

The background of the entire page is a photograph of a modern kitchen. It features a white marble wall with grey veining. On the left, there is a white double-basin sink with a chrome faucet. Above the sink, a wooden shelf holds a white pitcher, a green mug, and a stack of dark-colored cups. To the right, two dark, cone-shaped pendant lights hang from the ceiling. In the foreground, a wooden cutting board with a loaf of bread and a green blender are visible on a light-colored countertop.

# **LEXUS GRANITO (INDIA) LIMITED**

## **14<sup>th</sup> ANNUAL REPORT (2021-22)**

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## About Us

Established in the year 2008, the Lexus Granito (India) Limited has emerged as a leading manufacturer of tiles in a short span of 14 years. Its leadership is marked by many successful challenges our incessant pursuit of excellence. Company have reported immense growth from 2008 to 2022 in just 14 years, it is fastest growing ceramic, vitrified tile company.

Lexus Group has been managed by entrepreneurs under the guidance of Our Managing Director Mr. Anilkumar Babulal Detroja, who have an esteemed knowledge of industry. At Lexus we understand the changing needs of ceramic industry from elegant wall tiles & floor tiles to decorative elevation tile.

Lexus believes that to create quality products. One needs quality production setup. The company has brought in the best production facilities from the world with a huge capacity and state-of-the-art machinery

The automated production line is supported by swift computers and latest technology. What's more, the technical staff is well experienced in diverse fields too. India's biggest production plant for 800 x 800 mm or 600x 600 mm tiles.

The LEXUS GROUP is recognized for its exquisite new collections which bears the exceptionality of high definition digital printing. We have quality since long and for eternity, we believe in uninterrupted modernization and consolidation of service. Being a prominent exporter and supplier, our accessibility, unwavering supply and sensible pricing charms national and international clients bearing in mind that our ceramic products are premium in all aspects.

The industry enjoys the unique distinction of being exceedingly indigenous with an abundance of raw materials, technical skills, infrastructural facilities despite being reasonably capital intensive. As the consequence of this continued growth, now LEXUS GROUP is the key drivers for all ceramic tiles in India. With our technology advancements many new tile designs and tile applications are available for both home owner and commercial facilities situated in the nation as well as at international entity. This is a promise that here a wide range of excellent and designer entities will amaze you in all that way.



## Company Overview

Since the commencement of Business in 2008, **Lexus Granito (India) Limited** is engaged in manufacturing, trading and marketing of vitrified ceramic tiles and wall tiles for the domestic and international markets. Our manufacturing facility is situated at Morbi, Gujarat and is spread over more than 4 hectares. Our manufacturing facility is well equipped with requisite plant and machineries and other facilities. We also have an in-house laboratory, enabling the company to develop new colors, besides facilitating conducting of tests and analysis of various products. Our quality system with respect to manufacture of our products has been ISO 9001:2008 certified. Further we have also been issued Certificate of Compliance by UK Certification & Inspection Ltd for our quality systems covering the design, manufacture and final inspection of the products. We manufacture and market our products under the brand name —**Lexus**.

The Company has carved a niche for itself in the industrial shoe/ uppers segment both internationally and in the domestic market. The quality of the Company's products and services provided is well recognized. Embarking on this strength we are constantly working towards expanding the market for Company's products to other countries apart from our present work areas.



Our total revenue is Rs. 15032.07 lakhs in FY 2021-22 as compared to Rs. 10171.89 lakhs in FY 2020-21 and profit after tax of Rs. 1338.56 lakhs in F.Y. 2021-22 as compared to Rs. (4866.22) lakhs in F.Y. 2020-21

# Vision **Mission** & Values

To offer a creative blend of products to our customers that can be used in interior, exterior, wall, floor, shower and pool installations. We aspire to be the largest producer and exporter of quality tiles in the industry renowned for innovation.



To thrill our customers with great design and value proposition driven by continuous improvements in tile creativity, innovation, efficiency and customer service.

**Passion:** Passion is at the heart of our company. We are continuously moving forward, innovating, and improving.

**Team Work:** We are committed to create an environment of team work

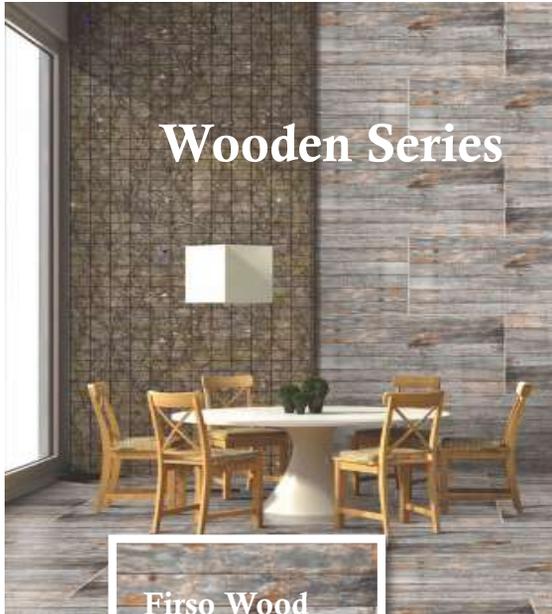
**Integrity:** We are fair and ethical while taking every decision.



# Manufacturing Facility



# Products: **Vitrified (Floor) Tiles**



**Wooden Series**

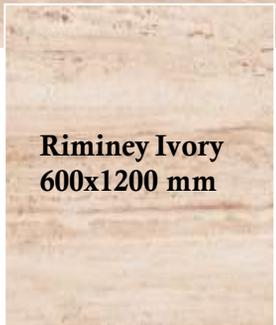
**Firso Wood  
Blue  
600x1200 mm**



**High Gloss Series**



**Madried Brown  
600x1200 mm**



**Rimney Ivory  
600x1200 mm**



**Glossy Series**



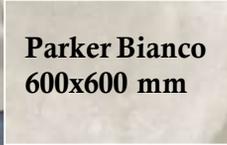
**Sweden  
600x600 mm**



**Rustic Series**

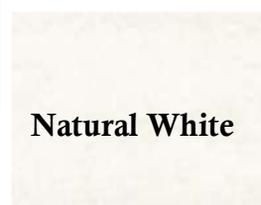


**Parker Blue  
600x600 mm**



**Parker Bianco  
600x600 mm**

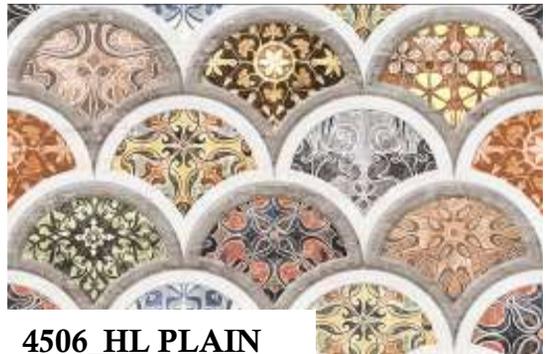
# Products: **Wall Tiles**



**Natural White**



**3003\_HL PUNCH**  
12x18 Matt



**4506\_HL PLAIN**  
12x18 Glossy



**Fabric Black**



**2425 HL B (PLAIN)**  
12x24 Glossy

## Chairman Message



### **Mr. Anilkumar Babulal Detroja** Chairman & Managing Director

We are overcoming the challenges we faced last year and as we prepare ourselves for the next phase of growth, we are taking strategic steps to achieve strength and scale.

At Lexus, we believe in meeting the needs and expectations of our esteemed customers. We shall achieve this with the help of a motivated and proactive family of employees committed towards innovation and continual improvement.

I thank all our employees for their commitment and engagement towards building a strong, agile and responsible organisation. I also express my sincere gratitude to all stakeholders for their continued trust and support and wish that you continue to accompany us in our journey to meet our ambitions for the future.

Thanks and Best of Luck!!

**ANILKUMAR BABULAL DETROJA**  
Chairman & Managing Director

Dear Shareholders,

It gives me immense pleasure to write to you at the end of an eventful year for Lexus Granito (India) Limited.

It is my pleasure to welcome you all to the 14<sup>th</sup> Annual General Meeting of the Company and I am extremely delighted to share with you, your Company's performance for the financial year 2021-22. Over the years, we have created a legacy of trust; and during the year we continued to build on it. During the financial year 2021-22 your Company has earned profit of Rs. 1338.56 lakhs.

Our total revenue is Rs. 15,032.07 lakhs in FY 2021-22 as compared to Rs. 10,171.89 lakhs in FY 2020-21 and profit after tax of Rs. 1338.56 lakhs in F.Y. 2021-22 as compared to loss of Rs. (4866.22) lakhs from F.Y. 2020-21.

# Corporate Information

## BOARD OF DIRECTORS

### Chairman and Managing Director

Mr. Babulal Mahadevbhai Detroja (upto 17.06.22)  
Mr. Anilkumar Babulal Detroja (w.e.f. 17.06.22)

### Independent Directors

Mr. Jitendrabhai Chandulal Lakhtariya  
Mr. Rakesh Jayantilal Amrutiya  
Mr. Sagarbhai Rasikbhai Jasani

### Executive Directors

Mr. Hitesh Babulal Detroja  
Ms. Dimpalben Anilbhai Detroja(w.e.f. 17.06.22)  
Mr. Nilesh Babubhai Detroja (upto 17.06.22)  
Ms. Parulben Nileshbhai Detroja (upto 17.06.22)

## KEY MANAGERIAL PERSONNEL

### Chief Financial Officer

Mr. Dilipbhai N Fultariya (till 21.09.21)  
Mr. Ishwarbhai Keshavjibhai Sanghani (from 22.09.21)

### Compliance Officer & Company Secretary

Ms. Kirti Goyal

## PRINCIPAL BANKER

State Bank of India

## STATUTORY AUDITORS

M/s Ashok Holani & Co.

## SECRETARIAL AUDITOR

M/s Manisha Godara & Associates

## REGISTRAR & SHARE TRANSFER AGENT

Big Share Services Private Limited

Office No S6-2, 6th Floor,  
Pinnacle Business Park, Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East) Mumbai –  
400093 Maharashtra, India

Tel:+91 22 6263 8200

Fax: +91 22 6263 8299

Email:[ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

Investor Grievance Id:

[investor@bigshareonline.com](mailto:investor@bigshareonline.com)

## COMPANY DETAILS

### Registered Office

### Lexus Granito (India) Limited

Survey No. 800, Opp. Lakhdirpur Village,  
Lakhdirpur Road, N. H. 8A, Tal. Morbi,  
Lakhdirpur, Rajkot – 363642, Gujarat, IN

**Telephone:** +91 7567500110

**Email:** [info@lexustile.com](mailto:info@lexustile.com)

**Website:** [www.lexustile.com](http://www.lexustile.com)

**CIN:**L26914GJ2008PLC053838

## **Board's Committee**

### **AUDIT COMMITTEE**

#### **Chairman**

Mr. Jitendrabhai Chandulal Lakhtariya

#### **Members**

Mr. Rakesh Jayantilal Amrutiya

Mr. Anilkumar Babulal Detroja

### **NOMINATION AND REMUNERATION COMMITTEE**

#### **Chairman**

Mr. Jitendrabhai Chandulal Lakhtariya

#### **Members**

Mr. Sagarbhai Rasikbhai Jasani

Mr. Rakesh Jayantilal Amrutiya

### **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

#### **Chairman**

Mr. Jitendrabhai Chandulal Lakhtariya

#### **Members**

Mr. Hitesh Babulal Detroja

Ms. Dimpalben Anilbhai Detroja (w.e.f. 17.06.22)

Ms. Parulben Nileshbhai Detroja (upto 17.06.22)

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

#### **Chairman**

Mr. Anilkumar Babulal Detroja (w.e.f. 17.06.22)

Mr. Babulal Mahadevbhai Detroja (upto 17.06.22)

#### **Members**

Mr. Jitendrabhai Chandulal Lakhtariya

Mr. Hitesh Babulal Detroja (w.e.f. 17.06.22)

Mr. Nilesh Babubhai Detroja (upto 17.06.22)

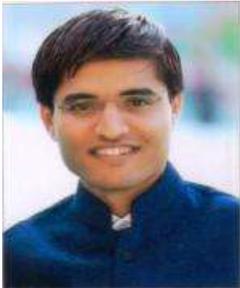


## Board of Directors



**Anilkumar Babulal Detroja**  
*Promoter & Managing Director*

- He has nearly a decade of experience in the industry and has been key person in formulating and implementation of business strategy for growth & expansion.
- He looks after financial affairs of the Company.



**Hitesh Babulal Detroja**  
*Promoter & WTD*

- He has an experience of more than ten years in the ceramic industry and is entrusted with the responsibility to look after the marketing and administration department of our Company.
- He also looks after the export operations of our Company.



**Dimpalben Anilbhai Detroja**  
*Whole Time Director*

She looks after the Human Resource Department of the Company and also manages the approvals required from the regulatory authorities from time to time.



**Jitendrabhai Chandulal Lakhtariya**

**Director**

He has over 13 years of experience in operational areas of an organisation. He has done B.P.ed from Saurashtra University in the year 2010. He has prior experience of handling the Banking related activities



**Rakesh Jayantilal Amrutiya**

**Director**

Mr. Rakesh has done his graduation in B.Sc (Chemistry) from Saurashtra University and has 14 years of experience in functional area of an organisation



**Mr. Sagar bhai Rasikbhai Jasani**

**Director**

Mr. Sagarbhi Rashikbhai Jasani has completed his higher secondary education in Science stream from Gujarat Secondary and Higher Secondary Board, Gandhinagar and works in Varmora Granito Private Limited in the department of Production, Dispatch and Administration.

## Key Managerial Personnel



**Mr. Ishwarbhai Keshavjibhai Sanghani**

*Chief Financial officer*

He is the Chief Financial Officer of our Company with effect from September 22, 2021. He is responsible for looking after accounting, finance and taxation of our Company.

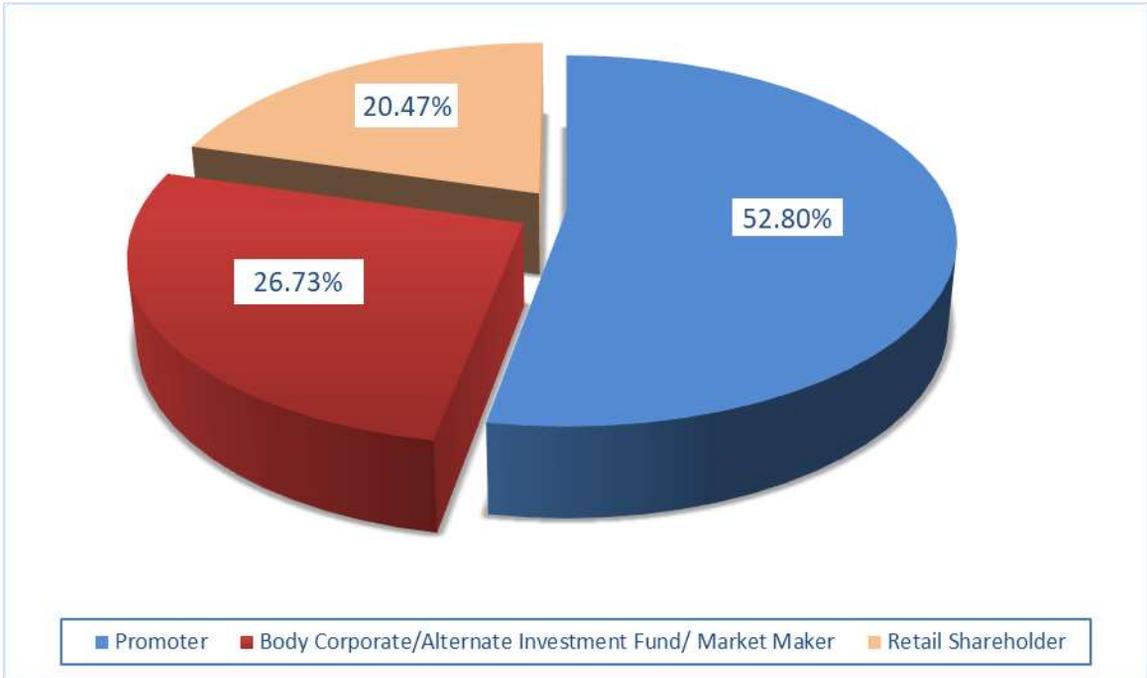


**Ms. Kirti Jain**

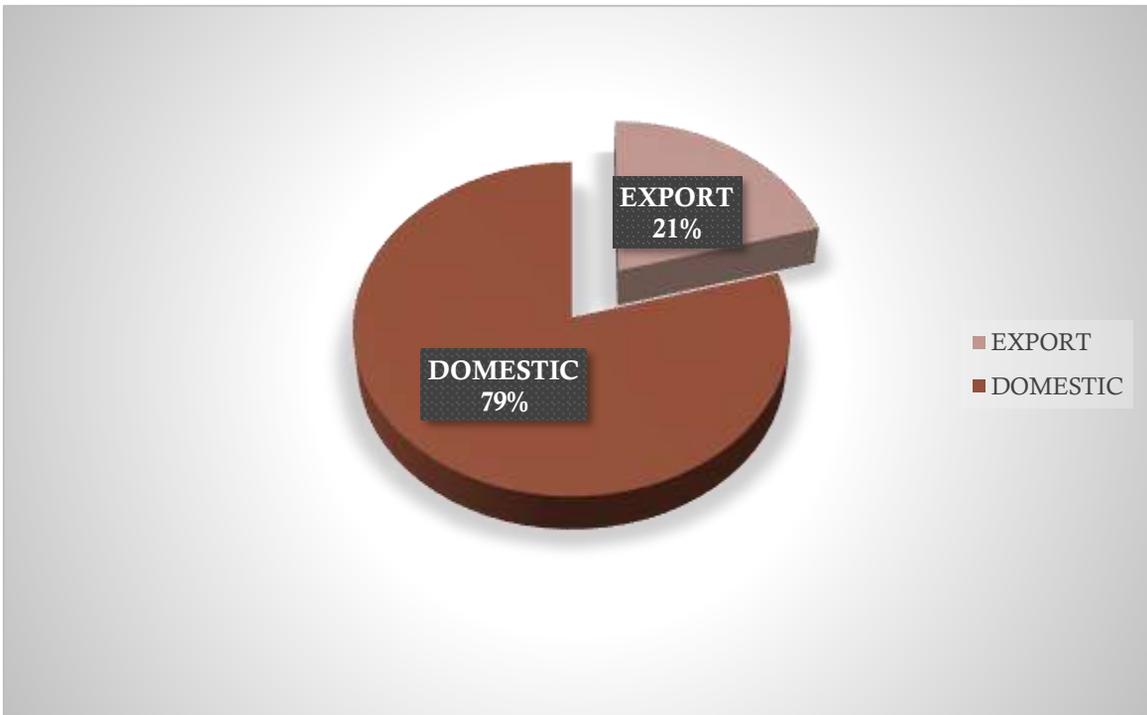
**Company Secretary**

She is Company Secretary by qualification and an Associate member of Institute of Company Secretary of India. She looks after the legal, Secretarial and Compliance Department of our Company. Ms. Kirti Goyal has been appointed as Company Secretary-cum-Compliance officer of the Company w.e.f. 17<sup>th</sup> January, 2020.

## Ownership Structure



## Domestic and export sales



# Exports Overview



**MAJOR COUNTRIES FOR EXPORTS  
FY 2021-22**

## **NOTICE OF 14TH ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 14<sup>TH</sup> ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF LEXUS GRANITO (INDIA) LIMITED (THE COMPANY) WILL BE HELD ON FRIDAY THE 30<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 05:00 P.M. THROUGH VIDEO CONFERENCE (VC)/OTHER AUDIO-VISUAL MEANS (AOVM) TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESSES:**

#### **Item No: 1 Adoption of Audited Standalone Financial Statements:**

To consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2022 together with the reports of the Board of Directors and Auditors thereon;

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the reports of Board and Auditors thereon be and hereby considered and adopted.”

#### **Item No: 2 Re-Appointment of Directors liable to retire by rotation:**

To Re-appoint Director Mr. Anilkumar Babulal Detroja (DIN: 03078203) who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment;

**“RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company read with Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Anilkumar Babulal Detroja (DIN: 03078203) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### **Item No: 3 To re-appoint M/s. Ashok Holani & Co, Chartered Accountants, Jaipur as Statutory Auditor for the second term of five years:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactment thereof, as amended from time to time, pursuant to the recommendation of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to appoint **M/s. Ashok Holani & Co, Chartered Accountants, Jaipur (FRN: 009840C)**, as the Statutory Auditors of the Company for the second term of five years to hold office from the conclusion of 14<sup>th</sup> Annual General Meeting until the conclusion of the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027 at a remuneration of such sum as may be fixed by the Board of Directors plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments as may be required.”

**SPECIAL BUSINESS:**

**Item No: 4 To regularize Mrs. Dimpalben Anilbhai Detroja as Whole Time Director of the company:**

To consider, and if thought fit, to pass with or without modification (s), the following as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the applicable provisions of Section 161(1) of the Companies Act, 2013 and Rules framed there under, including any enactment, re-enactment or modifications thereof, Mrs. **Dimpalben Anilbhai Detroja (DIN: 09639482)**, who was appointed as an Additional Director designated as Whole Time Director of the company by the Board of Directors with effect from June 17, 2022, being eligible for appointment and whose term of office as an additional director expires at the conclusion of this Annual General Meeting be and is hereby appointed as the Director of the Company.”

**“RESOLVED FURTHER THAT** in accordance with the provision of section 196, 197 and 203 read with schedule V and any other applicable provision of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modifications thereto on re-enactment thereof for the time being in force ) and pursuant to articles of association of the company, the consent of the member of the company be and is hereby accorded for appointment of **Mrs. Dimpalben Anilbhai Detroja (DIN: 09639482)** as the Whole Time Director of the company, for a further period of the 5 (five) years and shall be liable to retire by rotation with effect from September 30, 2022, on such terms and conditions as mentioned in the agreement to be entered with him.”

**“RESOLVED FURTHER THAT** any Director of the company be and is hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution.”

**Item No: 5 Re-appointment of Mr. Hitesh Babulal Detroja, Whole Time Director of the company:**

To consider, and if thought fit, to pass with or without modification (s), the following as an **Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provision of section 196, 197 and 203 read with schedule V and any other applicable provision of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modifications thereto on re-enactment thereof for the time being in force ) and pursuant to articles of association of the company, the consent of the member of the company be and is hereby accorded for re-appointment of **Mr. Hitesh Babulal Detroja (DIN: 02760273)** as the Whole Time Director of the company, for a further period of the 5 (five) years and shall be liable to retire by rotation with effect from September 30, 2022, on such terms and conditions as mentioned in the agreement to be entered with him.”

**“RESOLVED FURTHER THAT** any Director of the company be and is hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution.”

**Item No: 6 Re-appointment of Mr. Anilkumar Babulal Detroja, Chairman and Managing Director of the company:**

To consider, and if thought fit, to pass with or without modification (s), the following as an **Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provision of section 196, 197 and 203 read with schedule V and any other applicable provision of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modifications thereto on re-enactment thereof for the time being in force ) and pursuant to articles of association of the company, the consent of the member of the company be and is hereby accorded for re-appointment of **Mr. Anilkumar Babulal Detroja (DIN: 03078203)** as the Chairman and Managing Director of the company, for a further period of the 5 (five) years and shall be liable to retire by rotation with effect from September 30, 2022, on such terms and conditions as mentioned in the agreement to be entered with him.”

**“RESOLVED FURTHER THAT** any Director of the company be and is hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution.”

**By the Order of the Board  
For Lexus Granito (India) Limited**

**Sd/-  
Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
DIN: 03078203**

**Date: 02.09.2022**

**Place: Morbi**

## **IMPORTANT NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [cs@lexustile.com](mailto:cs@lexustile.com)

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 23<sup>rd</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022** (both days inclusive).
9. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment.
10. Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:
  - i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
  - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
11. Members holding shares in Demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in Demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
12. Members are requested to contact the Company's Registrar & Share Transfer Agent Bigshare Services Private Limited ("Bigshare" or "Registrar & Share Transfer Agent") having address at Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India; Tel.: (022) 62638200 Email id: [admission@bigshareonline.com](mailto:admission@bigshareonline.com); Website: [www.bigshareonline.com](http://www.bigshareonline.com) for reply to their queries/redressal of complaints, if any, or contact Ms. Kirti Goyal , Company Secretary at the Registered Office of the Company (Phone No.: +91 2822 302330-33; Email: [cs@lexustile.com](mailto:cs@lexustile.com) ).
13. To support the "Green Initiative" Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare in case the shares are held by them in physical form. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website <http://www.lexusgranito.com/> , website of the Stock Exchanges i.e. National Stock Exchange of India Limited "Emerge Platform" <https://www.nseindia.com/> and on the website of NSDL [www.evotingindia.com](http://www.evotingindia.com)
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFS Code, etc., to their DPs in case the shares are held by them in electronic form and to Bigshare in case the shares are held by them in physical form.

15. The Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting is **Friday, 02<sup>nd</sup> September, 2022**.
16. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
17. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
18. As per Regulation 40 of SEBI Listing Regulations, as amended, Securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited ("Bigshare") for assistance in this regard.
19. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before the date of the AGM through Email on [cs@lexustile.com](mailto:cs@lexustile.com). The same will be replied by/ on behalf of the Company suitably.
20. The Company has appointed **M/s Manisha Godara and Associates, Practicing Company Secretaries, New Delhi** as scrutinizer to scrutinize the voting and the voting process in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM through VC/AOVM.
22. The scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 48 hours of conclusion of the AGM.
23. The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The Results declared, along with the scrutinizer's Report shall be placed on the Company's website [www.lexusgranito.com](http://www.lexusgranito.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office.

24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on **Tuesday, September 27, 2022 at 09:00 A.M. and ends on Thursday, September 29, 2022 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, September 23, 2022**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, September 23, 2022**.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service</b>

	<p><b>provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="933 1150 1177 1302" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store          Google Play       </p>   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [manishachoudhary225@gmail.com](mailto:manishachoudhary225@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

## ANNEXURE TO THE NOTICE

### Details of Directors/Auditor seeking appointment / reappointment at the 14<sup>th</sup> Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### Item No. 2 and 6

Name of the Director	Anilkumar Babulal Detroja
Date of Birth	23/12/1985
Nationality	Indian
Date of Appointment on the Board	22/05/2010
Occupation	Business
Nature of expertise in specific functional areas	He has an experience of more than ten years in this industry and has been key person in formulating and implementation of business strategy for growth & expansion. He looks after financial affairs of the Company.
Disclosure of relationship between directors inter-se	Husband of Dimpalben Anilbhai Detroja Brother of Hitesh Babulal Detroja
Name of Listed Entities in which the person holds directorship as on September 02, 2022	NIL

#### Item No. 4

Name of the Director	Dimpalben Anilbhai Detroja
Date of Birth	15/08/1985
Nationality	Indian
Date of Appointment on the Board	17/06/2022
Occupation	Business
Nature of expertise in specific functional areas	She looks after the Human Resource Department of the Company and also manages the approvals required from the regulatory authorities from time to time.
Disclosure of relationship between directors inter-se	Wife of Anilkumar Babulal Detroja Sister in law of Hitesh Babulal Detroja
Name of Listed Entities in which the person holds directorship as on September 02, 2022	NIL

#### Item No. 5

Name of the Director	Hitesh Babulal Detroja
Date of Birth	03/02/1988
Nationality	Indian
Date of Appointment on the Board	02/08/2010

Occupation	Business
Nature of expertise in specific functional areas	He has an experience of more than ten years in the ceramic industry and is entrusted with the responsibility to look after the marketing and administration department of company. He also looks after the export operations of the Company.
Disclosure of relationship between directors inter-se	Brother of Anilkumar Babulal Detroja Brother in law of Dimpalben Anilbhai Detroja
Name of Listed Entities in which the person holds directorship as on September 02, 2022	NIL

**For Lexus Granito (India) Limited**

**Sd/-  
Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
DIN: 03078203**

**Place: Morbi  
Date: 02.09.2022**

**EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No: 3 To re-appoint M/s. Ashok Holani & Co, Chartered Accountants, Jaipur as Statutory Auditor for the second term of five years:**

The Audit Committee and the Board have recommended re-appointment of **M/s. Ashok Holani & Co, Chartered Accountants, Jaipur (FRN: 009840C)** as the Statutory Auditors of the Company.

Fees payable and terms of appointment: The statutory audit fee and other charges shall be mutually agreed between the Board of Directors of the Company and the Auditors. The Statutory Auditors shall be appointed for five years from the conclusion of the 14<sup>th</sup> Annual General Meeting until the conclusion of the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027.

None of the Directors, Key Managerial Personnel and their relatives are interested in the aforesaid resolution.

The Board recommends this resolution for approval by the Members of the Company as an ordinary resolution.

**Item No. 4: To regularize Mrs. Dimpalben Anilbhai Detroja as Whole Time Director of the company:**

Mrs. Dimpalben Anilbhai Detroja (DIN: 09639482), was appointed as an Additional Director under section 161 of the Companies Act, 2013, designated as Whole Time Director with effect from June 17, 2022 who holds the office up to the date of forthcoming Annual General Meeting of the Company. However, in order to regularize her appointment as a Whole Time Director the approvals of the members of the Company are sought.

Further, the board, in its meeting held on June 17, 2022 has approved the appointment of Mrs. Dimpalben Anilbhai Detroja (DIN: 09639482) as the Whole Time Director of the company for a period of five years with effect from June 17, 2022. The board has taken a decision of said appointment based on the recommendation of the nomination and remuneration committee and subject to the approval of the member of the company.

None of the Directors, Key Managerial Personnel and their relatives are interested in the aforesaid resolution.

The Board recommends this resolution for approval by the Members of the Company as an ordinary resolution.

**Item No. 5: Re-appointment of Mr. Hitesh Babulal Detroja, Whole Time Director of the company:**

Mr. Hitesh Babulal Detroja (DIN: 02760273) was appointed as the Whole Time Director of the company for a period of five years with effect from May 04, 2017, after obtaining due approval of the members of

the company in the Extraordinary General Meeting held on May 05, 2022. Accordingly, the present terms of Mr. Hitesh Babulal Detroja comes to an end on May 03, 2022.

The board, in its meeting held on September 02, 2022 has approved the re-appointment of Mr. Hitesh Babulal Detroja as the Whole Time Director of the company for a further period of five years after his current tenure ends on May 03, 2022. The board has taken a decision of said re-appointment based on the recommendation of the nomination and remuneration committee and subject to the approval of the member of the company.

**Item No. 6: Re-appointment of Mr. Anilkumar Babulal Detroja, Chairman and Managing Director of the company:**

Mr. Anilkumar Babulal Detroja (DIN: 03078203) was appointed as the Managing Director of the company for a period of five years with effect from May 04, 2017, after obtaining due approval of the members of the company in their Extraordinary General Meeting held on May 05, 2017. Accordingly, the present terms of Mr. Anilkumar Babulal Detroja comes to an end on May 03, 2022. The Board of Directors has redesignated Mr. Anilkumar Babulal Detroja as the Chairman and Managing Director of the company in the Board Meeting held on June 17, 2022.

The board, in its meeting held on September 02, 2022, has approved the re-appointment of Mr. Anilkumar Babulal Detroja as the Chairman and Managing Director of the company for a further period of five years after his current tenure ends on May 03, 2022. The board has taken a decision of said re-appointment based on the recommendation of the nomination and remuneration committee and subject to the approval of the member of the company.

**By the Order of the Board  
For Lexus Granito (India) Limited**

**Sd/-  
Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
DIN: 03078203**

**Date: 02.09.2022  
Place: Morbi**

## **DIRECTORS' REPORT**

**Dear Shareholders,**

The Directors of your Company with immense pleasure, presenting the 14<sup>th</sup> Annual Report on the business and operation of the company together with Audited Financial Statements of Accounts and the Auditors Report of your Company for the Financial Year ended on 31<sup>st</sup> March, 2022.

### **FINANCIAL HIGHLIGHTS:**

The Company's financial performance for the year ended 31<sup>st</sup> March, 2022 is summarized below:

<b>Particulars</b>	<b>(Amount in cr.)</b>	
	<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
Sales/Income from Business operations (Gross)	139.18	101.63
Other Income	11.14	0.09
Total Revenue	150.32	101.72
Less: Total Expenses	138.77	150.93
Profit/(Loss) before Tax	11.55	(49.21)
Less: Current tax expense for current year	0.06	-
Less: Deferred tax	(1.25)	(0.55)
Less: MAT Credit Entitlement	(0.65)	-
Less: Earlier Year	-	-
Net Profit/ (Loss) after Tax for the year	13.39	(48.66)
Earnings per share (Basic)	6.98	(25.36)
Earnings per share (Diluted)	6.98	(25.36)

### **STATE OF COMPANY'S AFFAIRS**

#### **BUSINESS OPERATIONS**

During the year operations were slowly and swiftly improved and your company was able to improve the sales in the FY 2021-2022 due to improved demands for tiles and better realizations due to shortage of tiles in the both domestic and overseas. Your company is hopeful for the much better performance in the current financial year.

Our Company has been operating in both domestic and international markets. Our revenue from domestic and export operations contributed 79.39% and 20.61% respectively of our total revenue from operations for the year ended March 31, 2022. During FY 2021-22, we exported our products to various countries such as Belgium, Iraq, Israel, Italy, Nepal, UAE, Taiwan, Thailand, Lebanon, Bahrain, Yemen, Oman, Colombia, Guatemala, Mexico etc. We intend to continue to mark a presence in global markets in our industry by supplying innovative products at competitive prices.

## **FINANCIAL PERFORMANCE**

Despite the challenging situation, FY 2021-22 was a pivotal year for the company, our total revenue was increased to Rs. 15,032.07 lakhs in FY 2021-22 as compared to Rs. 10,171.89 lakhs in FY 2020-21. The sales of our company have increased in the current financial year by Rs. 4860.18 lakhs.

Due to several challenges faced by the company such as acute liquidity position, delayed payment from customers and, working capital shortage, our company has profit of Rs. 1338.56 lakhs in F.Y. 2021-22 as compared to loss of Rs. (4866.22) lakhs in F.Y. 2020-21.

Your management is striving hard to address all the issues coming in the company and is confident that new strategies now being pursued by the company to focus on low cost tiles is appropriate for achieving the desired result. Considering the brand equity enjoyed by the company and the performance of the company during the year in a tough environment, and several steps taken for improving the performance of the company, the management therefore believes, it is appropriate to prepare the financial statements on going concern basis.

## **TRANSFER TO RESERVES**

The board of Directors of the company has not transferred any amount to its Reserve & Surplus during the Financial Year 2021-22.

## **DIVIDEND**

No Dividend has been declared by the company for the year ended March 31, 2022 with a futuristic approach to retain the earnings in the business for expansion from internal accrual for the growth of the company.

## **CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no change in the nature of business of the company.

## **COST AUDIT**

The provision of section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable to the Company.

## **SHARE CAPITAL AND OTHER CHANGES**

During the Financial Year 2021-22, there are no changes in the Company took place as stated below: -

### **1. Authorized Share Capital**

As on date of this report the Authorised Share Capital of the company is Rs. 22.00 Crores divided into 2,20,00,000 equity shares of Rs. 10 each.

### **2. Preferential Issue**

During the Financial Year no shares were issued under any Preferential Issue.

**3. Right Issue**

During the year company has not increased its issued and paid-up Equity Share Capital by making any right issue of shares.

**4. Bonus Issue**

During the Financial Year no shares were issued to existing shareholders as Bonus Shares under any Bonus Issue.

**5. Issue of Equity Shares with Differential Rights**

Company does not have Equity Shares with differential rights and have not issued any shares with differential rights during the financial year 2021-22.

**6. Issue of Sweat Equity Shares**

During the Financial Year no shares were issued as Sweat Equity Shares under any Scheme.

**7. Issue of Employee Stock Options**

During the Financial Year no shares were issued under any Scheme of Employee Stock Option.

**8. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

There was no provision made of the money by the company for purchase of its own shares by employees or by trustees for the benefit of employees or by trustees for the benefit of employees.

**9. Splitting/Sub Division of shares**

No splitting/ sub division of shares was done during the financial year 2021-22.

**10. Further Issue of Shares Through Initial Public Offer and Listing of Shares**

No further issue of shares was done during the financial year 2021-22.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection fund (IEPF).

**DEPOSITS**

Company has complied with section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment. Hence the requirement of furnishing the details of the deposits which are not in compliance with chapter V of the Act is not applicable.

**REGISTRAR & SHARE TRANSFER AGENTS**

The Company has appointed M/s Big Share Services Private Limited as its Registrar & Share Transfer Agent.

## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Composition of Board of Directors**

The Board of Directors of Lexus Granito (India) Limited is a balanced one with an optimum mix of Executive and Non-Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making. The Board of the Company is headed by an Executive Chairman. Chairman takes the strategic decisions, frames the policy guidelines and extends wholehearted support to Executive Directors, business heads and associates.

As on 31<sup>st</sup> March, 2022, The Board of company consists of Eight (8) Directors. The composition and category of Directors is as follows:

<b>Category</b>	<b>Name of Directors</b>	<b>DIN</b>
Chairman and Whole time Director	Mr. Babulal Mahadevbhai Detroja*	01725541
Managing Director	Mr. Anilkumar Babulal Detroja	03078203
Whole time Director	Mr. Nilesh Babubhai Detroja*	01725545
Whole time Director	Mr. Hitesh Babulal Detroja	02760273
Whole time Director	Ms. Parulben Nileshbhai Detroja*	02760294
Independent Director	Mr. Rakesh Jayantilal Amrutiya	08421454
Independent Director	Mr. Jitendrabhai Chandulal Lakhtariya	08344782
Independent Director	Mr. Sagarbhai Rasikbhai Jasani	08604418

\* Resigned w.e.f. June 17, 2022.

### **Independent Directors**

During the year under review, there were no changes in the independent directors of the company.

### **Whole –Time Director**

Mr. Babulal Mahadevbhai Detroja, Chairman and Whole time director of the company has expressed his willingness to reduce commitment due to ill health and hence tendered his resignation w.e.f. June 17, 2022.

Mr. Anilkumar Babulal Detroja was appointed as the Managing Director of the company for a period of five years with effect from May 04, 2017. The Board of Directors has redesignated Mr. Anilkumar Babulal Detroja as the Chairman and Managing Director of the company in the Board Meeting held on June 17, 2022. The board, in its meeting held on September 02, 2022, has approved the re-appointment of Mr.

Anilkumar Babulal Detroja as the Chairman and Managing Director of the company for a further period of five years after his current tenure ends on May 03, 2022.

Mr. Nilesh Babubhai Detroja and Mrs. Parulben Nileshbhai Detroja, Whole time Directors of the company have also resigned w.e.f June 17, 2022.

Mr. Hitesh Babulal Detroja was appointed as the Whole Time Director of the company for a period of five years with effect from May 04, 2017. The board, in its meeting held on September 02, 2022 has approved the re-appointment of Mr. Hitesh Babulal Detroja as the Whole Time Director of the company for a further period of five years after his current tenure ends on May 03, 2022.

Mrs. Dimpalben Anilbhai Detroja was appointed as an Additional Director on the Board of the company w.e.f. June 17, 2022 for a term of five years from the date of her appointment and she shall be designated as a Whole time Director of the company pursuant to applicable provisions of the Companies Act 2013.

#### **CFO, CS and Managing Director (KMP)**

Mr. Ishwarbhai Keshavjibhai Sanghani was appointed as the CFO of the company w.e.f 22<sup>nd</sup> September 2021 in place of Mr. Dilipbhai Nanjibhai Fultariya who resigned w.e.f. 21<sup>st</sup> September 2021.

Mr. Anilkumar Babulal Detroja was appointed as Managing director on the board w.e.f 04<sup>th</sup> May 2017 for a term of five years and has been handling the management of the company utmost efficiency. The Board of Directors has redesignated Mr. Anilkumar Babulal Detroja as the Chairman and Managing Director of the company in the Board Meeting held on June 17, 2022.

Ms. Kirti Goyal, M. No. 60867 is the Company Secretary-cum-Compliance Officer of the company with effect from 17<sup>th</sup> January, 2020.

#### **Directors Liable to retire by rotation and be eligible to get Re-Appointed**

Pursuant to the provisions of section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Anilkumar Babulal Detroja (DIN: 03078203) who retires by rotation and being eligible to get re-appointed as Chairman and Managing Director of the company in the ensuing AGM of the company. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

#### **MEETINGS OF INDEPENDENT DIRECTORS**

In Compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Independent Directors Meeting of the Company was held on 15.01.2022. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Whenever any new Independent Director is appointed, he/she is made familiar to the business and its operations and also about his/her role and duties through presentations/programmes by Chairman, Managing Director and Senior Management.

Pursuant to Clause VII of the Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors of the Company are required to hold at least one meeting in a year without the attendance of Non-Independent Directors and Members of Management. All the Independent Directors of the Company shall strive to be present at such meeting.

All Independent Directors were present at the meetings of Independent Directors held on 15.01.2022.

<b>Name of the Member</b>	<b>Position</b>	<b>Status</b>
Mr. Jitendra bhai Chandulal Lakhtariya	Chairman	Non-Executive Independent Director
Mr. Rakesh Jayantilal Amrutiya	Member	Non-Executive Independent Director
Mr. Sagarbhai Rasikbhai Jasani	Member	Non-Executive Independent Director

#### **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The confirmations were placed before and noted by the Board.

#### **SECRETARIAL AUDIT**

The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith marked as **Annexure-I** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board meets at regular intervals to discuss and take a view on the Company's policies and strategy apart from other Board matters. The notice for the board meetings is given well in advance to all the Directors.

During the year, the Board of Directors met seventeen times and board meetings were held on the following dates as mentioned in the table:

<b>Sr. No.</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
1	05.04.2021	8	8

2	13.05.2021	8	8
3	30.06.2021	8	8
4	27.07.2021	8	8
5	08.09.2021	8	8
6	09.09.2021	8	8
7	11.09.2021	8	8
8	20.09.2021	8	8
9	21.09.2021	8	8
10	22.09.2021	8	8
11	15.10.2021	8	8
12	14.11.2021	8	8
13	08.12.2021	8	8
14	04.01.2022	8	8
15	15.01.2022	8	8
16	20.01.2022	8	8
17	25.01.2022	8	8

Frequency and Quorum at these Meetings were in conformity with the provisions of the companies Act, 2013 and the “**Listing Regulation**” and the listing agreements entered into by the company with the Stock Exchange. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts/arrangements/transactions that were entered by the Company during the Financial Year were in Ordinary Course of the Business and on Arm’s Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC-2 in **Annexure-II** is annexed to this report.

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement is disclosed in the financials.

#### **DIRECTORS APPOINTMENT, REMUNERATION AND ANNUAL EVALUATION**

The Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both non-executive directors and executive directors.

The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration and criteria for determining qualifications, positive attributes, independence of the Director & other matters is attached as **Annexure-III** to this Report and the same is also available on the website of the Company at the link [www.lexustile.com](http://www.lexustile.com)

#### **PARTICULARS OF EMPLOYEES AND RELATED INFORMATION**

Pursuant to the amendment in the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a detailed statement is attached as **Annexure-IV**.

Apart from that, there are no Employees in the Company whose particulars are required to be disclosed in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in the report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of energy conservation, technology absorption and foreign exchange earnings and outgo are attached as **Annexure-V** to this Report.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

The Company has no Subsidiaries and Joint Ventures and Associates as on the year ended 31st March, 2022. Form AOC-1 is attached as **Annexure VI**.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis on matters related to the business performance as stipulated in the SEBI (LODR) Regulations, 2015 is given as a separate section in the Board Report as **Annexure-VII**.

#### **COMMITTEES OF THE BOARD**

The Board of Directors has constituted four Committees, viz.;

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in **Annexure-VIII**.

#### **Directors Responsibility Statement**

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied 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 March 31, 2022 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a '**going concern**' basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **AUDITORS OF THE COMPANY**

### **Statutory Auditors**

**M/s Ashok Holani & Co.**, Jaipur (Firm Registration No.: 009840C), Statutory Auditor of the Company, hold office till the conclusion of the Annual General Meeting to be held in 2022. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013, the company has obtained a written consent and certificate from the above mentioned Auditors to the effect that they confirm with the limits specified in the said Section and they had also given their eligibility certificate stating that they are not disqualified for appointment within the meaning of Section 141 of Companies Act, 2013.

Therefore, being eligible, the Board of Directors has re-appointed M/s Ashok Holani & Co. as Statutory Auditors subject to approval of member in the Annual General Meeting.

Further, in accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

### **Secretarial Auditor**

Pursuant to provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-

enactment(s) thereof, for the time being in force), the Board of Directors had appointed **M/s Manisha Godara and Associates, Company Secretary in Practice, New Delhi** having Certificate of practice No.: 13570 as Secretarial Auditor of the Company appointed to conduct Secretarial Audit of the company for the financial year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, in line with the aforesaid compliance, the Board of Directors has appointed M/s Manisha Godara and Associates, Company Secretary in Practice, Jaipur for conducting the Secretarial Audit for the Financial Year 2022-23.

### **COMMENTS ON AUDITORS' REPORT**

There are qualifications, reservations or adverse remarks made by M/s Ashok Holani & Co. Chartered Accountants, Jaipur, Statutory Auditors in the CARO report for the Financial Year ended March 31, 2022. The comments are as under:

1. According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31<sup>st</sup> March, 2022 for a period of more than six months from the date on when they become payable

<b>Nature of Tax</b>	<b>Period</b>	<b>Amount (In Lakh)</b>
Tax collected at Source	2017-18	11.41
Tax Deducted at Source (Demand)	2011-21	47.00
<b>Total</b>		<b>58.41</b>

2. According to the information and explanations given to us and based on the records of the company examined by us, there are no outstanding dues of Income tax or Sales tax or Service tax or Duty of Customs or duty of excise or value added tax which should be deposited on account of any dispute except as mentioned below:

<b>Name of the statute</b>	<b>Nature of Dues</b>	<b>Period (A.Y.)</b>	<b>Forum where dispute is pending</b>	<b>Outstanding Amount involved (Rs. In Lakh)</b>
Income Tax Act	Income Tax	2015-2016	CIT (A)	64.57
Income Tax Act	Income Tax	2016-2017	CIT (A)	288.59
Income Tax Act	Income Tax	2018-2019	CPC	105.80
Income Tax Act	Income Tax	2018-2019	CPC	0.43
Income Tax Act	Income Tax	2019-2020	CPC	2.79
Goods & Service Tax	GST, Interest & Penalty	2017-2020	Commissioner of GST	58.53
<b>Grand Total</b>				<b>520.71</b>

3. According to the information and explanations given to us and based on the records of the company examined by us, there is no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

4. According to the information and explanations given to us and based on the records of the company examined by us, the company has made defaults in repayment of loans or borrowing/interest to a financial institution or dues to debenture holders. The company has made settlement with lenders and debenture holders and obtained no objection certificate from such lenders. Details of defaults is as under: -

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Debenture	Catalyst Trustship Limited (Debenture Trustee)	Rs. 783.33 Lakh	Principal – Rs. 640 Lakh	Rs. 320 Lakh - 24 months	The company has executed settlement agreement with debenture holders dated 20.01.2022. As per settlement agreement the company will pay an lump sum amount of Rs. 300,00,000/- on the terms contained in Settlement Agreement, towards full and final settlement towards outstanding amounts and all other amounts payable. The entire amount will be paid on 29.04.2022 in single instalment.
				Rs. 320 Lakh - 21 months	
			Interest – Rs. 39.87 Lakh	30 months	
			Review Fees – Rs. 92.80 Lakh	Rs. 46.40 Lakh - 24 months	
				Rs. 46.40 Lakh - 21 months	

Observation made by the Auditors are self-explanatory and have been dealt with an Independent Auditors Report & its annexure forming part of this Annual Report and hence do not require any further clarification. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s Manisha Godara and Associates, Secretarial Auditor in the Secretarial Audit Report.

## **CORPORATE SOCIAL RESPONSIBILITY**

As per the Criteria of Section 135 of Companies act, 2013, the board is required to constitute a corporate social responsibility committee of members, who will manage the CSR activities applicable on the company to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 and duly approved by the board as well as fix the amount of expenditure to be incurred on the activities and monitor the CSR policy from time to time. Our company constituted the CSR Committee for undertaking the CSR activities as per the provisions of Companies Act, 2013 and SEBI (LODR), 2015.

However during the year under review FY 2021-22, the company is not falling under the criteria for fulfilling the CSR activities this year. Moreover the total amount pending for spending under CSR for all the year taken together is Rs. 30,58,235/-

The company has not incurred any sum on CSR activities during the year under review.

## **RISK MANAGEMENT POLICY**

The company operates in conditions where economic; environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. The Listing Regulations required that all listed Companies shall lay down the procedure towards risk assessment. It also requires that the Company must frame, implement and monitor the risk management plan of the Company. To overcome this and as per the requirement of Section 134(3)(n) of the Companies Act, 2013 read with the rules made there under, if any, Board has framed a very comprehensive Risk Management Policy to oversee the mitigation plan including identification of element of risk, for the risk faced by the Company, which in the opinion of the Board may threaten the existence of the Company. The objective of the policy is to make an effective risk management system to ensure the long-term viability of the Company's business operations.

Although the Company has adopted the policy regarding the assessment of the risk and its updates are provided to the senior management of the Company the process for the mitigation of the risk is defined under the risk management policy of the company which are available for the access on our website [www.lexustile.com](http://www.lexustile.com).

## **INTERNAL FINANCIAL CONTROLS**

The Company has identified and documented all key internal financial controls, which impact the financial statements. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

In view of increasing business activities and for strong brand building, the Company had filed application to NSE for approval of migration from NSE SME Emerge to NSE Main Board. The Listing on the Main Board is likely to have wider participation from investors at large and trading in the Equity Shares of the Company on the Main Board will go on the long way in enhancing the image and goodwill of the Company. The benefits of listing on the Main Board in the form of market Capitalization, enhanced liquidity, larger

participation, visibility etc., will accrue to the Members of the Company. By Migrating on the Main Board, the goodwill and the growth of the Company will increase and Company will be able to expand its business

#### **DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT**

No revision of the Financial Statement or Annual Report has been made during Financial Year 2021-22 for any of the three preceding Financial Years.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **CORPORATE GOVERNANCE**

The Corporate Governance requirements as stipulated under the of SEBI (LODR) Regulations, 2015 is not applicable to the company but the Company adheres to good corporate practices at all times.

#### **ANNUAL RETURN**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended March 31, 2022, will be available on the website of the Company at [www.lexustile.com](http://www.lexustile.com) once it is filed with the Registrar of Companies and thereafter the same can be viewed by the members and stakeholders.

#### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

Company has not given any loan, guarantee or provided security in connection with a loan and had not made any investment under the Section 186 of Companies Act, 2013.

#### **HUMAN RESOURCE DEVELOPMENT**

The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the company to achieve its business objectives. The morale of employees continued to remain high during the year contributing positively to the progress of the Company. However, aspirations of employees in Company remain to be high. This is a challenge as only growth can fulfill these aspirations and in today's market scenarios one has to perform extraordinarily to achieve growth.

The Company has always provided a congenial atmosphere for work to all sections of the society. Your Company is committed to respect universal human rights. To that end, the Company practices and seeks to work with business associates who believe and promote these standards. The Company is committed to provide equal opportunities at all levels, safe and healthy workplaces and protecting human health and environment. The Company provides opportunities to all its employees to improve their skills and

capabilities. The Company's commitment extends to its neighboring communities to improve their educational, cultural, economic and social well-being.

Your Company is an equal opportunity employer and does not discriminate on the grounds of race, religion, nationality, ethnic origin, colour, gender, age, citizenship, sexual orientation, marital status or any disability not affecting the functional requirements of the position held.

#### **VIGIL MECHANISM & WHISTLE BLOWER**

The company has established a Whistle Blower Policy which also incorporates a Vigil Mechanism in terms of the SEBI (LODR) Regulations, 2015 for directors and employees commensurate to the size and the business of the company to promote ethical behaviour, actual or suspected fraud or violation of our code of conduct and ethics. Under the said mechanism, the employees are free to report violations of applicable laws and regulations and the code of conduct. It also provides for adequate safeguards against the victimization of persons who use such mechanism.

The Whistle Blower Policy of the Company is also available on the website of the company at the link [www.lexustile.com](http://www.lexustile.com)

#### **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Our Company is an equal opportunity provider and believes in providing opportunity and key positions to women professionals. At the same time, it has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them.

The Company has zero tolerance towards sexual harassment of Women at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of Women at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under.

The following is the summary of Sexual Harassment Complaints received and disposed off during the year 2021-22.

- a. Number of Complaints of Sexual Harassment at the beginning of the Financial year: NIL
- b. Number of Complaints disposed off during the year: NIL
- c. Number of Complaints pending as on the end of the Financial year: NIL
- d. Nature of action taken by the Company: NA

#### **CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company as well as consequences of disclosures to be made while dealing

with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's shares.

The Insider Trading Policy of the Company covering the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for the prevention of Insider Trading is available on the website <http://www.lexustile.com>

### **INVESTOR GRIEVANCE REDRESSAL**

During the financial year under review, SEBI has send one complaint from one of the investor of the company and Company had replied to all the observations to SEBI in this regard. The SEBI vide its letter dated August 06, 2021 has cautioned the company to take due care and etc. There were no pending complaints against our company as on dated 31.03.2022 as per the certificate given by RTA.

### **POLICIES ADOPTED BY THE COMPANY**

Your company has adopted various policies for the smooth working of the company which are as follows:

#### **CODE OF CONDUCT TO REGULATE MONITOR AND REPORT TRADING BY INSIDERS**

There are many information's that are important and price sensitive and required to be kept confidential on the part of the company, if the information is disclosed this will harm the image of the company, in the definition of the insider it will include all the persons connected with the company including the all employee's so policy relating to this is available on the website of the company.

This policy is applicable to all employee's and KMP's of the company to not to disclose the confidential information of the company which affects the performance of the company. The policy of the company for the access is available on the website [www.lexustile.com](http://www.lexustile.com)

#### **CODE OF CONDUCT OF BOARD OF DIRECTORS & SENIOR MANAGEMENT**

Certain code of conduct is required from the senior management including the Board of Directors of the Company; they have to be abiding by the rules and laws applicable on the company for the good governance and business ethics. It describes their responsibility and accountability towards the company. Policy of the company relating to this is available for the access at the website [www.lexustile.com](http://www.lexustile.com)

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

CSR is a broad term describes the company's efforts towards the society, this is mandatory under certain terms of Companies Act 2013, but the benefit of this policy is two handed one hand company get the chance to involve in the social welfare and other hand this will improve the image of the company.

CSR policy creates social awareness among the companies and creates an obligation towards the society. Policy of the company relating to this is available for the access at the website [www.lexustile.com](http://www.lexustile.com)

#### **FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS**

Under Familiarization programme all Independent Directors (IDs) inducted into the Board are given an orientation, presentations are made by Executive Directors (EDs) and Senior Management giving an overview of our operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an orientation on our products, group structure and subsidiaries, board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy.

This policy includes keeping updated to the independent directors about the working of the company and projects in which company is involved various programme are conducted by the company for the ID's. The Policy on the Company's Familiarization Programme for IDs can be accessed at the website [www.lexustile.com](http://www.lexustile.com)

### **NOMINATION AND REMUNERATION POLICY OF THE COMPANY**

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, KMP and all other employees of the Company. As part of the policy, the Company strives to ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

Relationship between remuneration and performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. Policy relating to the nomination and remuneration of the company is available on the website of the company [www.lexustile.com](http://www.lexustile.com)

### **DETERMINATION OF MATERIALITY OF INFORMATION & EVENTS**

From the point of Listed entity, investors of the entity of the also expecting more and more information for the company, so under this policy the management of the company determines the material events of the company and disclosed them for their investors.

Under this policy company may decide all those events and information which are material and important that is compulsory to be disclosed for the investors about the company, policy related to this is available at the website [www.lexustile.com](http://www.lexustile.com)

### **PRESERVATION OF DOCUMENTS**

The Corporate records need to be kept at the places and manner defined under the Act, policy relating to that for the safe keeping of the documents is available on website [www.lexustile.com](http://www.lexustile.com)

### **POLICY ON RELATED PARTY TRANSACTION**

The Objective of the Policy is to set out:

- (a) The materiality thresholds for related party transactions; and
- (b) The manner of dealing with the transactions between the Company and its related parties based on the Act, your company adopted this policy for dealing with parties in a transparent manner available at the website of the company [www.lexustile.com](http://www.lexustile.com)

#### **TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS**

Independent directors are the key part of the board according to the Schedule IV to the Companies Act, 2013 they are skilled, experienced and knowledgeable persons, they are required on the board to take improved and better decisions policy relating to the appointment will be helpful for the board policy of the company is available at the website [www.lexustile.com](http://www.lexustile.com)

#### **ARCHIVAL POLICY**

This policy deals with the retention and archival of the corporate record, these records are prepared by the employees of the company under this policy any material information relating to the company shall be hosted on the website of the company for the investors and public and remain there for period of five year. The policy of the company for the access is available on the website [www.lexustile.com](http://www.lexustile.com)

#### **CODE OF CONDUCT OF INDEPENDENT DIRECTORS**

Independent Directors are the persons who are not related with the company in any manner. A code of conduct is required for them for their unbiased comments regarding the working of the company. They will follow the code while imparting in any activity of the company. The policy deals with the code of conduct of the Independent Directors, their duties and responsibilities towards the company, is available at the website [www.lexustile.com](http://www.lexustile.com)

#### **RISK ASSESSMENT AND MANAGEMENT**

Risk is the part of every one's life, while running any business many kinds of risks are involved. To minimise the business risk and all the factors that will negatively effects the organization every company tries to follows a certain procedure for the forecasting of the risk and its management. Policy relating to this is available on the website [www.lexustile.com](http://www.lexustile.com)

#### **WHISTLE BLOWER AND VIGIL MECHANISM**

While running the big organization, there are certain good and bad things that may happen in order to control the fraud, misconduct and malpractices. This procedure is adopted by the company and reporting of this procedure is done under the vigil mechanism, by adopting this kind of system company can control the unethical acts and practices. The policy relating to this is available at the website [www.lexustile.com](http://www.lexustile.com)

#### **PREVENTION OF SEXUAL HARRASSMENT**

It has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them. The Company has policy against sexual harassment.

## **GENERAL**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

All the material changes, commitments affecting the financial position of your Company between the end of financial year (March 31, 2022) and the date of report (September 02, 2022) has been mentioned in the board report.

## **CHANGE IN THE NAME OF THE COMPANY**

During the financial year, there has been no change in the name of the Company.

## **CFO CERTIFICATION**

The company has obtained Compliance Certificate from Mr. Ishwarbhai Keshavjibhai Sanghani, Chief Financial Officer of the company, pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year 2021-22 was placed before the Board of Directors of the Company and is attached as **Annexure-IX** to this Report.

## **DECLARATION AFFIRMING COMPLIANCE WITH CODE OF CONDUCT**

I hereby confirm and declare that all the Board Members and Senior Management Personnel have individually affirmed compliance with the Code of Conduct adopted by the Company for the Financial Year ended 31st March, 2022 being attached to this report as **Annexure-X**

## **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Central & State Government, Local Authorities, Clients, Vendors, Advisors, Consultants and Associates at all levels for their continued guidance and support. Your directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the Company.

**For Lexus Granito (India) Limited**

Sd/-

**Anilkumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**DIN: 03078203**

**Place: Morbi**

**Date: 02.09.2022**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended March 31, 2022**  
**[Pursuant to Section 204, 9(1) of the Companies Act, 2013 and Rule No. 09 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

**To**  
**The Members**  
**Lexus Granito (India) Limited**  
**Survey no. 800, Opp. Lakhdirpur Village,**  
**Lakhdirpur Road, N. H. 8A, Tal. Morbi,**  
**Rajkot - 363642 Gujarat**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Lexus Granito (India) Limited**” (hereinafter called the “company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and Companies Act, 1956 (to the extent applicable) the rules made there under including any re-enactment thereof;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit Period;

We have also examined compliance with the applicable clauses of the following:

- I. The Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;
- II. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted during the financial year under report;

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

We further report that: -

The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to External Commercial Borrowings were not attracted during the financial year under report.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the Audit Period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or consent of all directors were received in writing for shorter board meeting notice consents (if any), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

***We further report that the company has made the following non compliances/delayed compliances during the period of audit:***

- 1. Delayed compliance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding submission of Annual Report for the year 2020-2021 on the date of commencement of dispatch to shareholders. The penalty of Rs. 66,080/- has been imposed by National Stock Exchange Board of India.***

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

Management Responsibility:

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion;
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

v. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Manisha Godara and Associates  
Company Secretaries  
FRN: S2014RJ268900**

**UDIN: A036531D000921074  
Date: 06/09/2022  
Place: New Delhi**

**Sd/-  
Manisha Godara  
Mem. No. A36531  
CP 13570**

## Annexure-II

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
-	-	-	-	-	-	-	-	-

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
1.	Lioli Ceramic Pvt Ltd (Companies/firm/entities in which Director is significantly influenced)	Purchase of Goods	12 Months	Transaction entered between the parties are at Arm's Length Basis at Rs. 369,675.98/-	-	-
2.	Lioli Ceramic Pvt Ltd (Companies/firm/entities in which Director is significantly influenced)	Sale of goods	12 Months	Transaction entered between the parties are at Arm's Length Basis at Rs. 21,53,335.48/-	-	-

Place: Morbi  
Date: 02.09.2022

Sd/-  
Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
(DIN: 03078203)

### NOMINATION & REMUNERATION POLICY

#### INTRODUCTION

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### CONSTITUTION OF THE COMMITTEE

The Board of Directors of the Company (Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be the Independent Directors. The Chairman of the Committee shall be an Independent Director.

#### OBJECTIVE AND PURPOSE OF THE POLICY

The objective of the policy is to ensure that-

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### ROLE OF THE COMMITTEE:

The role of the NRC will be the following: -

- (a) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- (b) To formulate criteria for evaluation of Independent Directors and the Board.
- (c) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (d) To carry out evaluation of Director's performance.
- (e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (g) To devise a policy on Board diversity, composition, size.

- (h) Succession planning for replacing Key Executives and overseeing.
- (i) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- (j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders bypassing a special resolution.

#### **TERM/TENURE**

##### **Managing Director/Whole Time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **Independent Director:**

An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### **Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

### **Remuneration to Managing Director/Whole Time Director:**

The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

### **Remuneration to Non-Executive/Independent Director:**

The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- (i) The Services are rendered by such Director in his capacity as the professional; and
- (ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

**Remuneration to Key Managerial Personnel and Senior Management:**

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## **IMPLEMENTATION**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

**Sd/-**

**Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
(DIN: 03078203)**

**Place: Morbi**

**Date: 02.09.2022**

## Annexure –IV

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company along with Percentage increase in each director, CEO, CFO, Manager and CS for the financial year 2021-22:

S. No.	Name of the Director & KMP's	Designation	Ratio of the Remuneration to the Median Remuneration to the Employees	Percentage change in the Remuneration (%)
1	Anilkumar Babulal Detroja	Managing Director	-	-
2	Babulal Mahadevbhai Detroja	Whole- Time Director	-	-
3	Nilesh Babubhai Detroja	Whole- Time Director	-	-
4	Hitesh Babulal Detroja	Whole-Time Director	-	-
5	Parulben Nileshbhai Detroja	Whole-Time Director	5.63	100%
6	Dilipbhai Nanjibhai Fultariya*	CFO	-	-
7	Ishwarbhai Keshavjibhai Sanghani*	CFO	-	-
8	Kirti Goyal	Company Secretary	1.31	20.00%

\*Ratio and percentage change in remuneration of CFO is not applicable for CFO since CFO not employed for whole of the Financial Year 2021-22. Mr. Ishwarbhai Keshavjibhai Sanghani was appointed as the CFO of the company w.e.f 22<sup>nd</sup> September 2021 in place of Mr. Dilipbhai Nanjibhai Fultariya who resigned w.e.f. 21<sup>st</sup> September 2021.

#### **NOTE:**

- 1) The Non-Executive Directors and Independent Directors of the Company are entitled for sitting fee as per the statutory provisions of the Companies Act 2013.
- 2) The median was calculated on the CTC Basis.

- 3) The median remuneration of employees of the Company during the financial year (2021-22) was Rs. 1,28,000/-
  - 4) The percentage Increase in the median remuneration of the employees in the FY (2021-22): N.A.
  - 5) There were 71 permanent employees on the rolls of Company as on March 31, 2022.
  - 6) Key parameters for the variable component of Remuneration availed by the Directors:  
There is no variable component of remuneration avail by the Directors.
  - 7) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
    - Average Increase in median salary of the company's employees excluding KMPs: NA
    - Average Increase in the remuneration of KMP's: 60%
    - The total managerial remuneration for the Financial Year 2020-21: NIL
    - The total managerial remuneration for the Financial Year 2021-22: Rs. 7.20 Lakhs
2. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**DISCLOSURE UNDER SCHEDULE V PART II SECTION 2 OF THE COMPANIES ACT, 2013:**

The Details of the Remuneration paid/to the Directors for the year 2021-22 are given below:

DIRECTORS	SALARY	BONUS	PERQUISITES	COMMISSION	SITTING FEES	AMOUNT IN TOTAL
Mr. Babulal Mahadevbhai Detroja	-	-	-	-	-	-
Mr. Nileshbhai Babubhai Detroja	-	-	-	-	-	-
Mr. Hitesh Babulal Detroja	-	-	-	-	-	-
Mrs. Parulben Nileshbhai Detroja	7,20,000	-	-	-	-	7,20,000
Mr. Anilkumar Babulal Detroja	-	-	-	-	-	-
Mr. Jitendra Chandulal Lakhtariya	-	-	-	-	-	-
Mr. Rakesh Jayantilal Amrutiya	-	-	-	-	-	-
Mr. Sagarbhai Rasikbhai Jasani	-	-	-	-	-	-

The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director of the Company. Beside this, the Managing Director and Whole-Time Directors are also entitled to encashment of leave and Gratuity at the end of the Tenure, as per the rules of the Company.

**NOTES:**

- The Agreement with Mr. Anilkumar Babulal Detroja, Managing Director, Mr. Hitesh Babulal Detroja, Whole-Time Director are for a period of 5 years. Either party to the Agreement is entitled to terminate the Agreement by giving to the other party 3 months advance notice in writing.
- Mr. Babulal Mahadevbhai Detroja, Whole-Time Director, Nileshbhai Babubhai Detroja, Whole-Time Director, Mrs. Parulben Nileshbhai Detroja, Whole-Time Director have resigned w.e.f. 17.06.2022.
- The Company presently does not have the scheme for grant of stock options either to the Executive Directors or employees.
- There is no separate provision for payment of severance fees to the Directors.
- The Non-Executive Directors does not hold equity shares in the Company.

**Place: Morbi**  
**Date: 02.09.2022**

**Sd/-**  
**Anilkumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**(DIN: 03078203)**

## Annexure –V

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

#### **A. CONSERVATION OF ENERGY**

Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Maintenance and repairs of all equipment and machineries are carried out timely to ensure optimum energy efficiency.

#### **B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:**

The Company continuous to use the latest technologies for improving the productivity and quality of its products and services. Our R&D and technical experts constantly visit international markets to identify and keep pace with the latest technological available.

Benefits derived through such efforts:

- (a) The Company has developed a culture of staying informed about the latest developments in related technology as well as constantly updating our equipment and processes. Such innovations have led us to be in the forefront amongst our competitors.
- (b) Technology absorption efforts have not only allowed us to develop new products but also improve our existing ones.

#### **C. FOREIGN EXCHANGE EARNING & OUTGO:**

The company mainly has its dealings with Belgium, Iraq, Israel, Italy, Nepal, UAE, Taiwan, Thailand, Lebanon, Bahrain, Yemen, Oman, Colombia, Guatemala, Mexico etc.

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
1. Total foreign exchange used out go	-	9,25,625/-
2.Total foreign exchange earned	19,07,86,570/-	22,09,92,859/-

**Place: Morbi**  
**Date: 02.09.2022**

**Sd/-**  
**Anilkumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**(DIN: 03078203)**

## Annexure-VI

### **Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### **Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

#### **Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	--
2.	The date since when subsidiary was acquired	--
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	--
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	--
5.	Share capital	--
6.	Reserves & surplus	--
7.	Total assets	--
8.	Total Liabilities	--
9.	Investments	--
10.	Turnover	--
11.	Profit before taxation	--
12.	Provision for taxation	--
13.	Profit after taxation	--
14.	Proposed Dividend	--
15.	Extent of shareholding (In percentage)	--

**Part “B”: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.**

<b>Name of associates/Joint Ventures</b>	<b>NA</b>
1. Latest audited Balance Sheet Date	-
2. Date on which the Associate or Joint Venture was associated or Acquired	-
3. Shares of Associate/Joint Ventures held by the company on the year end	-
No. of Shares	-
Amount of Investment in Associates/ Joint Venture	-
Extend of Holding (In percentage)	-
4. Description of how there is significant influence	-
5. Reason why the associate/joint venture is not consolidated	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-
7. Profit/Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

**Sd/-**  
**AnilKumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**(DIN: 03078203)**

**Place: Morbi**  
**Date: 02.09.2022**

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Lexus Granito (India) Limited Presenting Management Discussion and Analysis Report covering the operational and financial performance of the company for the year 2021-22, the core business of the company is manufacturing, trading and marketing of vitrified ceramic tiles and wall tiles.

#### BUSINESS OVERVIEW

Our Company is promoted and managed by Anilkumar Babulal Detroja, Hitesh Babulal Detroja, Nilesh Babubhai Detroja and Pavan Blackrock Private Limited. Our individual promoters manage and control the major affairs of our business operations. Our total revenue is Rs. 15,032.07 lakhs in FY 2021-22 as compare to Rs. 10,171.89 lakhs in FY 2020-21 and profit after tax of Rs. 1338.56 lakhs in F.Y. 2021-22 as compare to Rs. (4866.22) lakhs in F.Y. 2020-21. It is the vision of our promoters which has been instrumental in defining the business strategy of our Company.

Our Company is engaged in manufacturing, trading and marketing of vitrified ceramic tiles and wall tiles for the domestic and international markets. Our manufacturing facility is situated at Morbi, Gujarat and is spread over more than 4 hectares. Our manufacturing facility is well equipped with requisite plant and machineries and other facilities. We also have an in-house laboratory, enabling the company to develop new colors, besides facilitating conducting of tests and analysis of various products. Our quality system with respect to manufacture of our products has been ISO 9001:2008 certified. Further we have also been issued Certificate of Compliance by UK Certification & Inspection Ltd for our quality systems covering the design, manufacture and final inspection of the products. We manufacture and market our products under the brand name —**LEXUS**.

#### OPPORTUNITIES

The Company has carved a niche for itself in the industrial shoe/ uppers segment both internationally and in the domestic market. The quality of the Company's products and services provided is well recognized. Embarking on this strength we are constantly working towards expanding the market for Company's products to other countries apart from our present work areas.

#### RISK & CONCERNS

To sustain and grow in global market one must be ready for some level of uncertainty. Greater the uncertainty, higher the risk. The risk management function is integral to the Company and its objectives include ensuring that critical risks are identified, continuously monitored and managed effectively in order to protect the Company's business. The Company operates in an environment which is affected by various factors some of which are controllable while some are outside the control of the company. The Company proactively takes reasonable steps to identify and monitor the risk and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed here under:

- Macroeconomic Factors
- Political Factors
- Changes in government policy and legislation
- Raw Material Price Increase
- Foreign Exchange Fluctuation

### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has a well-established and comprehensive internal control system. Documents, policies and authorization comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Internal Auditors are regularly presented to and reviewed by the Audit Committee of the Board. The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

### **FINANCIAL PERFORMANCE**

The summarized financial performance of the Company as compared to last year is shown as under:

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>	<b>% change</b>
<b>Revenue from operations</b>	139,17,63,262	101,63,31,026	36.94%
<b>Other Income</b>	11,14,43,883	857,520	12896.07%
<b>Profit before tax</b>	11,54,68,405	(49,21,15,007)	123.46%
<b>Net Profit after tax</b>	13,38,56,627	(48,66,21,824)	127.50%
<b>Payment of Dividend (including Interim and DDT)</b>	-	-	-
<b>EPS</b>	6.98	(25.36)	127.52%
<b>Debtors Turnover Ratio (in days)</b>	70.20	118.12	(40.57%)
<b>Inventory Turnover Ratio (in days)</b>	164.40	206.24	(20.29%)
<b>Interest Coverage Ratio</b>	3.28	(7.66)	142.82%
<b>Current Ratio</b>	1.00	1.05	(4.76%)
<b>Debt Equity Ratio</b>	1.85	3.70	(50.00%)
<b>Operating Profit Margin (%)</b>	0.13	(0.43)	130.23%
<b>Net Profit Margin (%)</b>	9.62	(47.88)	120.09%
<b>Return on Net Worth</b>	0.43	(2.69)	115.98%

### **HUMAN RESOURCE**

Human resource remains a valuable asset of our business. The Company continues to lay emphasis on attracting and retaining talent. Personnel developmental initiatives including training, both technical and managerial, are regularly conducted to enhance human potential. As on 31<sup>st</sup> March, 2022 the Company has 71 employees. The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The company has established a full-fledged Human Resources Department, which is entrusted with the responsibility of retaining and developing the skills of all its employees. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the Company to achieve its business objectives. The industrial relations in all units of the company continue to be cordial.

### **HEALTH, SAFETY AND ENVIRONMENT PROTECTION**

Company's Health and Safety policy commits to comply with applicable Legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

### **FORWARD LOOKING STATEMENT**

The success of our business depends substantially on our ability to implement our business strategies effectively. Company is planning to expand its operations in the domestic tiles market of India by appointing its dealers throughout in India. The company also planning to acquire other business involved in the same line of business activity. This will result in increasing the market capturing of the company and will also increase the turnover and as a result the profits of the Company.

### **OCCUPATIONAL HEALTH, SAFETY, AND ENVIRONMENT**

The emphasis on Occupational Health, Safety and Environment continues at all of the operations of the Company throughout India. The Company is committed to the best standards in safety and continuously monitors matters related to this.

### **CORPORATE SOCIAL RESPONSIBILITY**

As per the Criteria of Section 135 of Companies act, 2013, the board is required to constitute a corporate social responsibility committee of members, who will manage the CSR activities applicable on the company to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 and duly approved by the board as well as fix the amount of expenditure to be incurred on the activities and monitor the CSR policy from time to time. Our company constituted the CSR Committee for undertaking the CSR activities as per the provisions of Companies Act, 2013 and SEBI (LODR), 2015.

As per provisions of Section 135 of the Companies Act, 2013, the company is not falling under the criteria for fulfilling the CSR activities this year. Moreover the total amount pending for spending under CSR for all the year taken together is Rs. 30,58,235/-

The company has not incurred any sum on CSR activities during the year under review.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis report describing the Company's objectives, projects estimate, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and overseas market in which the company operates, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

**Sd/-**  
**AnilKumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**(DIN: 03078203)**

**Place: Morbi**  
**Date: 02.09.2022**

## Annexure-VIII

### COMMITTEES OF THE BOARD

The Board of Directors has constituted four Committees, viz.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

#### **1. AUDIT COMMITTEE**

The Audit Committee's composition meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations 2015. The Members of the Audit Committee possess financial / accounting expertise / exposure. The Audit Committee comprised of 3 members as on 31<sup>st</sup> March, 2022. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the Audit committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on			
			30.06.2021	20.09.2021	14.11.2021	15.01.2022
Mr. Jitendra Chandulal Lakhtariya	Chairman	Non-Executive Independent Director	Yes	Yes	Yes	Yes
Mr. Rakesh Jayantilal Amrutiya	Member	Non-Executive Independent Director	Yes	Yes	Yes	Yes
Mr. Anilkumar Babulal Detroja	Member	Managing Director	Yes	Yes	Yes	Yes

#### **Terms of Reference**

The terms of reference of the Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;

- iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors any significant findings and follow up there on.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
  19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
  20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  21. To investigate any other matters referred to by the Board of Directors;
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Audit Committee also reviews the following information:**

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and

- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

## 2. **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee's Composition meets with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of the "SEBI (LODR) Regulations" 2015. The Members of the Nomination committee possesses sound knowledge / expertise / exposure. The Committee comprised of 3 members as on 31<sup>st</sup> March, 2022. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the Nomination & Remuneration committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on	
			30.06.2021	15.01.2022
Mr. Jitendrabhai Chandulal Lakhtariya	Chairman	Non-Executive Independent Director	Yes	Yes
Mr. Rakesh Jayantilal Amrutiya	Member	Non-Executive Independent Director	Yes	Yes
Mr. Sagabhai Rasikbhai Jasani	Member	Non-Executive Independent Director	Yes	Yes

### **Terms of Reference**

The terms of reference of the "Nomination/Remuneration Committee" are as under:

1. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
2. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
3. Formulation of criteria for evaluation of performance of independent directors and Board of Directors
4. Devising a policy on diversity of board of directors
5. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
8. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.

The company has duly formulated the Nomination and Remuneration Policy which is also available at the company website. The Policy formulated by Nomination and Remuneration Committee includes director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as specified under section 178(3) of the Companies Act, 2013 and same was approved by the Board of Directors of the Company.

### **3. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The stakeholders Relationship Committee meets with the requirement of the section 178 of the Companies act 2013, and regulation 20 of the SEBI (LODR) Regulations, 2015. The Stakeholders Relationship Committee is mainly responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee comprised of 3 members as on 31<sup>st</sup> March, 2022. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the said committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on
			15.01.2022
Mr. Jitendra Chandulal Lakhtariya	Chairman	Non-Executive Independent Director	Yes
Mr. Hitesh Babulal Detroja	Member	Whole-Time Director	Yes
Mrs. Parulben Nileshbhai Detroja	Member	Whole-Time Director	Yes

#### **Note:**

Mrs. Parulben Nileshbhai Detroja, Whole-Time Director of the company have resigned w.e.f. June 17, 2022. Consequently, Mrs. Dimpalben Anilbhai Detroja is nominated as a member of the committee w.e.f. June 17, 2022.

#### **Terms of Reference**

The terms of reference of the Stakeholder's Relationship Committee are as under:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.

6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### **4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee meets with the requirements of the Section 135 and Schedule VII of the Companies Act, 2013. The Committee comprised of 3 members as on the date of 31<sup>st</sup> March, 2022. The Company Secretary is the Secretary and Compliance Officer of the Committee. The details of the composition of the said committee along with their meetings held/attended are as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on
			30.06.2021
Mr. Babulal Mahadevbhai Detroja	Chairman	Whole-Time Director	Yes
Mr. Jitendra Chandulal Lakhtariya	Member	Non-Executive Independent Director	Yes
Mr. Nileshbhai Babubhai Detroja	Member	Whole-Time Director	Yes

**Note:**

Mr. Babulal Mahadevbhai Detroja and Mr. Nileshbhai Babubhai Detroja, Whole-Time Directors of the company have resigned w.e.f. June 17, 2022.

Consequently, Mr. Anilkumar Babulal Detroja is nominated as the Chairman of the committee and Mr. Hitesh Babulal Detroja as a member of the committee w.e.f. June 17, 2022.

**Terms of Reference**

The terms of reference of CSR Committee shall inter-alia include the following:

1. To formulate and recommend to the board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the board of directors from time to time.

The company has duly formulated the Policy on Corporate Social Responsibility which is also available at the company website. The Policy was approved by the Board of Directors of the company.

**Place: Morbi**  
**Date: 02.09.2022**

**Sd/-**  
**Anilkumar Babulal Detroja**  
**(Chairman and Managing Director)**  
**(DIN: 03078203)**

**CFO CERTIFICATION**

**To,  
The Board of Directors,  
Lexus Granito (India) Limited,  
Morbi, Gujarat**

I, **Ishwarbhai Keshavjibhai Sanghani, Chief Financial Officer (CFO)** of the Lexus Granito (India) Limited, to the best of my knowledge and belief, certify that:

I have reviewed Financial Statements (Balance-Sheet, Statement of profit and loss account, and all the schedules and notes on accounts) and the Cash flow Statement Results and Board Report for the year ended 31<sup>st</sup> March, 2022 on my knowledge, belief and information:

- i. These financial statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading.
- ii. These financial statements present a true and fair view of the Company's affairs and are in compliance with the applicable laws and regulations.

To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March 2022, which are fraudulent, illegal or violative of the Company's code of conduct.

That I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I have become aware and the steps that I had taken or propose to take to rectify the identified deficiencies.

- i. There has not been any significant change in internal control over financial reporting during the year under reference;
- ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- iii. There have been no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-  
Ishwarbhai Keshavjibhai Sanghani  
(Chief Financial Officer)**

**Place: Morbi**

**Date: 02.09.2022**

## **Annexure- X**

### **DECLARATION ON CODE OF CONDUCT**

As provided under Regulation 34(3) read with Schedule V of the Securities & Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulations 2015. The members of the Board of Director and Senior Management have affirmed compliance with code of conduct of Board of Directors and Senior Management for the year ended 31<sup>st</sup> March, 2022.

**Sd/-**

**Anilkumar Babulal Detroja  
(Chairman and Managing Director)  
(DIN- 03078203)**

**Place: Morbi**

**Date: 02.09.2022**

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of**  
**LEXUS GRANITO INDIA LIMITED**  
**Morbi**

### **Opinion**

We have audited the standalone financial statements of LEXUS GRANITO INDIA LIMITED (“the company”), which comprise the Balance Sheet as at 31 March 2022 and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at March 31, 2022 and its profit and its cash flows for the year ended on that date.

### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not observed anything which falls under this.

### **Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

To express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules there under. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

### **Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Boards of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors’ Report) Order, 2020 (“Order”) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the “Annexure A” a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund.
  - iv. (a)The management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b)The management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries  
  
(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.  
  
(d) There were no dividends declared and paid by company during the year.

(e) Whether the company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention. (*Not applicable for current financial year*)

Place: Morbi

**ASHOK HOLANI AND COMPANY**  
**Chartered Accountant**  
**FRN : 009840C**

Dated: 30.05.2022

**ASHOK HOLANI**  
**Partner**  
**Membership No.079684**  
**UDIN: 22079684AKVDWT5120**

**Annexure A referred to in paragraph 7 of our report of even date to the members of LEXUS GRANITO (INDIA) LIMITED on the financial statements of the company for the year ended March 31, 2022.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
  - (B) The company has maintained proper records showing full particulars of intangible asset.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the records of the company examined by us, the total assets of the company include immovable property and the title deed of the immovable property are held in the name of the company.
 

According to the information and explanations given to us and based on the records of the company examined by us, the company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible asset or both during the year.
- (d) According to the information and explanations given to us and based on the records of the company examined by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (e) According to the information and explanations given to us and based on the records of the company examined by us, physical verification of inventory has been conducted at annual basis by the management but the coverage and procedure of such verification by the management should be strengthen and improve.
2. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company has been sanctioned working capital limits in excess of five crore rupees from banks. Company prepares and files its financial statements on half yearly basis therefore it is not possible for us to comment on quarterly statements filed by company to bank. On review of the half yearly statements filed with banks with the financial statements prepared there is significant variations in the quarterly statements filed for the quarter ending 30<sup>th</sup> September, 2021. Details of the variation is reported below. Further Company has not filed quarterly statement for 31.03.2022 till the date.
- (b)

**(Rs. In Lakh)**

Particulars	Amount reported in statement filed with bank(A)	Amount reported in financial statement(B)	Difference (A-B)
Inventory	3412.63	6317.69	(2905.06)
Trade Receivable	2825.16	2785.02	40.14
Trade Payable	2702.44	4504.25	(1801.81)

3. According to the records of the company examined by us and as per the information and explanations given to us, the company had not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefor reporting under sub clause (a) A B, (b),(c),(d),(e),(f) not applicable to company.
4. According to the records of the company examined by us and as per the information and explanations given to us, the company has not provided any loans, secured or unsecured or advances in the nature of loans, therefore the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities are not applicable on the company.
5. The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

- 7 (a) According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31<sup>st</sup> march, 2022 for a period of more than six months from the date on when they become payable

Nature of Tax	Period	Amount (In Lakh)
Tax collected at Source	2017-18	11.41
Tax Deducted at Source (Demand)	2011-21	47.00
<b>Total</b>		<b>58.41</b>

- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no outstanding dues of Income tax or Sales tax or Service tax or Duty of Customs or duty of excise or value added tax which should be deposited on account of any dispute except as mentioned below:

Name of the statute	Nature of Dues	Period (A.Y)	Forum where dispute is pending	Outstanding Amount involved (Rs. In Lakh)
Income Tax Act	Income Tax	2015-16	CIT (A)	64.57
Income Tax Act	Income Tax	2016-17	CIT (A)	288.59
Income Tax Act	Income Tax	2018-19	CPC	105.80
Income Tax Act	Income Tax	2018-19	CPC	0.43
Income Tax Act	Income Tax	2019-20	CPC	2.79
Goods & service Tax	GST, Interest & penalty	2017-2020	Commissioner of GST	58.53
<b>Grand Total</b>				<b>520.71</b>

8. According to the information and explanations given to us and based on the records of the company examined by us, there is no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

9. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company has made defaults in repayment of loans or borrowing/interest to a financial institution or dues to debenture holders. The company has made settlement with lenders and debenture holders and obtained no objection certificate from such lender. Details of defaults is as under: -

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Debenture	Catatyst Trustship Limited (Debenture Trustee)	783.33Lakh	Principal - Rs. 640 Lakh	Rs. 320 Lakh-24 months	The company has executed settlement agreement with debentures holders dated 20.01.2022. As per settlement agreement the company will pay an lump sum amount of Rs 300,00,000/- on the terms contained in Settlement Agreement, towards full and final settlement towards the outstanding amounts and all other amounts payable. The entire amount will be paid on 29.04.2022 in single installment.
				Rs. 320 Lakh -21 months	
			Interest - 39.87 Lakh	30 months	
			Review Fees- Rs.92.80 Lakh	Rs.46.40 Lakh-24 months	
				Rs.46.40 Lakh-21 months	

- (b) According to the information and explanations given to us and based on our findings the company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on our findings of the same, the company has applied term loans availed from the bank and financial institutions for the purpose for which the loans were obtained
- (d) According to the information and explanations given to us and based on our findings of the same, the company has not applied any funds raised on short term basis for the for the long-term purposes.
- (e) According to the information and explanations given to us and based on our findings Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and based on our findings, company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
10. (a) According to the information and explanations given to us and based on the records of the company examined by us, company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

- (b) According to the information and explanations given to us and based on the records of the company examined by us, company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
11. (a) During the course of our examination of the books and records of the company carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the company.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, no report has been required to be filed by the auditor under sub-section (12) of section 143 of the Companies Act, 2013 in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and based on the records of the company examined by us, there is no whistle-blower complaints against the company.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Hence, Sub clause a,b,c of is not applicable to it.
13. According to the information and explanations given to us and based on the records of the company examined by us, the company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable rules, and where applicable, for all transactions with the related parties and the details of the related party transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. As per section 138 of Companies Act,2013 read with rule 13 of Companies (Accounts) Rules, 2014 company is required to appoint internal auditor as per size and nature of its business however no internal auditor was appointed by the company.
15. According to the records of the company examined in course of our audit and as per information and explanations given to us, the company has not entered in any non-cash transaction with directors or persons connected with him. Hence, provisions of Section 192 are not applicable to the company.
16. According to information and explanations given to us and on the basis of records of the company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, sub clause b, c and d are not applicable on the company.
17. According to information and explanations given to us and on the basis of records of the company examined by us, the company has not incurred cash losses in the current financial year But company incurred cash loss of Rs.39.96 Crores in the immediately preceding financial year.
18. According to information and explanations given to us and on the basis of records of the company examined by us there has been no resignation of the statutory auditors during the year.
19. According to information and explanations given to us and on the basis of records of the company examined and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, there were no material uncertainty exists as on the date of the audit report that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
20. According to information and explanations given to us and on the basis of records of the company examined and as per section 135 of Companies Act,2013 CSR is not applicable on the company for the financial year covered under the audit, hence, Sub clause a and of is not applicable to it.

21. According to information and explanations given to us and on the basis of records of the company is not holding company or subsidiary company of any company, hence reporting under this clause is not applicable to the company.

Place: **Morbi**

Dated: **30.05.2022**

**For ASHOK HOLANI AND COMPANY**  
**Chartered Accountants**  
**FRN : 009840C**

**(ASHOK HOLANI)**  
**Partner**  
**Membership No. 079684**  
**UDIN: 22079684AKVDWT5120**

**Annexure B referred to in paragraph 8(g) of our report of even date to the members of LEXUS GRANITO INDIA LIMITED on the Financial Statements of the company for the year ended March 31, 2022.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **LEXUS GRANITO INDIA LIMITED**. (“The Company”) as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Morbi

Dated: 30.05.2022

**ASHOK HOLANI AND COMPANY**  
**Chartered Accountant**  
**FRN : 009840C**

**ASHOK HOLANI**  
**Partner**  
**Membership No.079684**  
**UDIN: 22079684AKVDWT5120**

**LEXUS GRANITO (INDIA) LIMITED**  
**CIN-L26914GJ2008PLC053838**  
**Balance Sheet as at 31st March, 2022**

(Rs. In Lakhs)

	Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1 Shareholders' funds</b>			
	(a) Share capital	2	1,919.07	1,919.07
	(b) Reserves and surplus	3	1,230.25	(108.31)
	(c) Money received against share warrants		-	-
			3,149.32	1,810.76
	<b>2 Share application money pending allotment</b>		-	-
	<b>3 Non-current liabilities</b>			
	(a) Long-term borrowings	4	2,535.14	3,231.92
	(b) Deferred Tax Liability (net)		-	83.28
	(c) Other long-term liabilities	5	100.80	295.95
	(d) Long Term Provisions	6	33.13	39.97
	<b>4 Current liabilities</b>			
	(a) Short-term borrowings	7	3,282.90	3,463.95
	(b) Trade payables	8		
	(A) total outstanding dues of micro enterprises and small enterprises and		709.50	1,276.82
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,425.09	2,956.96
	(c) Other current liabilities	9	783.33	1,244.40
	(d) Short-term provisions	10	12.74	4.01
	<b>TOTAL</b>		<b>15,031.95</b>	<b>14,408.02</b>
<b>II</b>	<b>ASSETS</b>			
	<b>1 Non-current assets</b>			
	(a) Property , Plant and Equipments and Intangible Assets			
	(i) Property , Plant & Equipment	11	3,215.85	4,524.86
	(ii) Intangible assets		2.30	2.62
	(iii) Capital work-in-progress	11A	2,435.49	-
	(iv) Intangible assets under development			
			5,653.64	4,527.48
	(b) Non-current investments	12	0.89	236.19
	(c) Deferred tax assets (net)	25.19	42.05	-
	(d) Long-term loans and advances	13	165.72	285.63
	(e) Other non-current assets	14	0.13	0.13
	<b>2 Current assets</b>			
	(a) Current investments			
	(b) Inventories	15	6,268.62	5,742.80
	(c) Trade receivables	16	2,676.60	3,289.12
	(d) Cash and cash equivalents	17	113.43	189.32
	(e) Short-term loans and advances	18	110.87	137.35
	<b>TOTAL</b>		<b>15,031.95</b>	<b>14,408.02</b>
	The accompanying notes 1 to 25 are an integral part of the financial statements			

In terms of our report of even date

**FOR ASHOK HOLANI & CO.**  
Chartered Accountants

**ASHOK HOLANI**  
M.No. -079684  
PARTNER

Date : 30/05/2022  
Place:- Morbi  
UDIN: 22079684AKVDWT5120

For and on behalf of the Board of Directors of  
Lexus Granito (India) Limited

Anilkumar B Detroja  
Managing Director  
DIN:- 03078203

Nilesh B Detroja  
Whole Time Director  
DIN:- 01725545

Ishwarbhai K Sanghani  
Chife Financial Officer

Kirti Goyal  
Company Secretary

**LEXUS GRANITO (INDIA) LIMITED**

CIN-L26914GJ2008PLC053838

**Statement of Profit and Loss for the period ended 31st March 2022**

(Rs. In Lakhs)

Particular		Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021
I.	Revenue from operations	19	13,917.63	10,163.31
II.	Other income	20	1,114.44	8.58
III.	<b>Total Income (I+II)</b>		<b>15,032.07</b>	<b>10,171.89</b>
IV.	<b>Expenses</b>			
	Cost of materials consumed	21(a)	2,557.79	2,326.32
	Purchases of stock-in-trade	21(b)	1,431.78	356.10
	Changes in inventories of finished goods, work-in-progress	21(c)	(1,487.14)	3,601.51
	Employee benefits expense	22	456.19	360.90
	Finance costs	23	588.52	616.07
	Depreciation and amortisation expense	11	819.53	924.66
	Other expenses	24	9,510.72	6,907.48
	<b>Total expenses</b>		<b>13,877.39</b>	<b>15,093.04</b>
V.	<b>Profit / (Loss) before tax</b>		<b>1,154.68</b>	<b>(4,921.15)</b>
VI.	Exceptional / Extraordinary Items		-	-
VII.	<b>Profit before extraordinary Items and tax (V-VI)</b>		<b>1,154.68</b>	<b>(4,921.15)</b>
VIII.	Extraordinary items		-	-
IX.	<b>Profit before tax (VII-VIII)</b>		<b>1,154.68</b>	<b>(4,921.15)</b>
X.	<b>Tax expense:</b>			
	(a) Current tax expense for current year		6.74	-
	(b) MAT Entitlements		(65.29)	-
	(c) Deferred tax	25.19	(125.33)	(54.93)
	<b>Net Taxes</b>		<b>(183.88)</b>	<b>(54.93)</b>
XI.	<b>Profit / (Loss) for the period from continuing operations (VII-VIII-X)</b>		<b>1,338.56</b>	<b>(4,866.22)</b>
XII.	Profit / (Loss) for the period from discontinuing operations			
XIII.	Tax expense from discontinuing operations			
XIV.	<b>Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)</b>			
XV.	<b>Profit / (Loss) for the period (XI+XIV)</b>			
XVI.	<b>Earnings per share ( Face Value of Rs.10/-each):</b>	25.18		
	(a) Basic		6.98	(25.36)
	(b) Diluted		6.98	(25.36)
The accompanying notes 1 to 25 are an integral part of the financial statements				

In terms of our report of even date  
FOR ASHOK HOLANI & CO.  
Chartered Accountants

ASHOK HOLANI  
M.No. -079684  
PARTNER

Date: 30/05/2022  
Place:- Morbi  
UDIN: 22079684AKVDWT5120

For and on behalf of the Board of Directors of  
Lexus Granito (India) Limited

Anilkumar B Detroja  
Managing Director  
DIN:- 03078203

Nilesh B Detroja  
Whole Time Director  
DIN:- 01725545

Ishwarbhai K Sanghani  
Chife Financial Officer

Kirti Goyal  
Company Secretary

**LEXUS GRANITO (INDIA) LIMITED**  
**Cash flow Statement for the year ended 31st March, 2022**  
**CIN-L26914GJ2008PLC053838**

(Rs. In Lakhs)

Particulars	For The Year Ended 31st March,2022	For The Year Ended 31st March,2021
<b>A. Cash flow from operating activities</b>		
<b>Net Profit before tax as per Profit &amp; Loss Account</b>	<b>1,154.68</b>	<b>(4,921.15)</b>
<b>Adjustments for:</b>		-
Depreciation and amortisation	819.53	924.66
Finance costs	588.52	616.07
Interest income	(11.00)	(8.45)
Profit on sale of Fixed asset	(503.67)	-
Loss on sale of asset	16.69	-
<b>Operating profit / (loss) before working capital changes</b>	<b>2,064.75</b>	<b>(3,388.87)</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(525.82)	2,558.37
Trade receivables	612.52	975.86
Short-term loans and advances	26.48	(41.42)
Other Current Assets	-	-
Other Non Current assets	-	129.80
	<b>113.18</b>	<b>3,622.61</b>
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	900.81	(47.25)
Other current liabilities	(461.07)	141.00
Other long-term liabilities	(195.15)	37.39
Long-term provisions	(6.84)	(4.15)
Short-term provisions	8.73	(5.09)
	246.48	121.90
Cash generated from operations	2,424.41	355.64
Net income tax (paid) / refunds	58.55	-
<b>Net cash flow from operating activities (A)</b>	<b>2,482.96</b>	<b>355.64</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(2,543.52)	(461.79)
Proceeds From Sale Of Investment	235.30	-
Long-term loans and advances	119.91	144.90
Proceeds From Sale Of Fixed Assets	1,084.81	3.90
Net Increase/(Decrease) in Investment in term deposits	-	-
Interest received	11.00	8.45
- Others	-	-
	(1,092.50)	(304.54)
<b>Net cash flow used in investing activities (B)</b>	<b>(1,092.50)</b>	<b>(304.54)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Share Capital	-	-
Proceeds from Security Premium	-	-
Proceeds from long-term borrowings	(696.78)	724.36
Dividends Paid (including dividend distribution tax)	-	-
Net increase/ (decrease) in working capital borrowings	(181.05)	24.82
Finance cost paid during the year	(588.52)	(616.07)
<b>Net cash flow used in financing activities (C)</b>	<b>(1,466.35)</b>	<b>133.11</b>



## **Note No.1 to the financial Statements for the Year ending on 31<sup>st</sup>March,2022**

### **Note 1(a). Background of the Company**

Lexus Granito (India) Limited (the “Company”) is a Limited company incorporated in India under the provisions of the Companies Act 1956. The CIN is L26914GJ2008PLC053838. The company is engaged in manufacturing, trading, and marketing of vitrified ceramic tiles and wall tiles in domestic and international market. The company is listed on the SME Platform of National Stock Exchange Limited

The registered office of the company is situated Survey No. 800 Opposite Lakhdirpur Village, Lakhdirpur Road, Lakhdirpur, N.H. 8A, Tel. Morbi, Lakhdirpur, Rajkot-363642, Gujarat, India.

### **Note (1b). Significant Accounting Policies: -**

#### **1. Basis of Accounting: -**

The financial statements are prepared in accordance with the applicable Accounting Standards as prescribed under **section133 of The Companies Act, 2013 read with Rule7 of Companies (Accounts) Rules 2014** under the Historical cost convention, on accrual basis

The Financial Statements are prepared under the Historical Cost Conversion using the accrual method of accounting, in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India. However, the insurance claims and other than cash compensatory incentives are accounted on the basis of receipt. The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis, except in case of significant uncertainties relating to the income.

#### **2. Revenue Recognition: -**

Revenue has been considered as per AS 9- Revenue Recognition issued by Institute of Chartered Accountants of India.

#### **3. Taxes on Income: -**

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates.

Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years if any.

In the previous year deferred Tax Liability amounting to Rs. 83.28 Lakhs was standing in the books of accounts and in current year deferred tax Asset stands to Rs.4.20 Lakhs. The difference is due to tax liability on timing difference of depreciation.

#### 4. Provisions and Contingent Liability: -

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the Obligation.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Details of Contingent Liabilities:

- **Related to Taxation Matters**

F.Y.	Due (Amount in Lakhs)	Related to Statue	Remarks
2014-15	48.20	Income Tax (Demand)	The Income Tax Department (DC/ACIT, CIR, Morbi) has 90 assed an order dated 26.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2015-16 by adding Rs. 176.79 Lakhs /- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs. 51.92 Lakhs /-. The assessee company has filed an appeal to CIT (Appeals) dated 05.01.2019 against the said order and deposited Rs. 3.46 Lakhs /- of total demand raised, an the matter is pending for adjudication.
2015-16	288.59	Income Tax (Demand)	The Income Tax Department (DC/ACIT, CIR, Morbi) has passed an order dated 28.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2016-17 by adding Rs. 971.65 lakhs /- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs.

			298.55 lakhs /- . The assessee company has filed an appeal to CIT (Appeals) dated 02.01.2019 against the said order and deposited Rs. 9.96 lakhs /- of total demand raised, an the matter is pending for adjudication.
2014-15	16.37	Income Tax (Demand)	The Income Tax Department (DC/ACIT,CIR, Morbi) has passed an order dated 14.06.2019 under sec. 271AA for AY 2015-16 stating that the Assessee is failed to comply with provision contained in Section 92E/92D of the Income tax Act 1961 to maintain such report and documents & report specified domestic transactions in form 3CEB,so initiated penalty proceedings and raised notice of demand of Rs. 16.37 lakhs /- .The assessee company has filed an appeal to CIT ( Appeals) dated 22 06.2019 against the said order and the matter is pending for adjudication.
2019-20	2.78	Income Tax (Demand)	The Income Tax Department (central processing system) served notice U/s 143(1)(a) for proposed addition in taxable income as furnished in return of income filed for AY 2019-20
2017-18	106.23	Income Tax (Demand)	The Income Tax Department (central processing system) served notice U/s 143(1)(a) for proposed addition in taxable income as furnished in return of income filed for AY 2018-19 and raised demand of Rs. 94.18 lakhs / . The total income disclosed by the assessee in the ITR filled on 23.03.2019 was Rs.776.18 lakhs/-. The Assessing authority wide notice served on 10.05.2019 proposed an addition of Rs. 99.97 lakhs /-. In this regards the assessee has accepted an addition of Rs. 87.98 lakhs / , further the case is open for proceedings u/s 143(3) of the Income Tax Act ,1961 and pending for final adjudication. Further Notice of demand u/s 270A served on company on 8.12.2021 for Rs. 0.43 lakhs.
<b>Total</b>	<b>462.18</b>		

- **Bank Guarantees**

S.no.	Particulars	Amount (Rs. in Lakhs)
1	The State Bank of India Rajkot issued Bank Guarantee to Gujrat Gas Limited on 21.07.2015 on behalf of the company for Rs. 165.00 lakhs /- from the period 21.07.2015 to 01.08.2017. It is further renewed upto 01/08/2019 for Rs. 210.53 lakhs /-. It is again renewed upto 28.07.2020. It is further renewed on 21/07/2020 , 28/07/2021 and 22/07/2021 for Rs. 227.53 lakhs /- and Valid upto 28/07/2022.	227.53
2	The State Bank of India Rajkot Issued Bank Guarantee to Paschim GujraatVij Company Limited on 11.06.2015 on behalf of the company for Rs 241.46 lakhs /-and renewed it till 11.05.2019 as applied by the company time to time.it is further renewed for Rs. 224.37 lakhs upto 05.11.2021.This bank guarantee is pending for renewal with bank as on 31.03.2022	224.37
3	The State Bank of India Rajkot issued Bank Guarantee to Gujrat Gas Limited on 14.10.2020 on behalf of the company for Rs. 18.00 lakhs/- from the period 14.10.2020 to 28.07.2022	18.00
	Total	469.90

#### 5. Tangible Assets & Capital Work-In-Progress: -

Tangible Assets are stated at cost less Depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

#### 6. Impairment of Assets: -

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining impairment in the carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Asset of the company.

## 7. Depreciation: -

### a. Tangible Assets

Depreciation on tangible assets is provided on “Written down Value Method” over the useful lives of the assets estimated by them management. The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013. The useful life of various assets are mentioned in the below mentioned chart.

Sr. No	Major Head	Assets Included	Useful Life
1.	Building	Building	30 Years
2.	Plant and Equipment	All Plant and machinery	15 Years
3.	Furniture & Fittings	All Furniture and Fixtures	10 Years
4.	Office Equipment	Air Conditioner, EPBX, Telephone, CC TV Camera Mobile,	5 Years
5.	Vehicle	Bike & Cars	10/8 Years
6.	Computer and Data Processing Units	Computers and Printers	3 Years
7.	Intangible Assets	Computer Software	10 Years

### b. Intangible assets

The company has also acquired various software etc which are categorized under the Intangible assets category. As per provisions of the Accounting Standard No. 26 “Intangible assets” and provision of Schedule II of the companies Act, 2013, the cost of the same have been amortized over a period of 4 years on straight Line basis.

## 8. Earning Per Share: -

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all periods presented.

The calculation of Weighted Average Number of Equity Shares is described below: -

(In Lakhs)

Particulars	Current Year			Previous Year		
	No. of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the beginning of the year	191.91	365	191.91	191.91	365	191.91
<b>Shares issued during the year: -</b>						
By way of Bonus Issue						
Other than Bonus Issue						
By way of IPO						
<b>Total Shares outstanding at the end of the year</b>	<b>191.91</b>	<b>365</b>	<b>191.91</b>	<b>191.91</b>	<b>365</b>	<b>191.91</b>

## 9. Investments:-

Investments are either classified as current or non-current based on management's intention. Long term investments are stated at cost less other than temporary decline in the value of such investments, determined separately for each individual investment.

## **10. Foreign Currency Transactions: -**

a). Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.

b). Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the year ended rates.

c). Any income or expense on account of exchange difference between the date of transaction and on settlement date or on translation is recognized in the profit and loss account as income or expense except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

d). As per the information provided by the management, the company has not entered in to any forward contracts.

## **11. Valuation of Inventories: -**

The inventories are physically verified at regular intervals by the Management. The valuation of stock of Raw materials, stores and Spares are valued at cost as per the provisions of Accounting Standard No.2 "Valuation of Inventories"

The stock of the Work-in Progress has been valued at estimated production cost.

Finished Goods and Traded Goods are valued at Cost or Market Value/Contract Price Whichever is lower.

## **12. Gratuity Valuation: -**

The company has not taken any defined retirement benefits plans for making provision of retirement benefits of its employees. However, company has taken valuation report of actuary for quantification of gratuity liability of the company and has made provision of the same in the books of accounts.

### 13. Duty Drawback: -

Duty Drawback is recorded on receipt basis. Management is not able to estimate the amount of claim receivable, therefore the duty drawback is recorded on receipt basis rather than on accrual basis.

### 14. Preliminary Expenses: -

During the current year the company does not have any preliminary expenses which are expensed from profit and loss account.

### 15. Prior Period Expenses: -

Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods. Prior period expenses for previous years have been expensed out during the current year and disallowed while computing total income as per income tax act.

### 16. Management Remuneration: -

Disclosures with respect to the remuneration of directors and employees as required under section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in the below mentioned table: -

#### A. Remuneration to Managing Director, WTD and/or Manager:

(Rs.in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD/other	
1.	Gross Salary	-	7.20	7.20
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act, 1961.			
	b) Value of perquisites u/s 17 (2) of Income Tax Act, 1961			

	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Any other Benefits	-	-	-
	<b>Total</b>	-	7.20	7.20

**B. Remuneration to key managerial personnel other than MD/ Manager/ WTD: -**

(Rs.in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Managerial Person other than MD/WTD/Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	-	7.00	1.68	8.68
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.				
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961				
	c) Profit in Lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Any other Benefits	-	-	-	-
	<b>Total</b>	-	<b>7.00</b>	<b>1.68</b>	<b>8.68</b>

### 17. Cash and Cash Equivalents: -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 18. Segment Reporting: -

The activities of the company are such that the According to AS-17 "Segment Reporting: is not applicable in the company.

### Note 1(c). Notes to Accounts: -

1. The Financial Statements for the year ended on 31st March 2022 are prepared based on Schedule III of Companies Act, 2013.

2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the previous year.

3. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

**4. Related Party Disclosure (AS18):** -Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the below mentioned table: -

(Rs.in Lakhs)

Nature of Transaction	Period	
	2021-22	2020-21
<b>1. Mr. Anilkumar Babulal Detroja</b>		
Repayment of Unsecured Loan	1190.02	206.06
Unsecured Loan to company	1641.23	315.76

<b>2. Mr. Nilesh Babubhai Detroja</b>		
Repayment of Unsecured Loan	237.58	82.92
Unsecured Loan to company	125.37	98.98
<b>3.Mr. Hitesh Babulal Detroja</b>		
Repayment of Unsecured Loan	498.71	175.00
Unsecured Loan to company	255.62	56.88
<b>4. Mr. Babulal Mahadevbhai Detroja</b>		
Repayment of Unsecured Loan	10.55	13.68
Unsecured Loan to company	0.31	155.20
<b>5. Parulben Nileshbhai Detroja</b>		
Repayment of Unsecured Loan	18.70	
Unsecured Loan to company	-	1.50
Remuneration(Gross Paid)	7.20	
<b>6.Kirti Goyal (CS)</b>		
Remuneration (Gross Paid)	1.68	1.40
<b>7.Pawan Blackrock Pvt Ltd</b>		
Repayment of Unsecured Loan	0.58	-
Loans and Advances		
<b>8.Lioli Ceramic Pvt Ltd</b>		
Purchase of Goods	3.70	4.41
Sales of Goods	21.53	100.52
<b>9. Muktaben Babulal Detroja</b>		
Unsecured Loan to company	11.60	
Repayment of Unsecured Loan	-	2.38
<b>10.Dilipbhai N Fultariya (CFO)</b>		
	-	6.77
<b>11.Ishwarbhai K Sanghani (CFO) From 22.09.2021</b>	7.00	-

**5. Accounting for Taxes on Income (AS 22) Deferred Tax liability/Asset in view of Accounting Standard – 22:** - “Accounting for Taxes on Income” as at the end of the year/period is reported in the below mentioned table: - (Rs. in Lakhs)

Particulars	As at 31 March,2022	As at 31 March, 2021
Deferred tax Liability/(Assets)	83.28	138.21
Tax effect of items constituting deferred tax liability		
On difference between depreciation as per books and as per tax	(125.33)	(54.93)
On expenditure deferred in the books but allowable for tax purposes		
On items included in Reserves and surplus pending amortization into the Statement of Profit and Loss		
Others (DTA reversed during the year)		
Tax effect of items constituting deferred tax liability		
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits		
Provision for doubtful debts / advances		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961		
On difference between depreciation as per books and as per tax		
Unabsorbed depreciation carried forward		
Brought forward business losses		
On items included in Reserves and surplus pending amortization into the Statement of Profit and Loss		
Others - Preliminary Expenses		
Tax effect of items constituting deferred tax assets		
<b>Net deferred tax Liability/(Asset)</b>	<b>(42.06)</b>	<b>83.28</b>

The company has recognized deferred tax liability on depreciation as per books of accounts and depreciation allowable as per Income Tax Act 1961. The net deferred tax liability is classified as non-current liabilities and disclosed on the face of the Balance Sheet.

6. Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.
7. Unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are subject to confirmations.
8. The management of the company has carried out an exercise to ascertain impairment of Fixed Assets, if any, In the opinion of the management of the company there are no indication of impairment of assets as at 31/03/2022 and therefore no effect of impairment is required to be given in the books of accounts.
9. Cash balance is taken as valued & certified by management.

**10. Pending Litigations and Criminal Proceedings: -**

The company has following outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against it. Except these mentioned below, there are no defaults for non-payment of statutory dues, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V to the Companies Act) other than unclaimed liabilities of our Company.

**a. Outstanding Demands relating to Direct Taxes:-**

The total amount outstanding relating to direct tax which are verified through the online portals of income tax are attached in the below mentioned table: -

Name of the statute	Nature of Dues	Period (A.Y)	Forum where dispute is pending	Outstanding Amount involved (Rs. In Lakhs)

Income Tax Act	Income Tax	2015-16	CIT (A)	64.57
Income Tax Act	Income Tax	2016-17	CIT (A)	288.59
Income Tax Act	Income Tax	2018-19	CPC	105.80
Income Tax Act	Income Tax	2018-19	CPC	0.43
Income Tax Act	Income Tax	2019-20	CPC	2.79

**b. Outstanding Demands relating to Indirect Taxes: -**

The total amount outstanding relating to indirect tax which is verified through demand order passed against company as per details mentioned below:-

Name of the statute	Nature of Dues	Period (A.Y)	Forum where dispute is pending	Outstanding Amount involved (Rs. In Lakhs)
commissioner of CGST	GST, Interest and Penalty	2017-18 to 2019-20	office of commissioner of CGST	58.44

Notes forming part of the financial statements

Note 2 Share capital

(Rs. In Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
(a) Authorised Equity shares of Rs.10/- each with voting rights	220.00	2,200.00	220.00	2,200.00
(b) Issued Equity shares of Rs.10/- each with voting rights	191.91	1,919.07	191.91	1,919.07
(c) Subscribed and fully paid up Equity shares of Rs.10/- each with voting rights	191.91	1,919.07	191.91	1,919.07
<b>Total</b>	<b>191.91</b>	<b>1,919.07</b>	<b>191.91</b>	<b>1,919.07</b>

Refer Notes 2.1 to 2.7 below

Note 2.1 Reconciliation of number of Equity Share outstanding at the beginning and at the end of the reporting period is set as below

(Rs. In Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
As at the start of the year	191.91	1,919.07	191.91	1,919.07
As at the end of the year	191.91	1,919.07	191.91	1,919.07
	<b>191.91</b>	<b>1,919.07</b>	<b>191.91</b>	<b>1,919.07</b>

Note 2.2 Shareholders holding more than 5% of the Equity share in the company

(In Lakhs)

Name of the ShareHolders	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	% Holding	Number of shares	% Holding
1. Pavan Blackrock Pvt. Ltd.	55.51	28.93%	90.51	47.16%
2. Sainathkripa Commercial LLP	43.88	22.86%	8.88	4.63%
3. Lexus Ceramic Pvt. Ltd.	19.54	10.18%	19.54	10.18%
	<b>118.93</b>		<b>118.93</b>	

Note 2.3 Rights, preferences and restrictions attached to the equity shares

The Company has only one class of shares referred to as equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share. All shares are equal in respect of distribution of dividend and repayment of capital.

Note 2.4 Shareholding of Company held by its holding company or its ultimate holding company

The Company has no holding company or ultimate holding company

Note 2.5 Dividend declared/paid

The Company has not declared and paid any dividends during the year.

Note 2.6 Shareholding of the Promoters in the company is set as below

(In Lakhs)

Shares held by promoters at the end of year	As at 31 March, 2022			As at 31 March, 2021		
	Name of Promoter	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares
Anilbhai Babubhai Detroja	7.79	4.06	No change	7.79	4.06	No change
Nilesh Babubhai Detroja	7.65	3.99	No change	7.65	3.98	No change
Hitesh Babulal Detroja	6.76	3.52	No change	6.76	3.52	42.28
Pavan Blackrock Private Limited	55.51	28.93	No change	55.51	28.93	(38.67)
Narbheram Ambabhai Dalsania	0.25	0.13	No change	0.25	0.13	No change
Babulal Mahadevbhai Detroja	3.57	1.86	No change	3.57	1.86	No change
Parulben Nileshbhai Detroja	0.05	0.03	No change	0.05	0.03	No change
Maulik Dineshbhai Makasana	0.20	0.10	No change	0.20	0.10	No change
Lexus Ceramic Private Limited	19.54	10.18	No change	19.54	10.18	No change

Note 2.7 Reconciliation of aggregate shareholding

Financial Year	Aggregate Number and Class of shares allotted		
	Shares allotted without payment being received in cash	Share allotted via Bonus shares	Shares bought back via buyback
2020-2021	Nil	Nil	Nil
2019-2020	Nil	Nil	Nil
2018-2019	Nil	Nil	Nil
2017-2018	Nil	Nil	Nil
2016-2017	Nil	Nil	Nil

**LEXUS GRANITO (INDIA) LIMITED**

Notes forming part of the financial statements

Note 3 Reserves and surplus

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>(a) Securities Premium</b>		
Opening balance	2,984.93	2,984.93
Closing balance	<b>2,984.93</b>	<b>2,984.93</b>
<b>(b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(3,093.24)	1,772.98
Add: Profit/(Loss) for the year	1,338.56	(4,866.22)
Closing balance	<b>(1,754.68)</b>	<b>(3,093.24)</b>
<b>Total</b>	<b>1,230.25</b>	<b>(108.31)</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Note 4 Long-term borrowings**

(Rs. In Lakhs)

Particulars	Non current Portion	Current Maturities	Non current Portion	Current Maturities
	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2021
<b>A. Bonds/ Debentures secured</b>				
13.05% Lexus Granito 2020 (640 Redeemable Non-convertible secured Debentures of face value of Rs. 1.00 Lakhs)	-	300.00	-	640.00
<b>Total (A)</b>	<b>-</b>	<b>300.00</b>	<b>-</b>	<b>640.00</b>
<b>B. Term loans</b>				
<b>a). From banks</b>				
<b>Secured</b>				
1.State Bank of India Term Loan-1	-	-	-	244.00
2.State Bank of India Term Loan-2	-	444.27	454.72	600.00
3.State Bank of India Term Loan-3	-	12.32	12.22	146.67
4.State Bank of India Term Loan-4	385.75	254.59	637.10	152.64
5.HDFC Bank Limited	-	-	18.05	11.46
<b>Total (B)</b>	<b>385.75</b>	<b>711.18</b>	<b>1,122.09</b>	<b>1,154.77</b>
<b>b). From other parties</b>				
<b>Unsecured</b>				
1.Ashv Finlease Limited (Erstwhile Jainsons Finlease Ltd. )	66.17	54.29	105.18	42.13
2.Mas Financial Services Limited	-	-	-	42.87
<b>Total (C)</b>	<b>66.17</b>	<b>54.29</b>	<b>105.18</b>	<b>85.00</b>
<b>Total (A+B+C)</b>	<b>451.92</b>	<b>1,065.47</b>	<b>1,227.27</b>	<b>1,879.77</b>
<b>B. Loans and advances from related parties (Refer note no.25.21 (a) and (b))</b>				
<b>Unsecured</b>				
Anilbhai Babubhai Detroja	1,034.28	-	583.07	-
Hiteshbhai Babubhai Detroja	141.16	-	384.25	-
Nileshbhai Babubhai Detroja	628.15	-	740.36	-
Muktaben B Detroja	11.60	-	-	-
Babulal M Detroja	268.03	-	278.27	-
Parulben N Detroja	-	-	18.70	-
<b>Total</b>	<b>2,083.22</b>	<b>-</b>	<b>2,004.65</b>	<b>-</b>
<b>Grand Total</b>	<b>2,535.14</b>	<b>1,065.47</b>	<b>3,231.92</b>	<b>1,879.77</b>

**Note 4.1 Additional Information to Secured/Unsecured long term borrowings**

The Long term Portion of term loans are shown under long term borrowings and current maturities of long term borrowings are shown under the short term borrowing as per disclosure requirements of the revised schedule III.

**Note 4.2 Utilization of borrowings availed from bank and financial institutions**

The borrowings from bank and financial institutions have been utilized for the purposes for which it was taken at the balance date

**Note 4.3 Details of securities and Terms of repayment**

**I. Secured**

**(A). Bonds/Debenture**

The company has issued 640 rated,unlisted, taxable, transferable, redeemable non convertible secured debenture of face value of Rs.1.00 Lakhs each. The debenture carries 14.50% Rate of interest and payable Half yearly. As per original agreement with debentureholders, Debentures are redeemable in two installments of Rs.3.20 Cr due on 08.04.2020 and 12.06.2020. The company has executed settlement agreement with debentures holders dated 20.01.2022. As per settlement agreement the company will pay an lump sum amount of Rs 300.00 Lakhs (Rupees Three Crore Only) on the terms contained in Settlement Agreement, towards full and final settlement towards the outstanding amounts and all other amounts payable under the Transaction Documents (as defined in Settlement Agreement). The entire amount will be paid on 29.04.2022 in single installment.

**II. Secured**

**(A). Term Loans**

**(a). Banks**

**1. State Bank Of India - Note 4(B)(a)(1 to2)**

The company has taken 2 term loans from State Bank Of India amounting as T/L No.1 for Rs.15 Cr and T/L No.2 for Rs.21 Cr for setting up company's Plant situated at Surey No.800, Off NH-8A, Lakhdipur Road, Village Ghutu, Morbi. The Loans are secured by hypothecation of entire plant & machineries along with other fixed asset to be created out of bank finance( Present & future). Collateral security is Extension of hypothecation of units entire current asset including stock of raw materials, stock in process,finished goods ,stores and spares etc. bills/book-debt/receivables and other current asset (Present & future). Both term loans is renewed as on 26.02.2021.The Loans carries ROI of 9.60 %. The Loans are repayable in 67 Months from original Sanction.The T/L No.1 is fully paid during current financial year.The period of maturity of T/L No.2 w.r.t balance sheet is 7 months.

**2. State Bank Of India - Note 4(B)(a)(3)**

Company has taken Loan (common COVID-19 emergency credit Line) from State Bank Of India amounting as for Rs.2.20 Cr which is used to augment net working capital , to meet operational liabilities & restart their businesses during COVID-19 crisis. .The Loans is secured by hypothecation of entire current asset including stock of raw materials, stock in process,finished goods ,stores and spares etc. bills/book-debt/receivables and other current asset (Present & future). Loan is further secured by equitable mortgage of factory land admeasuring 40873 sq. mtr. & building thereon .Collateral security is Extension of hypothecation of entire plant & machineries along with other fixed asset to be created out of bank fiancée( Present & future)The Loans carries ROI of 6.95 %.The Loans is sanctioned for 2 years and there will be moratorium of 6 months . The repayment shall commence from Nov.2021 in 18 monthly instalment of Rs.12.22 Lakhs /- .The period of maturity w.r.t balance sheet is 1 months.

**3. State Bank Of India - Note 4(B)(a)(4)**

As per loan agreement executed on 21.10.2020 , the company has taken Loan (Guaranteed Emergency Credit Line) from State Bank Of India amounting for Rs.7.85 Cr which is used to augment net working capital , to meet operational liabilities & restart their businesses during COVID-19 crisis. The Loans are secured on 2nd charge with the existing credit facility in respect of loan granted by State Bank of India as well as cash flow of repayments. The Loans carries ROI of 7.40%. The Loans is sanctioned for 4 years and there will be moratorium of 12 months . The repayment shall commence from Sep.2021 in 36 monthly instalment of Rs.21.22 Lakhs /- .The period of maturity w.r.t balance sheet date is 2 years & 5 months.

**4. HDFC Bank Limited -Note 4(B)(a)(5)**

Secured on hypothecation of Volvo Car owned by the company as specified in the Repayment schedule. The Loan is repayable in 36 Monthly Installments of Rs. 1.13 Lakhs /-. The entire loan was repaid in F.Y.2021-22.

**(b). Others****1. ASHV Finance Ltd (Erstwhile Jainsons finance Ltd. )-Note 4(B)(b)(2)**

Unsecured Business Loan as specified in the schedule annexure to the original loan agreement executed on 27.03.2017. The Loan is repayable in two equal bullet payments in 38th and 41th month from the date of execution of loan agreement.

Further this loan is restructured as on 31.12.2020 .As per restructuring agreement loan is restructured for Rs.1.43 Cr.The Loans is sanctioned for 3 years and there will be moratorium of 3 months The repayment shall commence from May 2021 in 33 monthly instalment of. 5.74 Lakhs /-.The period of maturity w.r.t balance sheet date is 1 years & 10 months.

**2. Mas Financial Services Ltd -Note 4(B)(b)(4)**

Unsecured Loan as specified in the schedule annexure to the loan agreement executed on 01.06.2017. The Loan is repayable in 35 Monthly Installments of Rs. 12.21 Lakhs /-. The loan was scheduled to be completely repaid in May 2020 but company has made restructuring agreement with the lender and as per agreement entire loan was repaid in F.Y.2021-22.

**Note 4.3 Details of Long term Borrowings guaranteed by some of directors and others**

The terms loan with State Bank Of India has been guaranteed by all the directors of the company

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 5 Other long-term liabilities**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Trade Payables	69.11	272.15
(b) Others:		
(i) Payables on purchase of fixed assets	31.69	6.35
(ii) Contractually reimbursable expenses	-	-
(iii) Interest accrued but not due on borrowings	-	-
(iv) Interest accrued on trade payables	-	-
(v) Interest accrued on others	-	-
(vi) Trade / security deposits received	-	-
(vii) Advances from customers	-	17.45
(viii) Income received in advance (Unearned revenue)	-	-
<b>Total</b>	<b>100.80</b>	<b>295.95</b>

**Note 6 Long-term provisions**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Provision for employee benefits:		
(i) Provision for Gratuity	33.13	39.97
(ii) Provision for Bonus		
(iii) Provision for Ex- Gratia		
(iv) Provision for leaves		
(b) Others		
<b>Total</b>	<b>33.13</b>	<b>39.97</b>

**LEXUS GRANITO (INDIA) LIMITED**

Notes forming part of the financial statements

Note 7 Short-term borrowings

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>(A) Loans repayable on demand</b>		
<b>(a) From banks</b>		
<b>Secured</b>		
i). State Bank Of India Rajkot	2,217.42	2,224.19
<b>Unsecured</b>		
<b>Total (a)</b>	<b>2,217.42</b>	<b>2,224.19</b>
<b>(b) From Other Parties</b>		
Secured		
Unsecured		
<b>Total (b)</b>	-	-
<b>Total (A)</b>	<b>2,217.42</b>	<b>2,224.19</b>
<b>(B) Current maturities of long-term debt (Refer Note (i) below)</b>	1,065.48	1,239.76
<b>Total (B)</b>	<b>1,065.48</b>	<b>1,239.76</b>
<b>Total (A+B)</b>	<b>3,282.90</b>	<b>3,463.95</b>

**Notes:**

**7.1 Details of security for the secured short-term borrowings:**

Particulars	Nature of security	As at 31 March, 2022	As at 31 March, 2021
<u>Loans repayable on demand from banks:</u>			
a) State Bank Of India	The Loans is secured by hypothecation of entire current asset including stock of raw materials, stock in process, finished goods ,stores and spares etc. bills/book-debt/receivables and other current asset (Present & future). Loan is further secured by equitable mortgage of factory land admeasuring 40873 sq. mtr. & building theron .Collateral security is Extension of hypothecation of entire plant & machineries along with other fixed asset to be created out of bank fiaance( Present & future). The Loan carries ROI of 9.60% on monthly rests.	2,217.42	2,224.19
<b>Total - From banks</b>		<b>2,217.42</b>	<b>2,224.19</b>

**7.2 Details of short-term borrowings guaranteed by some of the directors or others:**

Particulars	As at 31 March, 2022	As at 31 March, 2021
Loans repayable on demand from banks	2,217.42	2,224.19

**7.3 Details of default as on the balance sheet date in repaymnet of loan and interest-**

There is no default as on the balance sheet date in repayment of loan and interest

Note (i) For the Current Maturities of long term borrowings (refer note 4 and note 4.1 in Note 4- Long term borrowings for details of borrowings, gurantee and details of current maturities

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 8 Trade payables**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade payables:		
(A) total outstanding dues of micro enterprises and small enterprises	709.50	1,276.82
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	4,425.09	2,956.96
<b>Total</b>	<b>5,134.59</b>	<b>4,233.78</b>

Note 8.1 "For the disclosure of the suppliers under the Micro, small and medium enterprises Development Act, 2006 refer note no.25.12.

Note 8.2 "For the ageing schedule of Trade Payables

(Rs. In Lakhs)

Particulars	Financial Year 2021-2022					Total
	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	626.78	35.32	14.76	4.35		<b>681.21</b>
(ii) Others	3,953.11	189.39	34.62	247.97		<b>4,425.09</b>
(iii) Disputed dues - MSME	28.29	-	-	-		<b>28.29</b>
(iv) Disputed dues - Others	-	-	-	-		-

(Rs. In Lakhs)

Particulars	Financial Year 2020-2021					Total
	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	776.89	396.31	103.62	-		<b>1,276.82</b>
(ii) Others	2,659.30	7.20	284.46	6.00		<b>2,956.96</b>
(iii) Disputed dues - MSME						-
(iv) Disputed dues - Others						-

**Note 9 Other current liabilities**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Interest accrued but not due on borrowings	-	-
(b) Interest accrued and due on borrowings		30.54
(c) Unpaid matured debenture & interest accrued there on		772.67
(d) Other Payables		
(i) Statutory remittances (Contributions to PF and ESIC,	291.12	259.78
(ii) Advances from customers	492.21	181.41
<b>Total</b>	<b>783.33</b>	<b>1,244.40</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 10 Short-term provisions**

(Rs. In Lakhs)

Particulars	As at 31 March 2022	As at 31 March, 2021
(a) Provision for employee benefits:		
(i) Provision for Gratuity	-	
(ii) Provision for Bonus		
(iii) Provision for Ex- Gratia		
(iv) Provision for leaves		
(b) Provision - Others:		
(i) Provision for Income tax	6.74	-
(ii) Provision - others		
a. Provision for Review Fees	-	-
b. Provision for Others	6.00	4.01
<b>Total</b>	<b>12.74</b>	<b>4.01</b>

LEXUS GRANITO (INDIA) LIMITED

Notes forming part of the financial statements

Note 11 Property, Plant and Equipment and Intangible Assets

(Rs. In Lakhs)

Particular	Gross block				Depreciation and Amortisation				Net block		
	Balance as at 1 April, 2021	Additions	Disposals	Balance as at 31st March 2022	Balance as at 1 April, 2021	Depreciation / amortisation expense for the year	Accumulated Dep.on Disposals	Residual Value Adjustment	Balance as at 31st March 2022	Balance as at 31st March 2022	Balance as at 31 March, 2021
<b>A. Property, Plant and Equipment</b>											
Land (Free Hold)	5.92	-	-	5.92	-	-	-	-	-	5.92	5.92
Factory Building	766.60	15.43	-	782.03	334.56	42.65	-	-	377.21	404.82	432.03
Plant & Machinery	11,236.37	86.82	2,969.11	8,354.08	7,367.97	721.59	2,403.39	-	5,686.17	2,667.91	3,868.41
Electrification	274.19	0.35	-	274.54	162.88	20.30	-	-	183.18	91.36	111.30
Furniture & Fixture	67.64	0.43	-	68.07	55.41	3.41	-	-	58.82	9.25	12.23
Vehicles	272.71	-	53.25	219.46	192.13	22.75	21.15	-	193.73	25.73	80.59
Computer System	8.32	0.73	-	9.05	4.54	2.56	-	-	7.10	1.95	3.78
Office Equipment	18.16	4.27	-	22.43	7.57	5.95	-	-	13.52	8.91	10.60
<b>Total (A)</b>	<b>12,649.91</b>	<b>108.03</b>	<b>3,022.36</b>	<b>9,735.58</b>	<b>8,125.05</b>	<b>819.21</b>	<b>2,424.54</b>		<b>6,519.73</b>	<b>3,215.85</b>	<b>4,524.86</b>
<b>Previous year Total</b>	<b>12,192.02</b>	<b>461.79</b>	<b>3.90</b>	<b>12,649.91</b>	<b>7,200.75</b>	<b>924.30</b>	<b>-</b>	<b>-</b>	<b>8,125.05</b>	<b>4,524.86</b>	<b>4,991.27</b>
<b>B. Intangible Assets</b>											
Software	9.47	-	-	9.47	6.85	0.32	-	-	7.17	2.30	2.62
<b>Total (B)</b>	<b>9.47</b>	<b>-</b>	<b>-</b>	<b>9.47</b>	<b>6.85</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>7.17</b>	<b>2.30</b>	<b>2.62</b>
<b>Previous year Total</b>	<b>9.47</b>	<b>-</b>	<b>-</b>	<b>9.47</b>	<b>6.49</b>	<b>0.36</b>	<b>-</b>	<b>-</b>	<b>6.85</b>	<b>2.62</b>	<b>2.98</b>
<b>Grand Total (A+B)</b>	<b>12,659.38</b>	<b>108.03</b>	<b>3,022.36</b>	<b>9,745.05</b>	<b>8,131.90</b>	<b>819.53</b>	<b>2,424.54</b>		<b>6,526.90</b>	<b>3,218.15</b>	<b>4,527.47</b>
<b>Previous year</b>	<b>12,201.49</b>	<b>461.79</b>	<b>3.90</b>	<b>12,659.38</b>	<b>7,207.24</b>	<b>924.66</b>	<b>-</b>	<b>-</b>	<b>8,131.90</b>	<b>4,527.48</b>	<b>4,994.25</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**11 A Capital Work in Progress**

(Rs. In Lakhs)

Particulars	As at 01.04.2021	Addition during the Year	Deduction/ Adjustments	Capitalised	As at 31.03.2022
Factory Building	-	62.33	-	-	62.33
Plant & Machinery	-	2,373.16	-	-	2,373.16
<b>Total</b>		<b>2,435.49</b>	-	-	<b>2,435.49</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 12 Non-current investments**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
<b>Investments (At cost):</b>						
A. <u>Trade Investments</u>						
a). Investments in Partnership firms/LLP						
<b>Total (a)</b>						
b. <u>Other non-current investments</u>						
(a) Investment in equity instruments						
SBI Mutual Fund	-	-	-	-	235.30	235.30
Geeta Power	-	0.74	0.74		0.74	0.74
(b) Investment in preference shares						
(c) Investment in debentures or bonds						
<b>Total (b)</b>	-	<b>0.74</b>	<b>0.74</b>	-	<b>236.04</b>	<b>236.04</b>
<b>Total - Trade Investments (a)+(b)</b>	-	0.74	0.74	-	236.04	236.04
B. <u>Other investments</u>						
National Saving Certificates	-	0.15	0.15	-	0.15	0.15
<b>Total - Other investments (B)</b>	-	<b>0.15</b>	<b>0.15</b>	-	<b>0.15</b>	<b>0.15</b>
<b>Total (A+B)</b>	-	<b>0.89</b>	<b>0.89</b>	-	<b>236.19</b>	<b>236.19</b>
Aggregate amount of quoted investments	-			-		
Aggregate market value of listed and quoted investments						
Aggregate value of listed but not quoted investments						
Aggregate amount of unquoted investments			-			

**LEXUS GRANITO (INDIA) LIMITED**  
**Notes forming part of the financial statements**

**Note 13 Long-term loans and advances**

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
(b) Other loans and advance		
(i) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
(ii) Prepaid expenses		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
(iii) Balances with government authorities	165.72	267.16
	165.72	267.16
(iv) Others (Advance recoverable in cash or Kind)		
Secured, considered good	-	-
Unsecured, considered good	-	0.58
Doubtful	-	17.89
Less: Provision for other doubtful loans and advances	-	-
	-	18.47
	-	18.47
<b>Total</b>	<b>165.72</b>	<b>285.63</b>

**Note: 13.1 Long-term loans and advances include amounts due from:**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Directors *		-
Other officers of the Company *		-
Firms in which any director is a partner (give details per firm)		-
Private companies in which any director is a director or member		0.58
	-	0.58

**LEXUS GRANITO (INDIA) LIMITED**  
**Notes forming part of the financial statements**

**Note 14 Other non current assets**

**(Rs. In Lakhs)**

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Long Term trade receivables ( Refer Note (1) below)		
Secured Considered Good	-	-
Unsecured Considered Good	-	-
Doubtful	-	-
	-	-
Less: Provision for other doubtful loans and advances	-	-
(b) Security Deposits	0.13	0.13
<b>Total</b>	<b>0.13</b>	<b>0.13</b>

## Notes forming part of the financial statements

## Note 15 Inventory

(At lower of cost and net realisable value)

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Raw Materials	650.40	730.11
Packing Materials	160.42	533.29
Stores Spares Materials	75.83	772.07
Fuel Materials	61.36	0.30
Colour & Chemical	243.10	87.70
Semi Finished Goods	854.15	961.37
Finished Goods	4,223.36	2,657.96
<b>Total</b>	<b>6,268.62</b>	<b>5,742.80</b>

## Note 16 Trade receivables

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade receivables (Refer Note (1) below)		
Secured, considered good		
Unsecured, considered good	2,676.60	3,289.12
Doubtful	-	-
	2,676.60	3,289.12
Less: Provision for doubtful trade receivables	-	-
	2,676.60	3,289.12
<b>Total</b>	<b>2,676.60</b>	<b>3,289.12</b>

Note16.1: Trade receivables include debts due from:

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Directors *		
Other officers of the Company *		
Firms in which any director is a partner		
Private companies in which any director is a director or member	3.55	40.75
	<b>3.55</b>	<b>40.75</b>

## Note (1) Trade Receivable Agening schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2022
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	1,805.09	262.79	135.76	219.10	230.85	2,653.59
(ii) Undisputed Trade Receivable-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable-considered good	0.60	-	-	0.16	22.25	23.01
(iv) Disputed Trade Receivable-considered doubtful	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2021
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	1,771.28	127.99	363.32	142.75	491.28	2,896.62
(ii) Undisputed Trade Receivable-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable-considered good	-	-	0.16	80.17	312.17	392.50
(iv) Disputed Trade Receivable-considered doubtful	-	-	-	-	-	-

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 17 Cash and cash equivalents**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Cash on hand		
(i) Cash	19.06	17.58
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	0.13	0.02
(ii) In Deposit Accounts (Refer Note (i) below)	94.24	171.72
(iii) earmarked accounts		
<b>Total</b>	<b>113.43</b>	<b>189.32</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	113.43	189.32

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 18 Short term Loans and Advances**

**(Rs. In Lakhs)**

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
(b) Others		
(i) Loans and advances to employees and others		-
Secured, considered good	-	1.46
Unsecured, considered good		
Doubtful		-
	-	1.46
Less: Provision for doubtful loans and advances	-	-
	-	1.46
(ii) Prepaid expenses		
Secured, considered good	9.51	19.49
Unsecured, considered good	-	
Doubtful	-	
	9.51	19.49
Less: Provision for doubtful loans and advances	-	-
	9.51	19.49
(iv) Balances with government authorities		-
(i) GST Credit	-	5.22
(ii) Advance Tax and TDS	6.44	5.93
(iii) MEIS Receivable	-	61.68
(iv) Refundable Cess (Export)	7.51	7.51
(iv) Duty drawback	8.39	-
(iv) Rodtep	7.81	-
	30.15	80.34
(v) Others (Advance recoverable in cash or Kind)		
Secured, considered good	-	
Unsecured, considered good	71.21	36.06
Doubtful	-	-
	71.21	36.06
Less: Provision for other doubtful loans and advances		-
	71.21	36.06
<b>Total</b>	<b>110.87</b>	<b>137.35</b>

Note:18 .1 Short-term loans and advances include amounts due from:

Particulars	As at 31st March 2022	As at 31 March, 2021
Directors *	-	-
Other officers of the Company *	-	-
Firms in which any director is a partner (give details per firm)	-	-
Private companies in which any director is a director or member	-	-
	-	-

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 19 Revenue from operations**

(Rs.in lakhs)

	Particulars	As at 31 March, 2022	As at 31 March, 2021
(a)	Sale of products (Refer Note (i) below)	13,627.58	9,969.95
(b)	Other operating revenues (Refer Note (ii) below)	290.05	193.36
	<b>Total</b>	<b>13,917.63</b>	<b>10,163.31</b>

**Note**

(Rs. in lakhs)

	Particulars	As at 31 March, 2022	As at 31 March, 2021
(i)	Sale of products comprises:		
	<b>a.) Traded Goods</b>		
	Vitrified Tile	1,516.88	269.50
	Wall Tile	142.53	23.24
	Raw Material	836.97	34.45
	MEIS License Sales	41.61	55.02
	RODTEP Script Sale	11.66	-
	Other Sales	330.94	38.16
		<b>2,880.59</b>	<b>420.37</b>
	<b>b.) Manufacture Goods</b>		
	Vitrified Tile	8,119.18	6,605.79
	Wall Tile	2,609.27	2,919.10
	Broken Tile	18.54	16.98
	Scrap and Waste	-	7.71
		<b>10,746.99</b>	<b>9,549.58</b>
	<b>Total - Sale of traded goods</b>	<b>13,627.58</b>	<b>9,969.95</b>
(ii)	Other operating revenues		
	Duty Drawback Income	34.93	35.67
	MEIS Income	-	61.68
	Freight Income	120.38	76.32
	Insurance on Sales	46.29	18.95
	RODTEP Income	20.28	-
	Foreign Exchange Rate Difference	44.97	0.74
	Rate difference	23.20	-
		<b>290.05</b>	<b>193.36</b>
	<b>Total - Other operating revenues</b>	<b>13,917.63</b>	<b>10,163.31</b>

**LEXUS GRANITO (INIDA) LIMITED**

**Notes forming part of the financial statements**

**Note 20 Other income**

(Rs.in lakhs)

	Particulars	As at 31 March, 2022	As at 31 March, 2021
(a)	Interest income (Refer Note (i) below)	11.00	8.45
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	1,103.44	0.13
	<b>Total</b>	<b>1,114.44</b>	<b>8.58</b>
Note	Particulars	As at 31 March, 2022	As at 31 March, 2021
(i)	Interest Income		
	Interest Income on FD	4.65	7.32
	Interest Income from Late Payment	-	0.25
	Other interest income	-	0.88
	Interest on VAT refund	6.08	-
	Interest on IT refund	0.27	-
	<b>Total</b>	<b>11.00</b>	<b>8.45</b>
(ii)	Other non-operating income comprises:		
	Kasar	6.59	0.01
	Rebate Income	-	0.12
	Commission income	25.42	-
	Sundry balance written off	18.49	-
	Profit on sale of asset	503.68	-
	Apprenticeship fees	1.27	-
	Debenture settlement income	472.68	-
	Lease rent	0.50	-
	Gain on sale of mutual fund	74.69	-
	Misc. income	0.12	-
<b>Total</b>	<b>1,103.44</b>	<b>0.13</b>	

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 21.a Cost of materials consumed**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening stock	759.08	258.20
Add: Purchases	2,449.11	2,827.20
Less: Closing stock	650.40	759.08
<b>Total</b>	<b>2,557.79</b>	<b>2,326.32</b>
<b>Material consumed comprises:</b>		
Raw Materials	2,443.40	2,297.35
Purchase of Semi Finished Goods	5.71	28.97
<b>Total</b>	<b>2,557.79</b>	<b>2,326.32</b>

**Note 21.b Purchase of traded goods**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Traded goods</b>		
Vitrified Tile	1,252.01	231.92
Wall Tile	112.41	12.60
Raw Material	-	28.12
MIES License Purchase	52.23	59.44
RODTEP License	15.13	-
Other Goods	-	24.02
<b>Total</b>	<b>1,431.78</b>	<b>356.10</b>

**Note 21.c Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>A. Inventories at the end of the year: ( As verified and certified by the management)</b>		
Finished goods	4,223.36	2,657.96
Work In Progress	854.15	932.41
<b>Total A</b>	<b>5,077.51</b>	<b>3,590.37</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	2,657.96	6,280.78
work In Progress	932.41	911.09
<b>Total B</b>	<b>3,590.37</b>	<b>7,191.87</b>
<b>Net (increase) / decrease</b>	<b>(1,487.14)</b>	<b>3,601.51</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 22 Employee benefits expense**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Salaries & Wages	426.25	339.82
Contribution to Provident and Other Funds	5.22	5.34
Staff Welfare Expenses	31.55	19.89
Contribution to Gratuity Fund	(6.83)	(4.15)
<b>Total</b>	<b>456.19</b>	<b>360.90</b>

**Note 23 Finance costs**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Interest expense on:		
(i) Borrowings	506.02	568.41
(ii) Trade payables	35.72	11.07
(b) Other borrowing cost	-	-
Bank Charges	46.78	36.59
<b>Total</b>	<b>588.52</b>	<b>616.07</b>

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 24 Other expenses**

(Rs. In Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Manufacturing Expenses</b>		
Packing Materials Consumed	1,018.19	511.48
Stores Spares Materials Consumed	930.20	295.88
Factory Electric power and Gas Expenses	4,719.59	3,637.22
Fuel Consumed	615.38	358.98
Color and Chemical	1,006.77	710.73
Jobworks Expenses	0.81	1.56
Machinery Repair & Maintainance	16.28	49.21
Clearing & Forwarding Expense	246.02	97.27
Freight	639.49	907.31
Digital Design Expense	13.22	22.91
<b>Total</b>	<b>9,205.95</b>	<b>6,592.55</b>
<b>Administrative Expenses</b>		
Computer expense	1.73	-
Land Revenue Charges	0.31	0.57
Discount	27.28	13.70
Donation	0.05	12.73
Guest arragement expense	-	1.28
Electricity Connection Charges	0.12	1.17
Insurance	17.42	20.13
Legal & Professional Fees	20.15	29.90
License Fees	1.38	0.26
Profit/Loss on asset sale	16.69	1.39
Commision Charges	-	1.02
Baddebt writtenoff	-	72.27
Miscellneous expenses	3.27	0.54
Marketing Expenses	33.33	44.65
Annual Listing and Custodian Expenses	1.00	0.95
Office Expenses	11.73	4.61
Office rent	38.19	36.81
Payments to auditors ( Refer to note)	6.00	5.49
Other Interest and Penalty Allowable	22.24	1.73
Late fees and Penalty expense	0.29	0.55
Postage & Courier	1.35	1.62
Pollution License fees	1.82	-
Printing & Stationary	5.34	8.20
Repair & Maintainance	3.04	17.18
Telephone & DTH Expense	1.81	3.40
Technical testing charges	1.86	-
Hotel and Travelling Expense	1.39	2.31
Prior Period Expense	3.70	20.36
Stamping Charges	-	12.11
MEIS receivable written off	24.64	-
Balance with revenue authorities written off	52.46	-
Loss by accident	6.18	-
<b>Total</b>	<b>304.77</b>	<b>314.93</b>
<b>Grand Total</b>	<b>9,510.72</b>	<b>6,907.48</b>

**Notes forming part of the financial statements****Notes: 24.1****(Rs. In Lakhs)**

<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	3.00	3.54
As auditors - Internal audit	-	1.60
For other services (Secretarial and ROC work)	3.00	0.35
<b>Total</b>	<b>6.00</b>	<b>5.49</b>

## Notes forming part of the financial statements

## Note 25 Additional information to the financial statements

(Rs. In Lakhs)

Note	Particulars		
25.1	The Schedule III has used for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		
25.2	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
(i)	<b>Contingent liabilities</b>		
	(a) Claims against the Company not acknowledged as debt		
	1. The Income Tax Department has raised demands in regards to tax deducted at source for non compliances to the provision of the act that has been verified from TRACES are as follows:		
	Financial Year	Amount	
	2012-13	0.02	
	2017-18	25.17	
	2018-19	8.23	
	2019-20	7.96	
	2020-21	0.25	
	2021-22	5.37	
		47.00	43.11
	2. The Income Tax Department(DC/ACIT,CIR, Morbi) has passed an order dated 26.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2015-16 by adding Rs. 176.79 Lakhs /- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs. 51.92 Lakhs /-. The assessee company has filed an appeal to CIT ( Appeals) dated 05.01.2019 against the said order and deposited Rs. 3.46 Lakhs /- of total demand raised, an the matter is pending for adjudication.	48.21	48.46
	3. The Income Tax Department(DC/ACIT,CIR, Morbi) has passed an order dated 28.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2016-17 by adding Rs. 971.65 Lakhs /- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs. 298.55 Lakhs /- . The assessee company has filed an appeal to CIT ( Appeals) dated 02.01.2019 against the said order and deposited Rs. 9.96 Lakhs /- of total demand raised, an the matter is pending for adjudication.	288.59	288.59
	4. The Income Tax Department(DC/ACIT,CIR, Morbi) has passed an order dated 14.06.2019 under sec. 271AA for AY 2015-16 stating that the Assessee is failed to comply with provision contained in Section 92E/92D of the Income tax Act 1961 to maintain such report and documents & report specified domestic transactions in form 3CEB,so initiated penalty proceedings and raised notice of demand of Rs. 16.37 Lakhs /-.The assessee company has filed an appeal to CIT ( Appeals) dated 22 06.2019 against the said order and the matter is pending for adjudication.	16.36	16.36
	5. The Income Tax Department (central processing system) served notice U/s 143(1)(a) for proposed addition in taxable income as furnished in return of income filed for AY 2019-20.	2.79	-
	6. The Income Tax Department (central processing system) served notice U/s 143(1)(a) for proposed addition in taxable income as furnished in return of income filed for AY 2018-19 and raised demand of Rs. 94.18 Lakhs /-. The total income disclosed by the assessee in the ITR filled on 23.03.2019 was Rs.776.18 Lakhs /-. The Assessing authority wide notice served on 10.05.2019 proposed an addition of Rs. 99.97 Lakhs /-. In this regards the assessee has accepted an addition of Rs. 87.98 Lakhs /-, further the case is open for proceedings u/s 143(3) of the Income Tax Act ,1961 and pending for final adjudication.Further Notice of demad u/s 270A served on company on 8.12.2021 for Rs.0.43 Lakhs	106.23	105.80
	7. The office of commissioner of CGST Audit has passed an order dated -6.04.2022 as per GST Audit conducted of company for F.Y.2017-18 to 2019-20 and raised demand of Rs.58.44 Lakhs.	58.44	-
		<b>567.62</b>	<b>502.32</b>



## Notes forming part of the financial statements

25.7	<b>Disclosures of Benami Properties held</b> There is no proceedings have been initiated or pending against the company for holding any benami property under the benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder		
25.8	<b>Disclosures of Wilful Defaulter</b> The company has not been declared wilful defaulter by any bank or financial institution		
25.9	<b>Relationship with struck off Companies</b> The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956		
25.10	<b>Registration of Charges or Satisfaction with Registrar of Companies</b> There are no charges or satisfaction which are yet to be registered with Registrar of Companies		
25.11	<b>Layers of the company</b> The company has not subsidiary companies as at the balance sheet date		
25.12	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
		(Rs. In Lakhs)	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	(i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	709.50	1,276.82
	(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
	(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year		
	(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and medium enterprises Development Act, 2006		
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
25.13	<b>Value of imports calculated on CIF basis :</b>		
		(Rs. In Lakhs)	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Raw materials	-	-
	Components & Spares Parts		-
	Capital Goods	2,062.12	335.28
	<b>Total</b>	<b>2,062.12</b>	<b>335.28</b>
25.14	<b>Expenditure in foreign currency</b>		
		(Rs. In Lakhs)	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Royalty		
	Know-how		
	Professional and consultation fees	-	9.26
	Other matters	-	-
	<b>Total</b>	<b>-</b>	<b>9.26</b>
25.15	<b>Details of consumption of imported and indigenous items *</b>		
		(Rs. In Lakhs)	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Imported</u>		
	Raw materials	-	-
	Components	-	-
	Spare parts		
	Capital Goods	2,062.12	335.28
	<b>Total</b>	<b>2,062.12</b>	<b>335.28</b>
	<u>Indigenous</u>		
	Raw materials	2,557.79	2,326.32
	Components	-	-
	Spare parts	930.20	295.88
	<b>Total</b>	<b>3,487.99</b>	<b>2,622.20</b>
		<b>5,550.11</b>	<b>2,957.48</b>
	Details of consumption of imported and indigenous items for the current year is provided by management.		

## Notes forming part of the financial statements

25.16	<b>Earnings in foreign exchange :</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Export of goods calculated on FOB basis	1,907.87	2,209.93
	Royalty, know-how, professional and consultation fees		
	Interest and dividend		
	Other income, indicating the nature thereof.		
25.17	<b>Amounts remitted in foreign currency during the year on account of dividend</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Amount of dividend remitted in foreign currency	-	-
	Total number of non-resident shareholders (to whom the dividends were remitted)	-	-
	Total number of shares held by them on which dividend was due	-	-
	Year to which the dividend relates	-	-
25.18	<b>Earnings Per Share</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Basic &amp; Diluted</u>		
	Net profit / (loss) for the year attributable to the equity shareholders	1,338.56	(4,866.22)
	Weighted average number of equity shares	191.91	191.91
	Par value per share	6.97	(25.36)
	Earnings per share - Basic & diluted		
25.19	<b>Deferred Tax (Liability)/asset</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Deferred Tax Asset</u>		
	Difference in value of book balances and tax balance	151.13	-
	Tax effect of items constituting deferred tax assets	42.05	-
	<u>Deferred Tax Liability</u>		
	Difference in value of book balances and tax balance	-	299.35
	Tax effect of items constituting deferred tax liability	-	54.93
	Previous Year	83.28	138.21
	Deferred Tax Expense / (Saving)	(125.33)	(54.93)
	Deferred Tax Liability / (Asset)	<b>(42.05)</b>	<b>83.28</b>

25.20	Ratios	As at 31 March, 2022	As at 31 March, 2021	Variation	Reasons for variations
(a)	<b>Current Ratio</b> (Current Assets / Current Liabilities)	1.00	1.05	4.76%	Variation within acceptable range, hence no justification required.
(b)	<b>Debt-Equity Ratio</b> Total Borrowings/Total Networth of the company)	1.85	3.70	50.04%	Debt Equity Ratio has reduced drastically on account of repayment of Term loans availed from State Bank of India and HDFC Bank in the ordinary course of business operations and as per the terms and conditions of the Bank. Further, our Company had executed a settlement agreement with debentures holders dated 20.01.2022 holding 640 Redeemable Non-convertible Secured Debentures of face value of Rs. 1,00,000 thereby reducing the lumpsum payment from Rs. 640.00 Lakhs to Rs. 300.00 Lakhs. In addition to the above, our Company earned a profit of Rs. 1,338.57 Lakhs in FY 2021-22 as compared to loss of Rs. (4,866.22) Lakhs incurred in FY 2020-21, thereby increasing the reserves and surplus.  Thus, based on the aforesaid reasons, the debt equity ratio of the Company has decreased largely in comparison to previous year indicating improved financial health of the Company.
(c)	<b>Debt Service Coverage Ratio</b> (Profit After Tax+Depreciation+Interest on term Loan)/Term Loan Installment+Interest on term Loan	0.14	0.35	58.39%	Debt Service Coverage Ratio has increased primarily due to the profits earned by the Company of Rs. 1,338.57 Lakhs in FY 2021-22 as compared to loss incurred in FY 2020-21 of Rs. (4,866.22) Lakhs. Therefore, increased in DSCR indicates company's abilities to meet its long-term debts and obligations.
(d)	<b>Return on Equity Ratio</b> Net profit after tax/Total Equity of the company	0.70	(2.54)	127.51%	Return on Equity Ratio has increased from (2.54) in FY 2020-21 to 0.70 in FY 2021-22 majorly on account of profits earned by the Company of Rs. 1,338.57 Lakhs in FY 2021-22 as compared to loss incurred in FY 2020-21 of Rs. (4,866.22) Lakhs. This increase in profits have also increased the reserves and surplus thereby increasing the total equity of the Company. Hence, increased ROE and profits indicates efficient usage and management of shareholder's capital.
(e)	<b>Inventory turnover ratio (In Days)</b> Turnover from Operations/Inventory of the company	164.40	206.24	20.29%	Variation within acceptable range, hence no justification required.
(f)	<b>Trade Receivables turnover ratio (In Days)</b> Turnover from Operations/Trade Receivables of the company	70.20	118.12	40.57%	Trade Receivables turnover ratio has improved from 118 days approx in FY 2020-21 to 70 days approx in FY 2021-22 depicting efficiency in company's collection of accounts receivable and improvement in the credit terms with the customers.
(g)	<b>Trade payables turnover ratio (In Days)</b> Turnover from Operations/Trade payables of the company	134.66	152.05	11.44%	Variation within acceptable range, hence no justification required.
(h)	<b>Net capital turnover ratio</b> Turnover from Operations/ Net worth of company	4.42	5.61	21.26%	Variation within acceptable range, hence no justification required.
(i)	<b>Net profit ratio</b> Net profit after tax / Turnover from Operations	0.10	(0.48)	120.09%	Net profit ratio is hiked to 0.10 in FY 2021-22 from (0.48) to FY 2020-21 majorly due to profit earned by the Company in the current FY. Our Company has recorded profits of Rs. 1,338.57 Lakhs in FY 2021-22 as against loss incurred in FY 2020-21 of Rs. (4,866.22) Lakhs. Furthermore, the revenue from operations has also increased in the current FY by 37% due to improvement in covid situation in the half of FY.
(j)	<b>Return on Capital employed</b> (Profit After Tax / Total Networth)	0.43	(2.69)	115.82%	Return on Capital employed has improved on account of increased profits recorded of Rs. 1,338.57 Lakhs in FY 2021-22 in comparison to loss incurred in FY 2020-21 of Rs. (4,866.22) Lakhs which has also led to increased Networth of the Company.
(k)	<b>Return on investment</b> (Profit after Tax + Interest on Term Loan)/(Long Term Debt+Total Net Worth)	0.51	(1.49)	133.99%	Return on investment has increased tremendously mainly on account of profits earned of Rs. 1,338.57 Lakhs in FY 2021-22 as compared to loss of Rs. (4,866.22) Lakhs incurred in FY 2020-21 which has increased the Networth of the Company. Additionally, the Term loans availed from State Bank of India and HDFC Bank have been repaid as per the terms and conditions of the Bank thereby reducing the Long-term Debt. Further, on account of execution of the settlement agreement with debentures holders dated 20.01.2022 leading to reduction in the lumpsum payment from Rs. 640.00 Lakhs to Rs. 300.00 Lakhs has also reduced the Long-term Debt. Thus, based on the abovementioned facts, the return on investment has improved indicating bright prospects of the Company.

**LEXUS GRANITO (INDIA) LIMITED**

**Notes forming part of the financial statements**

**Note 25 Additional information to the financial statements**

Note	Particulars			
25.21	<b>Related party transactions</b>			
25.21a	<b>Details of related parties:</b>			<b>(Rs. in Lakhs)</b>
	<b>Description of relationship</b>	<b>Names of related parties</b>		
	Key Management Personnel (KMP)	Mr. Babulal Mahadevbhai Detroja, Mr Anilkumar Babulal Detroja, Mr Nilesh Babulal Detroja, Ms. Parulben Nileshbhai Detroja, Mr Dilipnhai N Fultariya, Ishwarbhai K Sanghani ,Miss Kirti Goyal		
	Relatives of KMP	Muktaben B Detroja		
	Company in which KMP / Relatives of KMP can exercise significant influence	Lexus Ceramic Pvt. Ltd., Kartik Industries, Pawan Blackrock pvt ltd,Lioli cermica Pvt Ltd		
	Note: Related parties have been identified by the Management.			
	<b>Details of related party transactions during the year ended 31st March 2022 and balances outstanding at the end of the year.</b>			
25.21b		<b>KMP</b>	<b>Relatives of KMP</b>	<b>Entities in which KMP / relatives of KMP have significant influence</b>
				<b>Total</b>
	Purchase of goods			3.70
	Purchase of Assets			-
	Sale Of Goods			21.53
	Receiving of services			-
	Agency arrangements			-
	Maintainnce Charges Paid			-
	Transfer of research and development			-
	Remuneration to Directors	7.20		7.20
	Salary Paid	8.68		8.68
	Rent Paid			-
	Interest Paid			-
	Finance (including loans and equity contributions in cash or in kind)	66.97	11.60	(0.58)
	Guarantees and collaterals provided			-
	Management contracts including for deputation			-
	Provision for doubtful receivables, loans and			-
	Write off / write back made during the year			-
	<u>Balances outstanding at the end of the year</u>			-
	Trade receivables			3.55
	Loans and advances			-
	Advance From Customer			-
	Remunartion payables	0.15	4.66	-
	Borrowings	2,071.62	11.60	-
	Provision for doubtful receivables. loans and			-