

Asian Granito India Ltd.

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CIN : L17110GJ1995PLC027025



— Beautiful Life —

10th February, 2018

To,
Corporate Relations Department,
Bombay Stock Exchange Limited,
2nd Floor, P.J Towers,
Dalal Street,
Mumbai-400 001

To,
Corporate Relations Department
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No., C/1, G-Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051

Scrip Code: 532888

Scrip Code: ASIANTILES

Dear Sir,

Subject: Outcome of Board Meeting dated 10th February, 2018.

With reference to the captioned subject, the Board of Directors in its meeting held on Saturday, 10th February, 2018 has approved the Unaudited Standalone and Consolidated Financial Result for the quarter and nine months ended on 31st December, 2017 along with Limited Review Report, pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.

The Board meeting commenced at 11:00 am and concluded at 02.03 P.M.

Please take note of the same.

Thanking you.

Yours faithfully,

For Asian Granito India Limited

Mr. Kamleshbhai B. Patel
Chairman and Managing Director
DIN: 00229700

Encl.: Unaudited Standalone and Consolidated Financial Results with Limited Review Report for the quarter and nine months ended on 31st December, 2017.

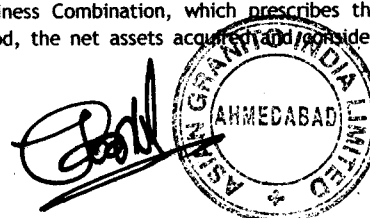
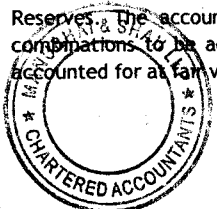


STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2017

		QUARTER ENDED			NINE MONTH ENDED	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from Operations	22,758.60	24,217.13	22,871.85	68,242.47	69,340.28
2	Other Income	13.34	15.91	10.81	40.63	22.93
3	Total Income (1 + 2)	22,771.94	24,233.04	22,882.66	68,283.10	69,363.21
4	Expenses :					
	a) Cost of materials consumed	4,211.19	5,105.40	4,682.50	13,402.63	13,331.08
	b) Purchase of Stock-in-Trade	10,144.49	10,398.99	10,174.95	30,928.45	28,530.42
	c) Change in inventories of finished goods, work-in-progress and stock-in-Trade	(540.65)	(405.33)	(1,495.89)	(3,015.01)	(774.69)
	d) Excise Duty on Sale of goods	-	-	1,176.36	937.94	3,525.20
	e) Employee Benefit Expenses	1,685.42	1,578.55	1,356.10	4,886.17	3,896.79
	f) Finance costs	598.96	432.09	627.77	1,400.54	1,676.53
	g) Depreciation and Amortization Expenses	422.36	310.19	419.14	1,232.65	1,164.47
	h) Other Expenses	5,290.27	5,480.60	4,751.25	15,233.50	14,892.56
	Total Expenses	21,812.04	22,900.49	21,692.18	65,006.87	66,242.36
5	Profit before tax (3 - 4)	959.90	1,332.55	1,190.48	3,276.23	3,120.85
6	Tax Expense					
	(a) Current Tax	245.00	384.71	290.00	850.00	665.00
	(b) Earlier Year Tax Expense	-	4.62	-	4.62	-
	(c) Deferred Tax	46.73	256.18	70.02	336.73	472.49
7	Net Profit for the period (5 - 6)	668.17	687.04	830.46	2,084.88	1,983.36
8	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss in subsequent periods					
	- Actuarial gains and (losses) (net of taxes)	(6.57)	(6.58)	(0.17)	(19.73)	(0.69)
	Other Comprehensive income for the period	(6.57)	(6.58)	(0.17)	(19.73)	(0.69)
9	Total Comprehensive income for the period, (net of Taxes) (7 + 8)	661.60	680.46	830.29	2,065.15	1,982.67
10	Paid up Equity Share capital (face value Rs.10 per share)	3,008.74	3,008.74	3,008.74	3,008.74	3,008.74
11	Earnings per Share (not annualised)					
	(Face value of Rs. 10/- each) -					
	- Basic EPS (Not annualised) (in Rupees)	2.22	2.28	2.76	6.93	6.59
	- Diluted EPS (Not annualised) (in Rupees)	2.22	2.28	2.76	6.93	6.59
	See accompanying notes to the financial results					

Notes :

- The above results were reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meetings held on February 9, 2018 and February 10, 2018 respectively. The statutory auditors have carried out limited review of the same.
- The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 and accordingly these financials results have been prepared in accordance with rules issued under section 133 of the companies act, 2013 and the other accounting principles generally accepted in India.
- There is possibility that these quarterly financial results along with the provisional Financial Statements as of and for the year ended March 31, 2017 may require adjustment before constituting the final Ind AS Financial Statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by ICAI or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
- The Statement does not include Ind As compliant results for the previous year ended on March 31, 2017 as the same is not mandatory as per SEBI's circular no. CIR/CFO/FAC/2016 dated July 5, 2016.
- As the Company does not fall under reportable segment criteria as per Ind As 108, the company is not furnishing segment wise Revenue Result and Capital employed as required.
- In case of amalgamation (The Scheme) between Artistique Ceramics Private Limited (ACPL) and the Company sanctioned by Honourable High Court of Judicature at Gujarat vide its order dated July 2, 2016, the company has accounted for merger using "pooling of interest" method as prescribed by the Scheme and in accordance with erstwhile Accounting Standard 14 - Accounting for Amalgamation. The company has given effect of the Scheme from the appointed date specified in the Scheme i.e. July 1, 2015. Pursuant to the scheme, the company has recorded assets / liabilities of the erstwhile company at book value and the difference between value of shares issued and the amount of share capital of ACPL of Rs. 272.47 lakhs has been adjusted (Debited) to Reserves. The accounting treatment is different from that prescribed under Ind AS 103 - Business Combination, which prescribes that all business combinations to be accounted as per Acquisition method of accounting. Under acquisition method, the net assets acquired are considered and consideration paid are accounted for at fair value on the acquisition date.



- 7 During the quarter ended on December 31, 2017, Astron Board & Paper Mills Ltd. ('Astron'), Associate of the company completed its Initial Public Offering ('IPO'), through fresh issue of 1,40,00,000 equity shares of Rs. 10 each. Post the IPO, Company's holding in equity shares of Astron has reduced from 27.00 % to 18.87 %. The equity shares of Astron listed on National Stock Exchange of India Limited and BSE Limited on December 29, 2017.
- 8 During the quarter ended on December 31, 2017, company has subscribed to the equity share capital of :
 - Subsidiary-Camrolla Quartz Limited of Rs. 255.00 Lakhs (25,50,000 Shares of Rs. 10 Each)
 - Subsidiary-Crystal Ceramics Private Ltd. Rs. 1244.63 Lakhs. (Share Application Money Pending Allotment),
 - Joint Venture Company- AGL Panaria Private Limited amounting to Rs. 300.00 Lakhs (30,00,000 Shares of Rs 10 Each) ,
- 9 Sales for the quarter ended on December 31, 2017 and September 30, 2017 is net of Goods and Service Tax (GST). However sales up to the period ended December 31, 2016 and other comparative period are gross of Excise Duty. The Net Revenue from Operations (Net of GST / Excise Duty) as applicable are as

(Rs. In Lakhs)

Particulars	STANDALONE				
	QUARTER ENDED			NINE MONTH ENDED	
	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
Net Revenue From Operations	22,758.60	24,217.13	21,695.49	67,304.53	65,815.08

- 10 The total Finance cost amounting to Rs. 598.96 Lakhs and Rs. 1400.54 Lakhs has been net off by Rs.73.24 Lakhs and 276.86 Lakhs for the quarter and nine months ended on December 31, 2017 respectively
- 11 In accordance with Ind AS 101 the first time adoption of Indian Accounting Standard reconciliation between Unaudited Standalone Financial Results as previously reported (under previously applicable Indian GAAP) and Ind As for the quarter and nine months ended on December 31, 2016 is as under:

(Rs. In Lakhs)

Particulars	Standalone	
	For the quarter ended 31 December 2016	For the Nine month ended 31 December 2016
Net Profit under Previous Indian GAAP	647.97	1752.64
Impact of Derecognition of Intangible assets	0.00	48.83
Impact of Derecognition of Preliminary Expense and Deferred Expense	32.83	126.16
Derecognition of Revenue on Export Sales (net)	(29.35)	20.34
Amortisation of loan Processing Fees	(1.88)	(5.76)
Actuarial Gain/Loss on Employee Defined Benefit Plan recognised in OCI	1.58	1.06
Depreciation Impact on Fair Value of PPE in accordance with Ind AS 101	140.76	403.64
Others	(8.92)	29.68
Deferred Tax On Above Adjustments	47.12	(394.61)
Other Comprehensive Income		
Actuarial Gain/Loss on Employee Defined Benefit Plan recognised in OCI	0.27	1.06
Deferred Tax On Employee Defined Benefit Plan Recognised in OCI	(0.09)	(0.37)
Profit after tax under Ind AS	830.29	1982.67

- 12 The Figures pertaining to previous periods have been regrouped, reclassified and restated wherever necessary.

By the order of the Board of Directors
For Asian Granito India Ltd.


Kamleshbhai B. Patel
Chairman & Managing Director

Place : Ahmedabad
Date : February 10, 2018



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2017

	Particulars	QUARTER ENDED			NINE MONTH ENDED	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from Operations	26,378.28	27,446.57	26,625.11	77,978.01	78,314.99
2	Other Income	76.50	146.71	30.40	241.19	60.27
3	Total Income (1 + 2)	26,454.78	27,593.28	26,655.51	78,219.20	78,375.26
4	Expenses :					
	a) Cost of materials consumed	5,829.77	8,316.60	6,107.36	20,271.59	18,633.10
	b) Purchase of Stock-in-Trade	7,092.11	6,857.29	7,901.04	22,031.92	22,644.68
	c) Change in inventories of finished goods, work-in-progress and stock-in-Trade	14.07	(833.99)	(1,798.39)	(3,331.15)	(2,640.39)
	d) Excise Duty on Sale of goods			1,823.79	1,580.26	5,204.97
	e) Employee Benefit Expenses	1,940.88	2,242.77	1,542.91	6,120.80	4,549.02
	f) Finance costs	1,068.61	884.23	1,161.39	2,824.05	2,987.43
	g) Depreciation and Amortization Expenses	599.50	501.25	611.50	1,826.82	1,776.97
	h) Other Expenses	7,882.15	7,155.69	7,620.46	21,038.47	20,661.86
	Total Expenses	24,427.09	25,123.84	24,970.06	72,362.76	73,817.64
5	Profit before tax (3 - 4)	2,027.69	2,469.44	1,685.45	5,856.44	4,557.62
6	Tax Expense					
	(a) Current Tax	359.68	493.74	363.87	1,078.22	743.99
	(b) Earlier Year Tax Expense	(0.29)	4.61	-	4.32	-
	(c) Deferred Tax	383.76	573.82	(36.41)	1,058.48	757.52
7	Net Profit for the period (5 - 6)	1,284.54	1,397.27	1,357.99	3,715.42	3,056.11
8	Share of Profit of Associates	61.21	154.36	9.72	296.76	267.27
9	Share of net profit of Joint Venture	(175.79)	64.17	(100.37)	(111.62)	(100.37)
10	Net Profit for the period after Share of Profit of Associates (7 + 8 + 9)	1,169.96	1,615.80	1,267.34	3,900.56	3,223.01
11	Net Profit for the period attributable to :					
	(a) Shareholders of the company	1,038.54	1,499.19	1,152.77	3,576.43	2,948.47
	(b) Non controlling interests	131.42	116.61	114.57	324.13	274.54
12	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss in subsequent periods					
	- Actuarial gains and (losses) (net of taxes)	(5.60)	(6.58)	(0.26)	(18.76)	(0.78)
	Other Comprehensive income for the period	(5.60)	(6.58)	(0.26)	(18.76)	(0.78)
13	Total Comprehensive income for the period, (net of Taxes) (10 + 12)	1,164.36	1,609.22	1,267.08	3,881.80	3,222.23
14	Paid up Equity Share capital (face value Rs.10 per share)	3,008.74	3,008.74	3,008.74	3,008.74	3,008.74
15	Earnings per Share (not annualised)					
	(Face value of Rs. 10/- each)					
	- Basic EPS (Not annualised) (in Rupees)	3.45	4.99	3.83	11.89	9.80
	- Diluted EPS (Not annualised) (in Rupees)	3.45	4.99	3.83	11.89	9.80
	See accompanying notes to the financial results					

Notes :

- The above results were reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meetings held on February 9, 2018 and February 10, 2018 respectively. The statutory auditors have carried out limited review of the same.
- The Company has adopted Indian Accounting Standards ("Ind As") from April 1, 2017 and accordingly these financials results have been prepared in accordance with rules issued under section 133 of the companies act, 2013 and the other accounting principles generally accepted in India.
- There is possibility that these quarterly financial results along with the provisional Financial Statements as of and for the year ended March 31, 2017 may require adjustment before constituting the final Ind AS Financial Statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by ICAI or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
- The Statement does not include Ind As compliant results for the previous year ended on March 31, 2017 as the same is not mandatory as per SEBI's circular no. CIR/CFO/FAC/2016 dated July 5, 2016.
- As the Group does not fall under reportable segment criteria as per Ind As 108, the company is not furnishing segment wise Revenue Result and Capital employed as required.

- 6 In case of amalgamation (The Scheme) between Artistique Ceramics Private Limited (ACPL) and the Company sanctioned by Honourable High Court of Judicature at Gujarat vide its order dated 2nd July, 2016, the company has accounted for merger using "pooling of interest" method as prescribed by the Scheme and in accordance with erstwhile Accounting Standard 14 - Accounting for Amalgamation. The company has given effect of the Scheme from the appointed date specified in the Scheme i.e. 1st July, 2015. Pursuant to the scheme, the company has recorded assets / liabilities of the erstwhile company at book value and the difference between value of shares issued and the amount of share capital of ACPL of Rs. 272.47 lakhs has been adjusted (Debited) to Reserves. The accounting treatment is different from that prescribed under Ind AS 103 - Business Combination, which prescribes that all business combinations to be accounted as per Acquisition method of accounting. Under acquisition method, the net assets acquired and consideration paid are accounted for at fair value on the acquisition date.
- 7 During the quarter ended on December 31, 2017, Astron Board & Paper Mills Ltd. ('Astron'), Associate of the company completed its Initial Public Offering ('IPO'), through fresh issue of 1,40,00,000 equity shares of Rs. 10 each. Post the IPO, Company's holding in equity shares of Astron has reduced from 27.00 % to 18.87 % relatively. The equity shares of Astron listed on National Stock Exchange of India Limited and BSE Limited on December 29, 2017. Having regards to significant Influence over business decisions of Astron by the company, the Financial results of Astron Paper and Board Mill Limited has been consolidated in accordance with equity method prescribed under Ind AS 28.
- 8 The Standalone Financial Results are available on company's website (www.aglasiangranito.com) and on the website of BSE and NSE.
- 9 Sales for the quarter ended on December 31, 2017 and September 30, 2017 is net of Goods and Service Tax (GST). However sales up to the period ended December 31, 2016 and other comparative period are gross of Excise Duty. The Net Revenue from Operations (Net of GST / Excise Duty) as applicable are as stated below:

Particulars	CONSOLIDATED				
	QUARTER ENDED			NINE MONTH ENDED	
	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
Net Revenue From Operations	26,378.28	27,446.57	24,801.32	76,397.75	73,110.02

- 10 Key numbers of standalone financial results of the company for the Quarter and Nine Months ended on 31st December, 2017.

Particulars	QUARTER ENDED			NINE MONTH ENDED	
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	30.12.2016
Revenue from operations	22,758.60	24,217.13	22,871.85	68,242.47	69,340.28
Net Profit before tax	959.90	1,332.55	1,190.48	3,276.23	3,120.85
Net Profit after tax	668.17	687.04	830.46	2,084.88	1,983.36

- 11 In accordance with Ind AS 101 the first time adoption of Indian Accounting Standard reconciliation between Unaudited Consolidated Financial Results as previously reported (under previously applicable Indian GAAP) and Ind As for the quarter and nine months ended on December 31, 2016 (Rs In Lakhs)

Particulars	Consolidated	
	For the quarter ended 31 December 2016	For the Nine month ended 31 December 2016
Net Profit under Previous Indian GAAP	1,030.83	2,757.99
Impact of Derecognition of Intangible assets	-	48.83
Impact of Derecognition of Preliminary Expense and Deferred Expense	(20.98)	291.28
Derecognition of Revenue on Export Sales (net)	(29.30)	20.39
Amortisation of loan Processing Fees	1.47	(5.76)
Actuarial Gain on Employee Defined Benefit Plan recognised in OCI	0.26	0.78
Adoption of Equity Method instead of Proportionate Consolidation method in accounting of Joint Venture/Associates	(58.65)	100.00
Depreciation Impact on Fair Value of PPE in accordance with Ind AS 101	184.76	520.87
Others	(12.91)	25.69
Deferred Tax On Above Adjustments	171.33	-538.62
Other Comprehensive Income		
Actuarial Gain/Loss on Employee Defined Benefit Plan recognised in OCI (Net of Taxes)	0.27	0.78
Profit after tax under Ind AS	1,267.08	3,222.23

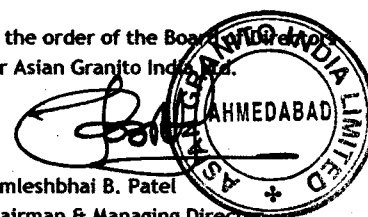
- 12 The Figures pertaining to previous periods have been regrouped, reclassified and restated wherever necessary.

Place : Ahmedabad
Date : February 10, 2018



By the order of the Board
For Asian Granito India Pvt. Ltd.

Kamleshbhai B. Patel
Chairman & Managing Director



**Limited Review Report on Quarterly and Nine months ended Unaudited Standalone
Financial Results of Asian Granito India Limited Pursuant to Regulation 33 of the SEBI
(Listing Obligation and Disclosure requirements) Regulations, 2015**

To,
The Board of Directors of
Asian Granito India Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Asian Granito India Limited (the 'Company'), for the quarter and nine months ended on December 31, 2017 (the 'statement') attached herewith being submitted by Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. This statement which is the responsibility of company's management and has been approved by the Board of Directors of the Company in its meeting held on February 10, 2018. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information Performed by Statutory Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to - believe that the accompanying statement prepared in accordance with applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 and SEBI circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to note no. 6 of the Statement regarding accounting treatment of the scheme of amalgamation (the Scheme) between Artistique Ceramics Private Limited and the Company sanctioned by Honourable High Court of Judicature at Gujarat vide its order dated 2nd July, 2016, wherein the company has accounted for merger using "pooling of interest" method as prescribed by the Scheme. This accounting treatment is different from that prescribed under Ind AS 103 – Business Combination.

Our review report is not modified in respect of the above matter.

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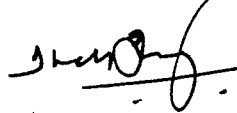
Manubhai & Shah LLP

Chartered Accountants

5. Other Matter:

The unaudited standalone financial results for the quarter and nine months ended December 31, 2016 reported under previous GAAP, included in the statement, are based on the previously issued results of the Company. These results were reviewed by another firm of chartered accountants, whose report dated January 25, 2017 expressed an unmodified opinion on those unaudited standalone financial results. We draw attention to the fact that management has adjusted these previously issued results for the differences in the accounting principles adopted by the company on transition to the Ind AS and presented a reconciliation for the same, which has been approved by the Company's Board of Directors and reviewed by us.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No. 106041W/W100136



(J. D. Shah)

Partner

Membership number: 100116

Place: Ahmedabad

Date: February 10, 2018



**Limited Review Report on Quarterly and Nine Months ended Unaudited Consolidated
Financial Results of Asian Granito India Limited Pursuant to Regulation 33 of the SEBI (Listing
Obligation and Disclosure requirements) Regulations, 2015**

To,
The Board of Directors of
Asian Granito India Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Asian Granito India Limited (the 'Company'), its subsidiaries, an associate and a joint venture (the Company, its subsidiaries, an associate and a joint venture constitute 'Group'), for the quarter and nine months ended on December 31, 2017 (the 'statement') attached herewith being submitted by Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. This statement which is the responsibility of company's management and has been approved by the Board of Directors of the Company in its meeting held on February 10, 2018. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by Statutory Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. The statement includes the results of the following entities:

Name of the entity	Relationship
AGL Industries Limited	Wholly owned subsidiary
Amazoone Ceramics Limited	Subsidiary
M/s. Kediya Ceramics	Subsidiary
Camrola Quartz Limited (W.e.f. September 26, 2017)	Subsidiary
Powergrace Industries Limited	Step Subsidiary
Crystal Ceramic Industries Private Limited	Step Subsidiary
Astron Paper and Board Mill Limited	Associate
AGL Panaria Private Limited	Joint Venture

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 and SEBI circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Website : www.msglobal.co.in

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5. We draw attention to Note no. 6 of the Statement regarding accounting treatment of the scheme of amalgamation (the Scheme) between Artistique Ceramics Private Limited and the Company sanctioned by Honourable High Court of Judicature at Gujarat vide its order dated 2nd July, 2016, wherein the company has accounted for merger using "pooling of interest" method as prescribed by the Scheme. This accounting treatment is different from that prescribed under Ind AS 103 – Business Combination.

Our review report is not modified in respect of the above matter.

6. Other Matter:

- a. The unaudited consolidated financial results for the quarter and nine months ended December 31, 2016 reported under previous GAAP, included in the statement, are based on the previously issued results of the Company. These financial results were reviewed by another firm of chartered accountants, whose report dated January 25, 2017 expressed an unmodified opinion on those unaudited consolidated financial results. We draw attention to the fact that management has adjusted these previously issued results for the differences in the accounting principles adopted by the company on transition to the Ind AS and presented a reconciliation for the same, which has been approved by the Company's Board of Directors and reviewed by us.
- b. We did not review the interim financial information of 6 subsidiaries included in the consolidated unaudited financial results whose interim financial information reflect total revenues of Rs. 7296.01 lakhs and Rs. 20343.37 lakhs for the quarter and nine months ended on December 31, 2017, respectively, as considered in the consolidated unaudited financial results. This interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the reports of other auditors.
- c. The consolidated financial results include the Group's share of net loss of Rs. 114.58 lakhs and net profit of Rs. 185.14 lakhs for the quarter and nine months ended on December 31, 2017 respectively, as considered in the unaudited consolidated financial results, in respect of an associate and a joint venture whose financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the consolidated financial results, in so far it relates to the amounts and disclosures included in respect of the an associate and a joint venture, is based solely on the reports of other auditors.



Place: Ahmedabad

Date: February 10, 2018

For Manubhai & Shah LLP

Chartered Accountants

ICAI Firm Reg. No. 106041W/W100136

(J. D. Shah)

Partner

Membership number: 100116