Managing Director

For Sun Granite Export Ltd.
A. K. Mohan
 Director

3. LONG TERM BORROWINGS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Secured		
Term Loan from State Bank of India, Commercial Branch, Bhubaneswar	25,000,000.00	25,000,000.00
Interest accrued & due	25,430,759.87	25,430,759.87
Cash Credit and Export Packing Credit	30,193,435.16	30,193,435.16
Unsecured		
Loan from Directors	2,612,403.44	5,362,947.44
From others	2,342,614.00	3,556,014.00
TOTAL	85,579,212.47	89,543,156.47

Notes:-

- 3.1 SBI Term Loan of Rs.2.50 Crores is secured by first charge basis on all the movable & immovable properties such as Land & Building, Plant & Machinery and other Fixed Assets, both present and future, corporate guarantee of promoters companies and personal guarantee of Promoter Directors' of the Company.
- 3.2 Cash Credit from State Bank of India of Rs.3.02 Crores is secured by hypothecation of inventories, book debts, personal gurantee of the Directors of the Company and second charge on fixed assets of the Company.
- 3.3 No further interest considered/provided in the books, in view of NPA in the books of the Banker State Bank of India.
- 3.4 Unsecured Loan from directors represents interest free loan and no charge against the movable or immovable assets of the Company.

4. DEFERRED TAX LIABILITY (NET)	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Deferred Tax Liability	520,075.00	520,075.00
TOTAL	520,075.00	520,075.00

4.1 During the current financial year no Deferred Tax Liability has been provided.

5. SHORT TERM BORROWINGS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Secured		
Working Capital Loans	NIL	NIL
Rupee Loan		
Others	NIL	NIL
TOTAL	Nil	Nil



For Sun Granite Export Ltd.

H. K. Mahapatra
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

G. K. Mahapatra
Director

6. TRADE PAYABLES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Sundry Creditors	2,017,893.50	2,568,393.50
Others		
a)Advance From Directors	-	-
TOTAL	2,017,893.50	2,568,393.50

7. OTHER CURRENT LIABILITIES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
E.S.I. Payable	17,665.00	22,493.00
E.P.F. Payable	305,581.00	288,189.00
Advance from customer	509,943.00	985,443.00
Security deposit received	716,000.00	716,000.00
Sales Tax Payable	258,950.00	258,950.00
CST Payable	39,209.00	29,605.00
Salary/Stipend Payable	584,192.00	418,742.00
Directors remuneration Payable	1,200,000.00	1,200,000.00
Excise PLA Deposit	545,288.32	426,138.32
Advance against Share Capital	1,141.00	1,141.00
Audit Fee Payable	111,858.00	215,858.00
Outstanding Liabilities	35,670.00	35,670.00
Income Tax Payable	386,645.00	386,645.00
Fringe benefit Tax Payable	128,796.00	128,796.00
Investors Education & Protection Fund	18,764.00	18,764.00
TOTAL	4,859,702.32	5,132,434.32

8. SHORT TERM PROVISIONS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Provision for Income Tax	-	-
TOTAL	-	-

8.1 During the current year no provision for income tax has been provided in the Books of Accounts. As per the calculation according to the Provisions of Income Tax Act, 1961 there is no liability in respect of Income Tax.

9. LONG TERM LOANS AND ADVANCES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
TOTAL	-	-

10. PRELIMINARY EXPENSES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Preliminary Expenditure	-	-
Pre-operative Expenses	-	-
Profit & Loss A/c. (Dr.)	-	-
Add:During The Year	-	-
Less Written off during the year	-	-
TOTAL	-	-



For Sun Granite Export Ltd.

H. K. Mohan
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

A. K. Mohan
Director

11. FIXED ASSETS
(a) Tangible Assets

Particulars	Rate (SLM)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Original Cost as on 01.04.2012	Additi on during the year	Deleti on during the year	Total Cost as on 31.03.2013	Depn. up to 31.03.2012	Depn. for the year	Deleti on durin g the year	Total Depn. Up to 31.03.2013	Net Block as on 31.03.2013	Net Block as on 31.03.2012
Land & Land Development	0.00%	5,531,921.70			5,531,921.70	-			-	5,531,921.70	5,531,921.70
Building(Non-Factory)	1.63%	8,389,020.47			8,389,020.47	2,187,856.50	136,741.03		2,324,597.53	6,064,422.94	6,201,163.97
Factory Building	3.34%	11,994,889.65			11,994,889.65	6,410,945.53	400,629.31		6,811,574.84	5,183,314.81	5,583,944.12
Imported Plant & Machinery	4.75%	94,971,473.99			94,971,473.99	72,754,662.79	4,511,145.01		77,265,807.80	17,705,666.19	22,216,811.20
Indigenous Plant & Machinery	4.75%	17,730,568.67			17,730,568.67	13,547,976.68	842,202.01		14,390,178.69	3,340,389.98	4,182,591.99
Electrical Installation	7.07%										
Office Equipment	6.33%	1,363,051.85			1,363,051.85	968,505.60	86,281.18		1,054,786.78	308,265.07	394,546.25
Miscellaneous Assets	4.75%	1,200,987.10			1,200,987.10	1,077,805.00	57,046.89		1,134,851.88	66,135.22	123,182.10
Furniture & Fixtures	6.33%										
Vehicles	9.50%										
Mining Assets	0.00%										
Total		141,181,913.43			141,181,913.43	96,947,752.10	6,034,045.44		102,981,797.54	38,200,115.89	44,234,161.32
Previous Year											
(b) Intangible Assets											
(c) Capital work in progress											



For Sun Granite Export Ltd.

Chairman-cum-Managing Director

For Sun Granite Export Ltd.

Director

12 PRE-OPERATIVE EXPENSES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Opening Balance		
Add: Addition during the year		
Closingt Balance		
Less: Written off during the year		
TOTAL	NIL	NIL

13. INVENTORY	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
<u>Raw Materials</u>		
Quarry	22,647,264.62	22,647,264.62
Factory	602,250.00	852,250.00
	23,249,514.62	23,499,514.62
<u>Work-in-progress</u>		
Quarry	16,290,721.00	16,290,721.00
Factory	2,899,500.00	5,425,000.00
	19,190,221.00	21,715,721.00
Finished Goods	740,000.00	1,285,000.00
Imported Consumables	152,500.00	452,500.00
Indigeneous Consumables	125,000.00	375,000.00
	1,017,500.00	2,112,500.00
TOTAL	43,457,235.62	47,327,735.62

14. TRADE RECEIVABLES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
(Unsecured And Considered Good)		
Over Six Months	21,488,444.37	31,488,444.37
Debt outstanding for a period of less then six months		
TOTAL	21,488,444.37	31,488,444.37

15. CASH AND CASH EQUIVALENTS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
1. Cash in hand	49,300.00	91,814.56
2. Bank Balances & Fixed Deposits		
Current A/C with		
(a)SBI, Bhawanipatna	20,370.00	20,370.00
(b)F.B., Calcutta	745.00	745.00
(c) PNB, Cuttack	480.00	480.00
(d) SBI, Bhubaneswar	10,980.09	11,385.09
(e) Federal Bank Ltd.,Bhubaneswar	172,438.00	186,792.00
(f) SBI, Bolangir	7,275.00	7,275.00
(g) TDR with SBI, Bhubaneswar	420,164.41	420,164.41
TOTAL	681,752.50	739,026.06



For Sun Granite Export Ltd.

H. K. Meher
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

G. B. Mishra
Director

16. SHORT TERM LOANS AND ADVANCES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Advance for expenses	282,634.00	192,501.00
Advance to Others/Suppliers	1,345,462.00	1,095,462.00
Salary Advance	28,816.00	48,570.00
TOTAL	1,656,912.00	1,336,533.00

17. OTHER CURRENT ASSETS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Security Deposit	2,057,510.00	2,057,510.00
Mining Current Assets	5,583,808.77	5,583,808.77
Books & Library	49,963.00	49,963.00
T.D.S.Receivables	178,498.19	165,215.19
VAT Paid	119,046.73	117,603.36
CST Reimbursable	103,307.54	95,560.50
Custom Duty Deposit	3,567.00	3,567.00
Prepaid Insurance	1,167.02	1,167.02
Sales Tax Refundable	114,320.00	114,320.00
Accrued interest on TDR & SD with CESU	232,374.12	143,408.12
Excise Deposit	200,000.00	200,000.00
TOTAL	8,643,562.37	8,532,122.96



For Sun Granite Export Ltd.

H. K. Mehra
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

A. K. Mehra
Director

18. REVENUE FROM OPERATIONS	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Sales	4,570,015.00	5,063,453.00
TOTAL	4,570,015.00	5,063,453.00
19. COST OF MATERIALS CONSUMED	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Imported Consumables issued	1,074,615.00	1,169,820.00
Consumables issued	295,450.00	358,293.00
Power Charges	2,261,655.00	2,382,090.31
Raw Block purchased	1,425,650.00	2,313,652.00
TOTAL	5,057,370.00	6,223,855.31
20. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
<u>Inventories (At Close)</u>		
Finished goods	740,000.00	1,285,000.00
Stock in process	19,190,221.00	21,715,721.00
Sub Total-I	19,930,221.00	23,000,721.00
<u>Inventories (At Commencement)</u>		
Finished Goods	1,285,000.00	2,390,507.00
Stock in Process	21,715,721.00	25,094,261.00
Sub Total-II	23,000,721.00	27,484,768.00
TOTAL	3,070,500.00	4,484,047.00
21. EMPLOYEE BENEFITS EXPENSE	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Salary & Wages	986,868.00	1,145,118.00
ESI	17,665.00	13,206.00
EPF	17,392.00	20,258.00
Canteen Expenses	70,044.00	95,694.00
Staff welfare Expenses	12,054.00	6,080.00
TOTAL	1,104,023.00	1,280,356.00



For Sun Granite Export Ltd.

H. K. Mohan
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

Director

22. FINANCE COSTS	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Interest on unsecured loan	2,709,576.52	2,649,832.69
TOTAL	2,709,576.52	2,649,832.69

23. DEPRECIATION AND AMORTISATION EXPENSES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
Depreciation	6,034,045.44	6,971,541.20
Preliminary Expenses W/Off	Nil	Nil
Mining Development Expenditure W/Off	4,417,763.63	5,943,263.63
TOTAL	10,451,809.07	12,914,804.83

24. OTHER EXPENSES	AS AT 31ST MARCH,2013	AS AT 31ST MARCH,2012
<i>Manufacturing Expenses</i>		
Carriage Inward	123,170.00	291,045.00
Wages	39,400.00	45,680.00
Repair & Maintenance	167,561.00	232,734.20
<i>Selling and Distribution Expenses</i>		
Overseas Insurance Charges	-	2,279.00
Carriage Outward	93,260.00	307,274.00
Packing Material issued	25,655.00	188,357.00
<i>Establishment Expenses</i>		
Directors Remuneration	600,000.00	600,000.00
Travelling & Conveyance	221,284.00	122,745.00
Office Expenses	55,443.00	44,281.00
Puja Expenses	35,979.00	39,142.00
Auditors Remuneration	52,000.00	52,000.00
Telephone Expenses	93,019.00	101,370.00
Legal & Consultancy Fees	139,535.00	108,058.00
Printing & Stationery	12,450.00	18,639.00
Postage & Courier Charges	5,473.00	10,752.00
Misc. Expenses	3,053.00	2,827.00
Sales Promotion Expenses	11,618.00	5,500.00
Bank Charges	7,007.00	14,015.00
Fees & Subscription	5,890.00	5,890.00
News Paper & Periodicals	1,925.00	1,778.00
Advertisement & Publicity	31,780.00	1,000.00
Director's Sitting Fees	24,000.00	12,000.00
Share Transfer and Registrar Expenses	72,000.00	72,000.00
Reinstatement Fees for revocation(BSE)	-	1,000,000.00
Annual Listing Fees(BSE)	47,744.00	247,744.00
Annual Listing Fees(NSDL)	33,046.00	77,166.00
Annual Listing Fees(CDSL)	35,731.00	66,378.00
Meeting Expenses	7,500.00	4,500.00
Vehicle Running Expenses	12,640.00	60,879.00
Repairs & Maintenance	22,050.00	25,154.00
Expenses on Company law matter	10,000.00	5,000.00
Vehicle Hire Charges	128,508.00	480,898.00
Agricultural Expenses	275,000.00	250,000.00
TOTAL	2,393,721.00	4,497,085.20



For Sun Granite Export Ltd.

H. S. Kulkarni
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

G. D. W. K.
Director

25.1 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Raw Materials and Stock in Trade		
Stores, Chemicals & Packing Materials		
Capital Goods		
TOTAL	NIL	NIL

25.2 PAYMENT TO AUDITOR	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
Statutory Audit Fee	40,000.00	40,000.00
Tax Audit Fee	12,000.00	12,000.00
ISO Audit Fee	-	-
Stock Audit Fee	-	-
Other Fees	-	-
TOTAL	52,000.00	52,000.00

25.3 EXPENDITURE IN FOREIGN CURRENCY	NIL	NIL
--------------------------------------	-----	-----

26. EARNINGS PER SHARE (EPS)	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
1. Net Profit/(Loss) per Statement of P/L A/C	(19,829,485.97)	(26,843,968.41)
2. Number of Equity Shares	10,678,600	10,678,600
3. Basic and Diluted Earnings per Share (Rs)	N.A	N.A
4. Face value per Equity Share (Rs)	10.00	10.00

27. EARNINGS IN FOREIGN CURRENCY	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
	NIL	NIL

28. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, Issued by The Institute of Chartered Accountants Of India the disclosure of transactions with the related parties are given below :

- a) Enterprise over which promoters, Key Management Personnel and or their relatives have significant influence (with whom company had transactions) : NIL

29. CONTINGENT LIABILITIES AND COMMITMENTS	AS AT 31ST MARCH, 2013	AS AT 31ST MARCH, 2012
	NIL	NIL

For and on Behalf of
Samantaray & Co.
Chartered Accountants

CA C.S. Samantaray (FCA)
M.No-051265
Place: Cuttack
Date: 28.09.2013



For & On behalf of the Board of Directors
For Sun Granite Export Ltd. For Sun Granite Export Limited
Hitendra K. Mohanty
Chairman-cum-Managing Director
Gyanendra K. Mohanty
Director

Note	Particulars
A	GENERAL INFORMATION
	Sun Granite Export Limited is a public limited company incorporated under the provisions of the Companies Act, 1956. The Company is listed at Bombay Stock Exchange. The Company is engaged in the business of manufacturing of polished granite slabs and export & DTA sales to various national and international clients.
1	SIGNIFICANT ACCOUNTING POLICIES
1.1	Basis of accounting and preparation of financial statements
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention method. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
1.2	Use of estimates
	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.</p> <p>Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.</p>
1.3	Inventories
	Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
1.4	Tangible Fixed Assets, Depreciation and amortisation
	<p>i Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any.</p> <p>ii Depreciation has been provided on the written down method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.</p>
1.5	Investments
	<p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p>Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.</p>



Note 1 Significant accounting policies (contd.)

Note	Particulars
1.6	<p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p>
1.7	<p>Taxes on income</p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
1.8	<p>Provisions and contingencies</p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>



Note 1 Significant accounting policies (contd.)

Note	Particulars
1.9	<p>Revenue Recognition</p> <p>Interest: Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.</p> <p>Dividends: Revenue is recognised on actual receipt basis.</p> <p>Other Income: The amounts receivable from various agencies are accounted on accrual basis to the extent it is possible to ascertain the income with reasonable accuracy.</p>



DEPRECIATION SCHEDULE AS PER INCOME TAX ACT

Particulars	Rate of Dep	W.D.V. as at		Gross Block		Total Cost as at		Depreciation		Net Block	
		1.04.2012	31.3.2013	Addition	Deletion	31.3.2013	during the year	Deletion	W.D.V. as at 31.03.2013		
Land & Land Development	0%	5,531,922.00	5,531,922.00	-	-	5,531,922.00	-	-	5,531,922.00	-	5,531,922.00
Building (Non-factory)	5%	3,886,559.63	3,886,559.63	-	-	3,886,559.63	194,327.98	-	3,692,231.65	-	3,692,231.65
Factory Building	10%	2,469,641.50	2,469,641.50	-	-	2,469,641.50	246,964.15	-	2,222,677.35	-	2,222,677.35
Imported Plant & Machinery	15%	3,055,002.36	3,055,002.36	-	-	3,055,002.36	458,250.35	-	2,596,752.01	-	2,596,752.01
Indigenous Plant & Machinery	15%	646,348.13	646,348.13	-	-	646,348.13	96,952.22	-	549,395.91	-	549,395.91
Electrical Installation	15%	340,175.19	340,175.19	-	-	340,175.19	51,026.28	-	289,148.91	-	289,148.91
Mining Assets	15%	476,025.10	476,025.10	-	-	476,025.10	71,403.77	-	404,621.34	-	404,621.34
Miscellaneous Assets	15%	35,115.77	35,115.77	-	-	35,115.77	5,267.37	-	29,848.40	-	29,848.40
Furniture & Fixtures	10%	309,977.66	309,977.66	-	-	309,977.66	30,997.77	-	278,979.89	-	278,979.89
Office Equipment	15%	101,330.90	101,330.90	-	-	101,330.90	15,199.64	-	86,131.27	-	86,131.27
Computer	60%	-	-	-	-	-	-	-	-	-	-
Ink jet Printer	60%	-	-	-	-	-	-	-	-	-	-
Multimedia Kit	60%	-	-	-	-	-	-	-	-	-	-
Scanner	60%	-	-	-	-	-	-	-	-	-	-
Total		16,852,098.24	16,852,098.24	-	-	16,852,098.24	1,170,389.52	-	15,681,708.73	-	15,681,708.73



For Sun Granite Export Ltd.

Abhinav Kumar
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

G.C. Mohan
Director

PAN : AADCS8998P
STATUS : Public Limited Company

Prev. Year : 2012-2013
Asst. Year : 2013-2014

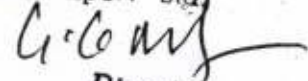
STATEMENT OF COMPUTATION OF INCOME TAX

<u>Income from Business / Profession</u>	<u>AMOUNT (Rs)</u>
Profit/(Loss) as per Profit & Loss Account	(19,829,485.97)
Add: EPF amount not paid within due date	17,392.00
Add: ESI amount not paid within due date	13,005.00
Add: Interest Charged to P & L A/C but has not paid	-
Add: Depreciation as per Companies Act, 1956	6,034,045.44
	<u>(13,765,043.53)</u>
Less: Depreciation allowed under income tax Act	1,170,389.52
Total Income	<u>(14,935,433.05)</u>
Less: Loss carried forward from previous year	(26,843,968.41)
Balance of loss to be carried forward	<u>(41,779,401.46)</u>

For Sun Granite Export Ltd.


Chairman-cum-Managing Director

For Sun Granite Export Ltd.


Director

SUN GRANITE EXPORT LIMITED
AT-PANIORA, P.O-PALASPUR
DIST. KHURDA-752054
ORISSA

EPF PAYABLE(2012-13)

MONTH	EMPLOYEES' CONTRIBUTION	EMPLOYERS' CONTRIBUTION	TOTAL
APRIL	993.00	993.00	1,986.00
MAY	984.00	984.00	1,968.00
JUNE	915.00	915.00	1,830.00
JULY	945.00	945.00	1,890.00
AUGUST	900.00	900.00	1,800.00
SEPT	913.00	913.00	1,826.00
OCT	341.00	341.00	682.00
NOV	330.00	330.00	660.00
DEC	787.00	787.00	1,574.00
JAN	794.00	794.00	1,588.00
FEB	794.00	794.00	1,588.00
MAR	-	-	-
TOTAL	8,696.00	8,696.00	17,392.00

ESI PAID(2012-13)

MONTH	EMPLOYEES' CONTRIBUTION	EMPLOYERS' CONTRIBUTION	TOTAL
APRIL	404.00	1,094.00	1,498.00
MAY	399.00	1,081.00	1,480.00
JUNE	376.00	1,013.00	1,389.00
JULY	385.00	1,043.00	1,428.00
AUGUST	365.00	990.00	1,355.00
SEPT	369.00	1,004.00	1,373.00
OCT	138.00	373.00	511.00
NOV	133.00	359.00	492.00
DEC	309.00	838.00	1,147.00
JAN	314.00	852.00	1,166.00
FEB	314.00	852.00	1,166.00
MAR	-	-	-
TOTAL	3,506.00	9,499.00	13,005.00

For Sun Granite Export Ltd.

H. K. Mohanty
Chairman-cum-Managing Director

For Sun Granite Export Ltd.

A. K. Mohanty
Director



SCHEDULE-17

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND
NOTES ON ACCOUNTS**

A. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONCEPTS:

The accounts are prepared on historical cost convention, as a going concern, and are consistent with generally accepted accounting principles. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

2. FIXED ASSETS:

Fixed Assets are stated at cost less depreciation.

3. DEPRICIATION:

Depreciation on fixed has been provided on Straight Line Method at the rates & in the manner prescribed under Schedule XIV of the Companies Act. 1956. However no provision made against write off of mining Development Expenses.

4. INVENTORIES:

Inventories are valued on following basis.

<u>Items</u>	<u>Basis of valuation</u>
Stores & Spare parts	- At cost
Raw Material	- At cost
Work-in-progress	- At Estimated cost
Finished Goods	- At cost or market price Whichever is lower

5. FOREIGN CURRENCY TRANSACTION :

- i. Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- ii. Any income or expenses on account of exchange difference either on settlement/ realization from overseas debtors or on translation of export debtor's balance at the year end at the rates prevailing on 31.03.2013 recognised in the Profit and Loss account.



6. REVENUE RECOGNITION

- i. Interest on Fixed deposits and insurance premium is recognized on accrual basis.
- ii. Insurance claims, CST Reimbursement, Sales commission and discount received is recognized on acceptance basis, Bonus & Gratuity is recognized on payment basis.

7. TAXATION:

No provision is being made for both current & deferred taxes as per AS-22, as there is carry forward loss as per income Tax act.

8. CONTINGENT LIABILITY:

Contingent Liability are not provided for, but are disclosed by way of notes on account.

B. NOTES ON ACCOUNTS

CONTINGENT LIABILITY

CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS

1. CESCO Ltd, has raised bills towards electricity charges during the year 2005-2006 for Rs 55, 90,984.00. But the Company has accounted for Rs. 53,09,706.00 with reference to the interim order of the Honorable High Court of Orissa., vide order no: OJC 10494/96 dated: 27.09.96. However, the company is contingently liable for the differential amount of Rs. 2, 81,278.00 for 2005-06.
2. Entry Tax matters pending in appeal relating to the year 2000-2001 of Rs. 6,34,307.04
Income Tax matters pending in appeal for 1995-1996 amounting to Rs. 7, 44,945.00
3. OTHER MONEY FOR WHICH THE COMPANY IS CONTINGENTLY LIABLE

i)The company has given counter guarantees to State Bank of India for providing bank guarantee on Company's behalf for Rs. 4.20 lacs in favor of Assistant Commissioner, Central Excise, Customs & Service Tax.

ii)Since the loan accounts of State Bank of India are classified as NPA by the said bank and the case is pending in DRT no provision was made for interest on said loan for the Current financial year. However, the company is contingently liable for the interest accrued on SBI secured loan amounting to Rs.96,74,903 calculated @12% p.a on 806.24 lacs.



1. Sales are exclusive of Excise Duty & Exclusive of Sales Tax.
2. SSI units to which company owes more than rupees one lakhs for more than 30 days. Small Scale and ancillary industrial undertakings to which amounts are due have been determine based on the information available with the company. However there was no amount overdue as on 31st March' 2013.

3. MINING DEVELOPMENT

During the year the Mining Division has not incurred any expenditure towards mining development.

4. DEFERED TAX

The company is having unabsorbed depreciation of Rs.34.60 lacs up to F.Y ending 2008-09 for set off as per Income Tax Act. And during F.Y 2008-09 Loss incurred was Rs. 16.48 lacs as per Income Tax Act. Hence no provision for deferred tax made during the year.

5. PRIOR PERIOD INCOME/EXPENSES

During the year Interest on Security deposit received/ adjusted against current year Power charges of CESU Rs 253065/- was relating to the year 2004-05,2005-06 & 2006-07.

6. INTEREST AND FINANCIAL CHARGES

Interest and Financial charges includes interest paid on Unsecured loan of Rs. 27,09,576.52 arranged by the Directors on behalf of the Company.

7. AUDITOR REMUNERATION

	<u>Current Year</u>	<u>Previous Year</u>
Statutory Audit Fees	Rs. 40,000.00	Rs. 40,000.00
Tax Audit Fees	Rs.12,000.00	Rs.12,000.00

8. DIRECTORS REMUNERATION

	<u>Current Year</u>	<u>Previous Year</u>
Salary	6,00,000.00	6,00,000.00
Commission	Nil	Nil
Perquisites	Nil	Nil

9. None of the employees were in receipt remuneration or Rs. 1, 25,000/- per month or Rs.15, 00,000/- per annum.



10. Information pursuant to the provisions of paragraph 3 & 4 of part- II of Schedule – IV to the Companies Act, 1956

(A) CAPACITY, PRODUCTION, SALES & STOCK

Class of Goods

Polished Granite Slabs

Licensed Capacity:

100,000.00 sq.mtr

Installed Capacity:

120,000.00 sq.mtr

Actual Production:

2011-12

7,265.450 sq.mtr

2012-13

5,715.250 sq.mtr

	<u>2012-13</u>		<u>2011-12</u>	
	Qty. (sq.mtr)	Value (Rs.in lacs)	Qty. (sq.mtr)	Value (Rs.in lacs)
1. Opening Stock	1,254.698	18.56	1,931.879	23.91
2. Closing Stock	1,100.718	15.16	1,254.698	18.56
3. Sales	5,869.230	45.70	7,942.631	50.63

(B) Raw Materials Consumed: (100% Indigenous)

(Rs. in Lacks)

Year	Qty. (CBM)	Value
2011-12	318.54	23.14
2012-13	196.30	14.26

C. (I) Consumables/Spares Consumed :

(Rs. in Lacs)

	<u>2011-12</u>		<u>2010-11</u>	
	Qty.	Value	Qty.	Value
Steel Grits (KG)	10150	6.55	15250	7.25
Blades (Pcs)	215	3.70	325	4.45
Abrasives (Pcs)	3425	1.58	4565	2.10
Others	-	1.02	-	1.58

As none of the other items exceed 10% of cost of Row Material/Consumables Consumed, the Quantitative details have not been Proved.



(ii) Value of imported and indigenous Raw Materials and spares consumed.

	<u>2012-13</u>		<u>2011-12</u>	
	Value (Rs. in lacs)	%	Value (Rs. in lacs)	%
Raw Materials (Indigenous)	14.26	51.00	23.14	60.07
Imported Consumables	10.75	38.45	11.70	30.37
Indigenous Consumables Spares	2.95	10.55	3.68	9.56
	27.96	100	38.52	100

(D) CIF Value of Imports

(Rs. In Lacs)	(Rs. In Lacs)
<u>2012-13</u>	<u>2011-12</u>
10.75	11.70


(E) Expenditure in Foreign Currency on Payment basis

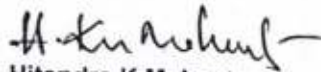
	(Rs. In Lacs)	(Rs. In Lacs)
	<u>2012-13</u>	<u>2011-12</u>
Traveling	Nil	Nil
Sales Commission	Nil	Nil

Previous years figures have been re-arranged/re-grouped wherever considered necessary.
As per attached report of even date.

For & on behalf of the Board

For Sun Granite Exports Ltd.


Director


Hitendra K. Mohanty
Chairman cum Managing Director

For Samantray & Co.
Chartered Accountants



CA.C.S. Samantray (FCA)
Chartered Accountants

M.No-051265

Place: Bhubaneswar

Date: 28.09.2013



**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE
AS AT & FOR THE PERIOD ENDED 31ST MARCH, 2013**

- i. Registration details :
Registration No. 02834 of 1991-92 State Code 15
Balance Sheet Date 31.03.2013
- ii. Capital raised during the year (Amount in thousands)

<u>Public Issue</u>	<u>Rights Issue</u>	<u>Bonus Issue</u>	<u>Private Placement</u>
Nil	Nil	Nil	Nil
- iii. Position of Mobilisation and Deployment of Funds (Amount in thousands)

<u>Total Liabilities</u>	<u>Total Assets</u>
215.304	215.304

Sources of Funds

Paid-up capital	Reserves and surplus	Secured Loans	Unsecured Loans
10678	16061	80624	49.15

Application of Funds

Net Fixed Assets	Investments	Net Current Asset	Misc Expenditure	Accumulated Losses
382.00	Nil	759.28	1011.76	Nil

- iv. **Performance of Company** (Amount in Rs. Thousands)

Turnover	Total Expenditure	Profit/ (Loss) Before tax	Profit/ (Loss) After tax
4570	24906	(19829)	(19829)

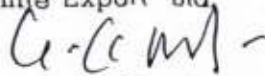
Earning per Share (in Rs.)	Dividend rate (%)
Nil	Nil

- v. Generic Names of Three Principal Products/ services of Company

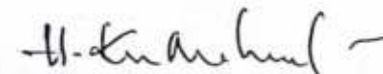
Item Code No. (ITC Code) 680223
Product Description

POLISHED GRANITE SLABS

For Sun Granite Export Ltd


Director

For & on behalf of the Board


Hitendra Kumar Mohanty
Chairman cum Managing Director

Place: Bhubaneswar
Date: 28.09.2013



Sun Granite Export Ltd.

Regd. Office & Works :
PANIORA, P.O.-PALASPUR,
KHURDA - 752054, ORISSA, INDIA
Ph. : 91-674-3294595, 2467625
Fax : 91-674-2467626, 2391263
E-mail : sungranite@sancharnet.in
sungranite2007@yahoo.co.in
URL : www.sungraniteexport.com

CAPEXIL AWARD FOR EXCELLENCE IN EXPORT OF GRANITE SLABS

FORM A AS PER CLAUSE 31 OF THE LISTING AGREEMENT

Sl. No.	Descriptions	Details
1	Name of the Company	Sun Granite Export Ltd
2	Annual Financial Statement for the Year ended	2013
3	Type of Audit Observation	NIL
4	Frequency of observations	NIL
5	To be Signed by	
	1. CEO/MANAGING DIRECTOR /Director	
	2. CFO/Finance Head	
	3. Auditor of the Company	
	4. Audit Committee Chairman	

QUARRY OWNERS AND LARGEST PROCESSORS OF GREEN AND BLUE GRANITE SLABS IN INDIA

CITY CONTACT :
296/297, KHARVEL NAGAR, UNIT-III
BHUBANESWAR - 751 001, ORISSA, INDIA
PH. : 91-674-2396278, FAX : 91-674-2391263