



**MADHAV**

Leaders in Quality

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Twenty Sixth

**ANNUAL REPORT**

**2014-2015**

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**MADHAV MARBLES & GRANITES LIMITED**



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**FINANCIAL HIGHLIGHTS**

Description	(Rupees in millions)				
	2010-2011	2011-2012	2012-2013	2013-14	2014-2015
<b>For the Year</b>					
Revenue from Operations (Net)	651.88	627.50	634.06	741.02	909.77
Profit Before Finance Costs and Depreciation	61.24	33.68	99.58	136.82	142.07
Profit Before Tax	5.19	25.94	50.39	82.18	109.68
Profit After Tax	10.42	46.10	31.30	60.37	78.54
Profit After Tax excluding Exceptional Item	10.42	15.50	50.39	60.37	78.54
<b>At year End</b>					
Net Fixed Assets	336.82	295.31	267.12	218.37	289.65
Share Capital	89.47	89.47	89.47	89.47	89.47
Reserves and Surplus	864.53	900.24	921.07	965.74	1028.12
Miscellaneous Expenditure to the extent not written off	1.43	0.71	0.32	0.21	0.20
Net Worth	952.57	989.00	1010.22	1055.00	1117.39
Total Borrowings	58.40	22.68	0.02	0.00	0.00
Earning Per Share	1.16	5.15	3.50	6.75	8.78
% of Dividend	10	10	10	15	15
Dividend Per Share	1.00	1.00	1.00	1.50	1.50
Book Value Per Share	107.63	110.54	112.91	117.91	124.89



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Ravi Kumar Krishnamurthi**

Chairman and Independent Director

**Mr. Ashok Doshi**

Managing Director

**Mr. Sudhir Doshi**

Whole Time Director

**Mr. Roshan Lal Nagar**

Independent Director

**Mr. Prakash Kumar Verdia**

Independent Director

**Ms. Swati Yadav**

Additional Director (Independent)

**Company Secretary**

Priyanka Manawat

### REGISTERED OFFICE

11-A, Charak Marg  
Ambamata Scheme  
Udaipur – 313001  
Rajasthan, INDIA

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

Investor email i.d.: [investormmg1@gmail.com](mailto:investormmg1@gmail.com)

### WORKS

**Granite Division**

Thoppur, Dharmapuri District, Tamil Nadu

Office: 4/36, Bharathi Street  
Swarnapuri, Salem- 636 004, Tamil Nadu

**Wind Mills**

- SF No. 405/1(PART) & 412 (PART)  
Village: Balabathiraramapuram  
Dist.: Tirunelveli, Tamilnadu
- Survey No. 149/151  
Velampatti Road, Pungamuthur Village  
Otanchatram Taluk, Dindigul Distt.  
Tamil Nadu

### STATUTORY AUDITORS

**M/s Nyati and Associates**

Chartered Accountants  
87, Chetak Marg  
Near Punjab National Bank  
Udaipur- 313001, Rajasthan

### BANKERS

State Bank of India  
Allahabad Bank

**26<sup>TH</sup> AGM**

**Day:** Friday

**Date:** August 14, 2015

**Time:** 10:00 a.m.

**Venue:** Hotel Rajdarshan, Udaipur



## Madhav Marbles and Granites Limited

Regd. Office: 11 A, Charak Marg, Ambamata Scheme, Udaipur – 313001, Rajasthan, INDIA

CIN: L14101RJ1989PLC004903, Web: www.madhavmarbles.com,

Email: investormmgl@gmail.com, Tel: 0294-2430200, 2434445, Fax: 0294-2430400

### NOTICE of the Annual General Meeting

**NOTICE** is hereby given that the Twenty Sixth Annual General Meeting of the Members of **MADHAV MARBLES & GRANITES LIMITED** will be held on Friday, August 14, 2015 at 10:00 a.m. at Hotel Rajdarshan, Udaipur - 313001, Rajasthan to transact the following business:-

#### Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2015, together with the report of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares for the year 2014-15.
3. To appoint M/s. Nyati & Associates, Chartered Accountants, (Firm Reg. No.002327C), as Statutory auditors of the Company.

#### Special Business:

4. 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 Sections 149,150,152, the other applicable provisions of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, the appointment of Mr. Ravi Kumar Krishnamurthi, (DIN: 00464622), as an Independent Director on the Board of the Company be and is hereby approved for a period of five consecutive years from April 01, 2015 to March 31, 2020.”

5. 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 Sections 149,150,152, the other applicable provisions of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Ms. Swati Yadav, (DIN: 06572438), who was appointed as an additional Director on the Board of the Company with effect from March 01, 2015 in terms of Section 161 of Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of the Company to hold office for a period of five consecutive years for a term up to 28<sup>th</sup> February, 2020.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the Company be and is hereby replaced with the new Articles of Association which is placed before the members at this meeting and initialed by the Chairman for the sake of identification, and the new Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in place and in substitution of the existing Articles of Association



**RESOLVED FURTHER THAT** Mr. Ashok Doshi, Managing Director and Ms. Priyanka Manawat, Company Secretary be and are hereby jointly and/or severally authorized by the Company to undertake such acts, deeds and matters as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** the Special Resolution passed at Item No. 8 at the 23<sup>rd</sup> Annual General Meeting of the Company held on September, 22, 2012 for re-appointment of Mr. Sudhir Doshi (DIN: 00862707) as the Whole Time Director of the Company for a period of five years with effect from July 28, 2012 be and is hereby modified/ amended to the effect that Mr. Sudhir Doshi, Whole Time Director shall be subject to retirement by rotation

**RESOLVED FURTHER THAT** such retirement shall not, if Mr. Sudhir Doshi is reappointed at the same meeting at which he retires by rotation, affect his appointment as the Whole time Director of the Company which shall continue to be for a period of five years with effect from July 28, 2012 and other terms and conditions of his appointment and remuneration shall remain unaltered as provided in the said Special Resolution passed at the 23<sup>rd</sup> Annual General Meeting.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 or any amendment or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under, the consent of the Company be and is hereby accorded to revision in remuneration payable to Mr. Madhav Doshi, designated as “President” on such terms and conditions as recommended by the Board of Directors and as set out in the explanatory statement which is annexed to the Notice convening this Annual General Meeting

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as it may deem fit in the interest of the Company and to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient for the purpose of giving effect to this resolution.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of Mr. Ashok Doshi, (DIN 00648998) liable to retire by rotation, as the Managing Director of the Company under the Companies Act, 2013 to be designated as Managing Director & Chief Executive Officer (MD & CEO) for a period of three years with effect from 01st May, 2015, on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting

**RESOLVED FURTHER THAT** the Board of Directors (which term shall always be deemed to include any Committee constituted or to be constituted to exercise the powers including its powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or any such other competent authority



**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration, excluding commission amount payable on profits earned, as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the provisions of section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and the relevant rules made there under (including any modification or re-enactment thereof for the time being in force) and in supersession of the resolutions passed earlier in this regard, consent of the Company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as “the Board” ) to borrow any sum or sums of monies from time to time for the purpose of the Company’s business on such terms and conditions and with or without security, as the Board may in its absolute discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), including rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on date of relevant foreign currency agreement), may exceed at any time, the aggregate of the paid-up capital of the Company and its free-reserves, provided that the total amount so borrowed shall not at any time exceed Rs.200 Crores (Rupees Two Hundred Crores only).

**RESOLVED FURTHER THAT** Board of Directors of the Company, be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of directors or any one or more Directors of the Company and to do all such acts, deeds, matters and things as may be deemed necessary, expedient or desirable in order to give effect to the foregoing resolution.”

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made there under (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and in supersession of the resolutions passed earlier in this regard, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “ the Board”) to hypothecate/mortgage and/or encumber in addition to the hypothecation/mortgages and/or charges and/or encumbrances created by the Company in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the immovable and movable properties of the Company, wherever situated, both present and future and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of undertakings of the company in favour of any Financial Institutions, Banks and other lending Institutions or Agents, to secure their respective Rupee and Foreign Currency Loans or other financial assistance lent, granted and advanced or agreed to be lent, granted and advanced to the Company of such amount or amounts not exceeding Rs. 200 Crores (Rupees Two Hundred Crores only) in the aggregate on account of principal, together with interest thereon at the respective agreed rates, costs, charges and other monies payable by the Company to respective Financial Institutions, Banks and other lending Institutions under the Loan/Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said Term Loans or other Financial Instruments or assistance.

**RESOLVED FURTHER THAT** the Board of Directors of the Company including a committee thereof, be and is hereby authorized to finalise the terms & conditions with the Financial Institutions, Banks and other lending Institutions and execute the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto.”

By order of the Board  
For **Madhav Marbles and Granites Ltd.**

Priyanka Manawat  
**Company Secretary**

Udaipur, June 13, 2015



**Notes:**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective should be deposited at the registered office not less than 48 hours before the commencement of the meeting.

- 2 The Register of Members and the Share transfer books will remain closed from Friday, August 07, 2015 to Friday, August 14, 2015 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if any.

- 3 The Dividend on Equity Shares for the year ended March 31, 2015, if approved at by the members will be paid on or after August 20, 2015 to those members whose names appear in the Register of Members as on Book Closure dates.

- 4 Members are requested to:

- (a) Notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
- (b) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
- (c) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
- (d) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
- (e) Non-Resident Indian Members are requested to inform M/s. Ankit Consultancy Private Limited immediately of the change in residential status on return to India for permanent settlement.

- 5 Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Ankit Consultancy P. Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members

- 6 Members who have not encashed their unclaimed/unpaid dividend warrants for the year 2007-2008 or thereafter are requested to write to the Company / Registrar and Share Transfer Agents for payment in lieu thereof. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 09, 2014 (date of last Annual General Meeting) on the website of the Company ([www.madhavmarbles.com](http://www.madhavmarbles.com)), as also on the Ministry of Corporate Affairs website.

- 7 A member desirous of getting any further information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least five working days prior to the meeting, so that the required information can be made available at the meeting.

- 8 Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of directors seeking appointment/re-appointment at the Annual General Meeting, is separately annexed hereto.

- 9 **GREEN INITIATIVE:**

Members who have not registered their e-mail addresses so far are requested to register their e-mail address at Company's email i.d. i.e **[investormmgl@gmail.com](mailto:investormmgl@gmail.com)** so that they can receive the Annual Report and other communication from the Company electronically.





**10. Voting through Electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Companies (Management and Administration) Amendment Rules, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL)

The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be allowed to cast their vote again

The remote e-voting period commences on August 10, 2015 (9:00 am) and ends on August 13, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 07, 2015 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

**A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Depository Participants(s)]:**

- (i) Open email and open PDF file viz; MADHAV.pdf. The said PDF file contains your user ID and password/PIN for remote e-voting.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Type user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) If you login first time, Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or a combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
- (vii) Select “REVEN” of Madhav Marbles and Granites Ltd.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional & Corporate 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [evoting.mmgl@gmail.com](mailto:evoting.mmgl@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case Email I.D. of the member is not registered with the depository participant and members holding shares in Physical Form:**

- (i) Initial password will be provided/intimated through Letter from our Registrar:

REVEN ( Remote E Voting Event Number)	USER ID	PASSWORD/PIN



- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
  - II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 07, 2015.
  - V. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. August 07, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or (Company/RTA email id)  
  
However, If you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot user Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL. at the following toll free no: 1800-222-990.
  - VI. Mr. Ramesh Chandra Soni, Chartered Accountant, (M. No. 071921) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - VII. The Scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.
  - VIII. The results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with Scrutinisers' report shall be placed on the Company's website: [www.madhavmarbles.com](http://www.madhavmarbles.com) and website of NSDL.



## Annexure to the Notice

### Annexure One: Statement Pursuant to Section 102 of the Companies Act, 2013

#### Item No 4

Mr. Ravi Kumar Krishnamurthi, (DIN: 00464622) joined the Board of your Company as a Non-Executive Independent Director in November, 1993. Presently he is Chairman of the Board and also member of Nomination and Remuneration Committee.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Ravi Kumar Krishnamurthi being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2020. A notice has been received from a member proposing Mr. Krishnamurthi as a candidate for the office of director of the Company.

Your Board is of the opinion that Mr. Krishnamurthi fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of appointment of Mr. Krishnamurthi as an Independent Director setting out the terms and conditions would be available for inspection by the members at the registered office of the Company on all Working days (except Saturdays, Sundays and Public Holidays) between 11:00 a.m. to 1:00 p.m. upto the date of this Annual General Meeting.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail his services as an Independent Director. The Board recommends the resolution in relation to appointment of Mr. Ravi Kumar Krishnamurthi as an Independent Director, for the approval by the members of the Company.

Except Mr. Ravi Kumar Krishnamurthi, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

#### Item No 5

The Board of Directors at their meeting held on March 11, 2015 appointed Ms. Swati Yadav, (DIN: 06572438) as an Additional Director under Section 161 and as a Non-Executive Independent Director for five consecutive years under Section 149 of the Companies Act, 2013 with effect from March 01, 2015. The Company has received a notice from a member proposing Ms. Swati Yadav as a candidate for the office of Director of the Company

Ms. Swati Yadav does not hold by herself or for any other person on beneficial basis, any shares in the Company. Ms. Yadav has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Your Board is of the opinion that Ms. Yadav fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of appointment of Ms. Swati Yadav as an Independent Director setting out the terms and conditions would be available for inspection by the members at the registered office of the Company on all Working days (except Saturdays, Sundays and Public Holidays) between 11:00 a.m. to 1:00 p.m. upto the date of this Annual General Meeting.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Yadav as an Independent Director.

The Board of Directors recommends the resolution in relation to appointment of Ms. Swati Yadav as an Independent Director for five consecutive years for term up to 28th February, 2020, for approval by the members of the Company.

Except Ms Swati Yadav, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the said resolution.

#### Item No.6

The Company had previously adopted its Articles of Association ("AoA") under the Companies Act, 1956, which contain references to specific Sections of the Companies Act, 1956.

With the enactment of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration and/or deletion. Given this position, it is considered expedient to replace the existing AoA with a new AoA.



The draft AoA is available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11:00 a.m. to 1:00 p.m. up to the date of this Annual General Meeting.

The Board of Directors accordingly recommends the resolution set out at Item No. 6 of the Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the said resolution.

**Item No. 7**

Mr. Sudhir Doshi was re-appointed as the Whole time Director in the Annual General Meeting held on September 22, 2012 for a period of five years w.e.f July 28, 2012 and not liable to retire by rotation.

As per Section 152 of the Companies Act, 2013, at least two-thirds of the total number of Directors (excluding independent directors) of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation. To comply with the provisions of Section 152 of the Companies Act, 2013, the Whole time Director is proposed to be made director whose period of office is liable to determination by retirement of directors by rotation.

Please note that as per Article 143 of the Articles of Association (hereinafter referred to as the "Articles") of the Company, Managing Director/Whole Time Director is not liable to retire by rotation. The restated Articles pursuant to the Resolution no. 6 seeks to amend this provision, and as such, the resolution to make the Managing Director/Whole Time Director a director subject to retire by rotation is subject to the adoption of the restated Articles as per Item no. 6.

The Board recommends the Resolution set out at Item No. 7 of the Notice for approval by the members.

Save and except Mr. Sudhir Doshi, Mr. Ashok Doshi, and their relatives to the extent of their holding and interest, if any in the Company, none of the other Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

**Item No. 8**

The members at the Annual General Meeting held on September 26, 2009 approved appointment of Mr. Madhav Doshi as Manager Exports with effect from May 01, 2009. He was promoted as President by the Board of Directors at their meeting held on February 10, 2014 with effect from February 01, 2014.

The present total remuneration of Mr. Madhav Doshi is 24 Lacs p.a. plus Bonus/exgratia, as per the rules of the Company not exceeding the amount of 12 months basic salary.

Mr. Madhav Doshi is responsible for Business Development of the Company especially International Markets/ customers/products and for public relations of the Company. The Company is immensely benefitted by his extensive experience and innovative thinking in the field of Marketing.

The Board of Directors at their meeting held on May 23, 2015 approved revision in remuneration payable to Mr. Madhav Doshi subject to the approval of members on the terms and conditions as set out below:

**Salary and Benefits:**

- Basic Salary: Rs. 250000 per month (in the scale of 250000 -50000-400000)
- Personal Accident /Medical Insurance: Premium not to exceed Rs. 20000 per annum.
- Rent Free accommodation with reimbursement on actual basis of expenses pertaining to electricity /gas / water /telephone and other miscellaneous expenses for the upkeep and maintenance and furnishing of such accommodation

Apart from above, Mr. Madhav Doshi will be entitled to Company's contribution to Provident Fund, Superannuation Fund, Bonus and other benefits as per the rules of the Company. Gratuity is payable at the rate not exceeding half a month's salary for each completed year of service.



**Other Terms and Conditions**

1. Use of Company's Car with Driver and Telephone at the residence. The perquisite value of these terms will be valued as per the Income Tax Act, if applicable.
2. Reimbursement of expenses incurred in connection with the business of the Company
3. He shall be in the exclusive employment of the Company and will not hold a place of profit in any other company.

The particulars of the transaction pursuant to para 3 of explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

(a) Name of the related party	Mr. Madhav Doshi
(b) Name of the director or Key Managerial personnel who is related	Mr. Ashok Doshi, Managing Director Mr. Sudhir Doshi, Whole Time Director
(c) Nature of relationship	Mr. Madhav Doshi is son of Managing Director Mr. Ashok Doshi
(d) Remuneration	As provided in the explanatory statement
(e) Payment Schedule	Not applicable
(f) Nature, material terms and particulars of the Arrangement	Mr. Madhav Doshi had been appointed as 'President' of the Company on remuneration of Rs. 175000-25000-250000 per month. His remuneration is proposed to be revised as per terms set out in the resolution given at item number 8.
(g) Duration of the contract	He was appointed as President for a period of three years with effect from February 01, 2014  Mr. Madhav Doshi has been appointed under a contract of employment pursuant to which he may function according to directions as may be given by the Board from time to time. Contract will continue as long as he remains an employee and will be renewed/extended as per the discretion of the Board
(h) Any other information relevant or important for the members to make a decision on the proposed transaction	–

The Nomination and Remuneration Committee and the Board of Directors of the Company at respective meetings have approved, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, the revision in remuneration payable to Mr. Madhav Doshi w.e.f. May 01, 2015.

In terms of the provisions of Section 188 of the Companies Act, 2013, the proposed Special Resolution seeks approval of the members of the Company for revision in remuneration payable to Mr. Madhav Doshi w.e.f. May 01, 2015, as he is a related party being a son of Mr. Ashok Doshi, Managing Director of the Company.

The Board recommends the special resolution given at item no. 8 for the approval of the members of the Company.

Except Mr. Ashok Doshi and Mr. Sudhir Doshi, being relative of Mr. Madhav Doshi, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

**Item No. 9**

The members at the 21<sup>st</sup> Annual General Meeting held on September 25, 2010 had approved the re-appointment of Mr. Ashok Doshi, as Managing Director of the Company for a period of five years from 01<sup>st</sup> May, 2010 to 30<sup>th</sup> April, 2015. The term of five years of Mr. Ashok Doshi expired on April 30, 2015



Considering the significant growth achieved by the Company, the ambitious growth plan for immediate future, the responsibilities borne by the Managing Director & Chief Executive Officer and the industry standards, the Board of Directors of the Company at its Meeting held on 23<sup>rd</sup> May, 2015 has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of members and Central Government, approved re-appointment and remuneration of Mr. Ashok Doshi as the Managing Director under the Companies Act, 2013 to be designated as Managing Director & Chief Executive Officer (MD & CEO) for a term of 3 years with effect from May 01, 2015.

The terms of remuneration payable to Mr. Ashok Doshi, Managing Director & Chief Executive Officer are set out below:

**REMUNERATION:**

(a) Basic Salary:	Rs.3,20,000/- per month with yearly increments to be decided by the Board of Directors.
(b) Variable Pay	Performance linked bonus as may be decided by the Board of Directors from time to time subject to a maximum of 3 % of the net profits of the company for each financial year and subject to overall limits as stipulated under section 197 read with schedule V of the Companies Act, 2013 and computed in the manner prescribed under section 198 of the Companies Act, 2013.
<b>(c) Perquisites</b>	
i. Housing:	Free furnished accommodation if the house is owned by the Managing Director or House rent allowance @ 30 % of the basic salary in lieu of company provided accommodation.
ii. Reimbursement of expenses:	On actual basis pertaining to electricity /gas /water /telephone and other miscellaneous expenses for the upkeep and maintenance and furnishing of such accommodation
iii. Medical Reimbursement:	Actual expenses incurred by Mr. Ashok Doshi and his family.
iv. Leave Travel Concession:	For Mr. Ashok Doshi and his family subject to ceiling of Rs.3 lakhs per annum

**Explanation:** For the purpose of (iii) and (iv) above, family means the spouse and the dependent children of Mr. Ashok Doshi.

v. Club Fees:	Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
vi. Personal Accident / Medical Insurance:	Premium not to exceed Rs. 20000/- per annum.
vii. Company's Contribution towards Provident Fund:	As per the rules of the Company. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent not taxable under the Income Tax Act 1961.
viii. Gratuity:	Gratuity payable shall not exceed half a month's salary for each completed year of service.
ix. Provision of Car:	Provision of car for use on Company's business will not be considered as perquisites.
x. Provision of Telephone:	Provision of telephone at residence will not be considered as perquisites.
xi. Encashment of leave:	No encashment of leave is permissible.
xii. Other benefits:	Reimbursement of all entertainment traveling and other expenses incurred for the business of the company.
xiii. Any other one time/periodic retirement allowance /benefits as may be decided by the Board at the time of retirement.	



- The said re-appointment would further be subject to the approval of the Central Government and/ or such other competent authority as may be required pursuant to requirements of Part I of Schedule V to the Companies Act, 2013.
- This appointment of Mr. Ashok Doshi will be subject to retirement by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company.
- A statement containing information required to be provided to the shareholders as per the provision of Schedule V to the Companies Act, 2013 in respect of re-appointment of Mr. Ashok Doshi is given below:

**I. General Information:**

**(i) Nature of Industry:**

**The Company is engaged in the business of**

- Manufacturing and processing of Granite Tiles and Slabs
- Generation of Power by WTG
- Land Development and Real Estate
- Trading of Marble, Granite and Other Stone

**(ii) Date or expected date of Commencement of Commercial production:**

Not applicable as the Company is an existing Company.

**(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not applicable

**(iv) Financial performance based on given indicators - as per audited financial results for the year ended 31st March 2015:**

(Rs. in Million)

Particulars	2014-2015	2013-2014
Turnover and Other Income	933.89	774.34
Net profit after Tax as per Statement of Profit & Loss Account	78.54	60.36
Earnings Per Share	8.78	6.75

**(v) Foreign Investment or collaborations, if any:**

The Company has not entered into any foreign collaborations. The Company has not made any foreign investments. The Foreign Institutional Investors are holding shares in the Company within the permitted limits.

**II. Information about the appointee**

**(i) Background details:**

Mr. Ashok Doshi is associated with the Company as Managing Director since 1995. Mr. Doshi has rich experience of over 20 years in Granite and Stone Industry. During his tenure Company has witnessed significant growth and expansion and also earned good business reputation in Domestic as well as International Markets.





**(ii) Past remuneration:**

Remuneration paid to Mr. Ashok Doshi for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 is 70.25 lakhs.

**(iii) Recognition or awards :**

N.A.

**(iv) Job profile and her suitability :**

Mr. Ashok Doshi, Managing Director & Chief Executive Officer, is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into consideration his expertise in the Industry, the Managing Director & Chief Executive Officer is best suited for the responsibilities of current assigned role.

**(v) Remuneration proposed:**

Basic salary along with Perquisites and Allowances as may be determined by Nomination and Remuneration Committee of the Board from time to time and as given above.

**(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The remuneration offered to Mr. Ashok Doshi is at par with the industry norms considering the nature of industry, size of the Company, profile and position of person.

**(vii) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :**

Besides the remuneration proposed to be paid to him, Mr. Ashok Doshi, is related with following KMP's and managerial personnel of the Company.

Name	Designation in the Company	Relation with Mr. Ashok Doshi
Mr. Sudhir Doshi	Whole Time Director	Brother
Mr. Madhav Doshi	President	Son
Mrs. Riddhima Doshi	Deputy Manager Finance	Daughter in Law

**III. Other Information**

As the remuneration proposed to Mr. Ashok Doshi is within the prescribed limit under the Companies Act, 2013, when calculated w.r.t. the last audited balance sheet i.e. as of 31<sup>st</sup> March, 2015, the information w.r.t.:

- i) Reasons of loss or inadequate profits,
  - ii) Steps taken or proposed to be taken for improvement,
  - iii) Expected increase in productivity and profits in measurable terms etc,
- is not applicable, as the Company has adequate profits.

**IV. Disclosures**

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual report in the Corporate Governance Report Section under the heading "Remuneration for the year 2014-2015.

Pursuant to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act"), including Schedule V to the Act, re-appointment and the remuneration payable to the Managing Director & Chief Executive Officer is now being placed before the members in the 26<sup>th</sup> Annual General Meeting for their approval by way of a Special Resolution.

Your Directors recommend Resolution at Item No.9 as a Special Resolution for approval of the members.





None of the directors Key Managerial Personnel and their relatives is interested in the resolution except Mr. Ashok Doshi, himself, and Mr. Sudhir Doshi, younger brother of Mr. Ashok Doshi who may be deemed to be concerned or interested in the proposed resolution.

This notice along with the explanatory statement should also be considered as an abstract of the terms of the appointment of Mr. Ashok Doshi as Managing Director & CEO of the Company.

**Item No. 10 and 11**

Pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business except with the consent of the shareholders in General Meeting by way of special resolution, borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company.

To meet the increasing requirements of funds and for future expansion/diversification plans, it is considered necessary to increase the Borrowing power limit upto Rs. 200 crores(Rupees Two Hundred crores).

Further pursuant to section 180(1)(a) of Companies Act, 2013, Board seeks your approval to create mortgage and/or charge on the immovable and movable properties both present and future and the whole or part of the undertaking of the Company to secure Borrowings/financial assistance not exceeding Rs.200 Crores (Rupees Two Hundred Crores) in aggregate on account of principal, together with interest thereon.

The Board accordingly recommends the Special Resolution as mentioned in item no. 10 and 11 of this notice for your approval.

None of the Directors & Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

**Annexure Two: Additional Information of Directors seeking appointment/re-appointment:**

Name of Director	Mr. Ravi Kumar Krishnamurthi	Ms. Swati Yadav	Mr. Ashok Doshi
Date of Birth	January 17, 1946	May 27, 1982	May 21, 1950
Date of Initial Appointment	November 30, 1993	March 01, 2015	May 01, 1995
Qualification	B.A, L.L.B.	M.Com, M.B.A (Finance)	B. Sc.
Expertise	Corporate Law	Finance and CSR related activities	Rich experience in Granite and Stone Industry and also in managing the affairs of the company.
Shareholding	Nil	Nil	578900 (6.47% )
Directorships held in other Companies	1) Emkay Global Financial Services Ltd. 2) Emkay Commotrade Ltd. 3) Emkay Insurance Brokers Ltd. 4) Emkay Fincap Ltd.	Prem Yadav Infrastructure P. Limited	1) Rajdarshan Industries Ltd. 2) Rajdarshan Hotel P. Ltd. 3) Rupal Holdings P. Ltd. 4) Lark Finance & Investments P. Ltd. 5) Emerald Builders P. Ltd. 6) Emerald Construction Co. P. Ltd. 7) Mumal Finance P. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Nomination and Remuneration Committee – Member	Nil	Nil
Chairman/Member of the Committee of the Board of Directors of other Companies	Member of Audit Committee in Emkay Commotrade Limited	Nil	Nil



## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the Twenty Sixth Annual Report together with the statement of Audited Financial Statements for the financial year ended March 31, 2015.

### Financial Results

(Rupees in Million)

Details	Year ended 31.03.2015	Year ended 31.03.2014
Net sales and other income	<b>933.89</b>	774.34
Profit before Finance Costs and Depreciation	<b>142.07</b>	136.82
Finance Costs	<b>0.09</b>	0.008
Depreciation & Amortization	<b>32.30</b>	54.64
Profit before Exceptional Items and Tax	<b>109.68</b>	82.18
Exceptional Items	<b>-</b>	-
Profit before tax	<b>109.68</b>	82.18
Provision for taxation:		
Current Tax	<b>22.37</b>	32.19
Deferred Tax	<b>8.77</b>	(10.37)
Profit after tax	<b>78.54</b>	60.36
Surplus brought forward from previous year	<b>545.98</b>	501.32
<b>Total</b>	<b>624.52</b>	561.68
Proposed Dividend (15%)	<b>13.42</b>	13.42
Tax on proposed dividend	<b>2.73</b>	2.28
Transfer to general reserve	<b>350.00</b>	-
Surplus in Profit & Loss Account	<b>258.37</b>	545.98

### Performance Review

We reported total revenue of Rs. 933.89 million during the year under review, an increase of almost 20.60% as compared to total revenue of Rs. 774.34 million in the financial year 2013-14. The increase is driven by 21.64% growth in Turnover over last year.

Profit before Tax stood at Rs. 109.68 million, higher by 33.46% as compared to profit of Rs. 82.18 million in the previous year. Change in method of providing depreciation pursuant to requirement of Schedule II to the Companies Act, 2013 resulting in lower depreciation expense had a positive impact on PBT in this financial year.

### Dividend

The Company has been paying dividend consistently since financial year 2001-2002 and this year also your Board of Directors have pleasure in recommending a dividend of Re. 1.50 per share on 8947000 Equity Shares of Rs.10 each for the year ended March 31, 2015.

The dividend, if approved by the shareholders, would involve total outflow of Rs.16.15 million including dividend tax of Rs.2.73 million. Dividend will be paid to those shareholders whose name appear in the register of members of the Company on August 14, 2015 and to the beneficial holders as on August 07, 2015.



### Directors Responsibility Statement

Your Director state that:

- a) in preparation of the annual accounts for the financial year ended March 31, 2015, applicable accounting standards read with requirements set out under Schedule III of the Act, have been followed and that there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements 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, 2015 and of the Profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts of the Company on a “going concern” basis;
- e) proper internal financial controls laid down by Directors were followed and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in lace and that such systems were adequate and operating effectively.

### Management Discussion and Analysis Report

The Management Discussion and Analysis forms an integral part of this Report and covers, amongst other matters, the performance of the Company during the financial year under review as well as the future prospects.

### Corporate Governance

In compliance with the provisions of Clause 49 of the Listing Agreement, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of this Report.

### Public Deposits

During the financial year 2014-15, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

### Directors

- The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.
- Appointment of Mr. Ravi Kumar Krishnamurthi (DIN: 00464622) as Independent Director is proposed to be made at the forthcoming Annual General Meeting for a consecutive term of five years up to March 31, 2020
- Ms. Swati Yadav (DIN: 06572438) was appointed as an Additional Director(Independent) with effect from March 01, 2015 on the Board of the Company. Members' approval is being sought for confirmation of appointment of Ms. Yadav as an Independent Director for a term upto five consecutive years i.e from March 01, 2015 to February 28, 2020, on non-rotational basis.
- The Board of Directors at their meeting held on May 23, 2015 had approved the re-appointment of Mr. Ashok Doshi (DIN:00648998) as Managing Director & Chief Executive Officer for a period of three years w.e.f May 01, 2015 subject to the approval of the members and Central Government (Pursuant to the requirement of part I of Schedule V to the Companies Act, 2013).



### **Statutory Auditors**

M/s. Nyati and Associates, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued there under.

The Audit Committee and the Board of Directors recommend the appointment of M/s. Nyati and Associates, Chartered Accountants, as the Auditors of your Company for the financial year 2015- 16 till the conclusion of the next AGM. The Auditors' Report for the financial year 2014-15, does not contain any qualification, reservation or adverse remark.

### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Ronak Jhuthawat, Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as "**Annexure [IV]**" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **Extract of Annual Return**

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as "**Annexure [III]**" to this Report.

### **Particulars of Employees**

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee was drawing remuneration in excess of the limits set out in the said rules.

### **Contracts or Arrangement with Related Parties**

All related Party transactions that were entered during the year were in ordinary course of business and at Arm's length pricing basis. There were no materially significant Related Party Transactions entered into with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Suitable disclosures as required under AS-18 has been made in Notes to the Accounts.

### **Corporate Social Responsibility**

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and a Report on CSR Activities forms part of this Report as "**[Annexure II]**." to this Report



**Vigil Mechanism/Whistle Blower Policy**

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the Company. The functioning of Vigil mechanism is reviewed by the Audit committee from time to time. No Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and also available on the website of the Company [www.madhavmarbles.com](http://www.madhavmarbles.com).

**Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the Going Concern status of the Company**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

**Acknowledgement**

Your Directors express their sincere thanks to the Bankers, Financial Institutions, Customers, Government Departments and Suppliers for their continued co-operation. The directors also place on record their deep appreciation for the valuable contribution of employees at all levels.

Your Directors also thanks the shareholders and other stakeholders for their continued support and patronage during the year under review.

By order of the Board  
For **Madhav Marbles and Granites Ltd.**

Ashok Doshi  
**Managing Director**

Sudhir Doshi  
**Whole Time Director**

Udaipur, June 13, 2015



## ANNEXURE I to the Directors' Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

#### A. Conservation of Energy

The plant installed by the Company is of latest technology and is energy efficient. The Company is taking steps on continuous basis to examine and implement fresh proposals for conservation of energy and minimize its use by regularly monitoring consumption and improved maintenance of the existing systems.

39% of Company's power requirement is met by non-conventional source i.e. Windmill.

#### B. Technology Absorption, Research and Development

##### 1. Research and Development (R&D)

The Company undertakes from time to time, studies for process improvement and plant design development, to improve quality and performance of its products, to substitute imported material and components and to economize the production costs.

##### 2. Technology Absorption, Adaptation and Innovation

The Company is continuously updating itself to standardize and install required machinery for manufacturing and quality control. High quality standards helps in maintaining a better image in the market therefore improving the marketability of the products. There is a comprehensive quality control to ensure that the Company's products meet international standards.

#### C Foreign Exchange Earning & Outgo and Export Activities

##### 1. Exports

Your company is continuously exploring possibilities of exporting new markets. Exports during the year ended March 31, 2015 amounted to Rs. 883.57 million against Rs. 724.00 million for the year ended March 31, 2014, which is inclusive of third party exports.

##### 2. Export Activities

Increasing the penetration through an optimal mix of pricing and promotions in the international market.

##### 3. Foreign exchange earnings and outgo

Earning : Rs. 861.97 million

(previous year Rs. 705.71 million)

Outgo: Rs. 76.97 million

(previous year Rs. 60.54 million)

By order of the Board  
For **Madhav Marbles and Granites Ltd.**

Ashok Doshi  
Managing Director

Sudhir Doshi  
Whole Time Director

Udaipur, June 13, 2015



## ANNEXURE II to the Directors' Report

### Report on Corporate Social Responsibility (CSR) Activities

Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company's CSR policy has been uploaded on the website under the weblink.

Web-Link: <http://www.madhavmarbles.com/wp-content/uploads/2014/06/Corporate-Social-Responsibility-Policy.pdf>

The Composition of the CSR Committee.

1. Mr. Prakash Kumar Verdia, Chairman  
Non-Executive Independent Director
2. Mr. Roshan Lal Nagar: Member  
Non-Executive Independent Director
3. Mr. Sudhir Doshi: Member  
Executive Director

#### Average net profit of the company for last three financial years

Rs.5,44,78,635/- (Rs. Five Crores Forty Four Lacs Seventy Eight Thousand Six Hundred Thirty Five only)

#### Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The Company during the financial year 2014-15 is required to spend Rs. 10,89,573/- (Ten Lac Eighty Nine Thousand Five Hundred Seventy Three only) towards CSR.

#### Details of CSR spent during the financial year.

- (a) Total amount spent for the financial year: Rs. 1090000/- (Ten Lacs Ninety Thousand only)
- (b) Amount unspent, if any; Nil
- (c) Manner in which the amount spent during the financial year is detailed below:

The Company had deposited the entire amount of Rs. 1090000/- into Prime Minister' Relief Fund

In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.: **Not applicable**

7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Prakash Kumar Verdia  
**Chairman**

Roshan Lal Nagar  
**Member**

Udaipur, June 13, 2015



## ANNEXURE III to the Directors' Report

### EXTRACT OF ANNUAL RETURN

as on financial year ended March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. Registration and Other Details

CIN:	L14101RJ1989PLC004903
Registration Date:	April 07, 1989
Name of the Company:	MADHAV MARBLES AND GRANITES LIMITED
Category / Sub-Category of the Company:	Public Ltd. Company
Address of the Registered office and Contact Details:	11 A, Charak Marg, Ambamata Scheme Udaipur – 313001 Web:www.madhavmarbles.com Mail:investormmgl@gmail.com Tel: 0294-2430200, 2434445 Fax:0294-2430400
Whether Listed Company:	Yes
Name, Address and Contact Details of Registrar and Share Transfer Agents, if any:	Ankit Consultancy Private Limited 60, Electronic Complex, Pardeshipura Indore – 452001 Madhya Pradesh Tel: 9302506208, 0731-2551745

#### II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S. No.	Name and Description of Main Products and Services	Code of Product	% to total turnover of the Company
1	Granite Tiles	680233	25.00
2	Granite Slabs	680233	66.00

#### III. Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Not Applicable					







Category of Shareholders	No. of shares held at the beginning of the year (as on April 01, 2014)				No. of shares held at the end of the year (as on March 31, 2015)				% Change during the year
	Demat		% of Total Shares		Demat		% of Total Shares		
	Physical	Total	Physical	Total	Physical	Total	Physical	Total	
(2) Non- Institutions									
a) Bodies Corporate	371546	26800	398346	4.45	513395	26800	540195	6.04	1.59
b) Individuals	2288753	413710	2702463	30.21	2191532	405810	2597342	29.03	(1.18)
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1648613	15000	1663613	18.59	1657274	-	1657274	18.52	(0.07)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	180090	88900	268990	3.01	225750	86900	312650	3.49	0.48
c) NRI & OCB	6752	-	6752	0.08	2724	-	2724	0.03	(0.05)
d) Clearing Member									
Sub Total(B)(2)	4495754	544410	5040164	56.33	4590675	519510	5110185	57.12	0.78
Total Public Shareholding	4856179	-	5410189	60.47	4951100	529110	5480210	61.25	0.78
<b>C.Shares held by Custodian for GDRs&amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>8392990</b>	<b>554010</b>	<b>8947000</b>	<b>100.00</b>	<b>8417890</b>	<b>529110</b>	<b>8947000</b>	<b>100.00</b>	<b>-</b>

II. Shareholding of Promoter and Promoter Group

S. No.	Shareholders' Name	No. of Shares at the beginning of the year (as on April 01, 2014)			No. of Shares at the end of the year (as on March 31, 2015)			% of Change in share holding during the year
		No. of Shares	% of total shares	% of total shares pledged/ encumbered to total shares	No. of Shares	% of total shares	% of total shares pledged/ encumbered to total shares	
1	Mumal Finance Private Limited	782600	8.75	0.00	782600	8.75	0.00	-
2	Aruna Doshi	586452	6.55	0.00	586452	6.55	0.00	-
3	Ashok Doshi	578900	6.47	0.00	578900	6.47	0.00	-
4	Rajdarshan Industries Limited	423162	4.73	0.00	423162	4.73	0.00	-
5	Lark Finance and Investments Private Limited	284000	3.17	0.00	284000	3.17	0.00	-
6	Sumal Finance and Investments Private Limited	176750	1.98	0.00	235250	2.63	0.00	0.65



S. No.	Shareholders' Name	No. of Shares at the beginning of the year (as on April 01, 2014)			No. of Shares at the end of the year (as on March 31, 2015)			% of Change in share holding during the year
		No. of Shares	% of total shares	% of total shares pledged/ encumbered to total shares	No. of Shares	% of total shares	% of total shares pledged/ encumbered to total shares	
7	Akshat Investments and Consultants Private Limited	193560	2.16	0.00	193560	2.16	0.00	-
8	Madhav Doshi	134400	1.50	0.00	134400	1.50	0.00	-
9	Gelda Finance and Trading Private Limited	151327	1.69	0.00	101306	1.13	0.00	(0.56)
10	Raj Kumar Bapna – Karta (R K Bapna HUF)	28859	0.32	0.00	28859	0.32	0.00	-
11	Prema Doshi	28800	0.32	0.00	28800	0.32	0.00	-
12	Raj Kumar Bapna	20600	0.23	0.00	20600	0.23	0.00	-
13	Dr. Sudhir Doshi	20500	0.23	0.00	20500	0.23	0.00	-
14	Vimmi Investments and Consultants Private Limited	20000	0.22	0.00	0	0	0.00	(0.22)
15	Rekha Bapna	15400	0.17	0.00	15400	0.17	0.00	-
16	Sudhir Tej Singh Doshi	70001	0.78	0.00	11501	0.13	0.00	(0.65)
17	Akshat Bapna	7600	0.08	0.00	7600	0.08	0.00	-
18	Mumal Doshi	4300	0.05	0.00	4300	0.05	0.00	-
19	Sumal Doshi	3100	0.03	0.00	3100	0.03	0.00	-
20	Divya Doshi	3000	0.03	0.00	3000	0.03	0.00	-
21	Anu Khamesra	2000	0.02	0.00	2000	0.02	0.00	-
22	Rejesh Khamesra	1000	0.01	0.00	1000	0.01	0.00	-
23	Jagdish Dashora	500	0.01	0.00	500	0.01	0.00	-
	<b>Total</b>	<b>3536811</b>	<b>39.53</b>	<b>0.00</b>	<b>3466790</b>	<b>38.75</b>	<b>0.00</b>	<b>(0.78)</b>



III. Change in Shareholding of Promoters/Promoters Group (Please specify if there is no change)

S. No.	Name of Shareholder	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Gelda Finance and Trading Private Limited	151327	1.69	01.04.2014	(500)	Sale	150827	1.69
				23.05.2014	(1000)	Sale	149827	1.67
				06.06.2014	(2000)	Sale	147827	1.65
				13.06.2014	(1200)	Sale	146627	1.64
				27.06.2014	(1500)	Sale	145127	1.62
				04.07.2014	(1000)	Sale	144127	1.61
				29.08.2014	(2200)	Sale	141927	1.59
				05.09.2014	(3000)	Sale	138927	1.55
				12.09.2014	(1400)	Sale	137527	1.54
				07.11.2014	(1712)	Sale	135815	1.52
				14.11.2014	(21950)	Sale	113685	1.27
				21.11.2014	(5617)	Sale	108248	1.21
				28.11.2014	(3792)	Sale	104456	1.17
				19.12.2014	(2115)	Sale	102341	1.14
				31.12.2014	(900)	Sale	101441	1.13
				09.01.2015	(135)	Sale	101306	1.13
				16.01.2015				
				31.03.2015				
2.	Vimmi Investments and Consultants Private Limited	20000	0.22	01.04.2014	(20000)	Transfer	-	-
				06.06.2014				
				31.03.2015				

\*Note: Date of transfer/sale has been considered as the date on which the beneficiary position was provided by the RTA to the Company.



IV. Change in Shareholding of Top Ten Shareholders

S. No.	Name of Shareholder	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Sangeetha S	418280	4.68	01.04.2014				
		422280	4.72	30.05.2014	4000	Purchase	422280	4.72
		360425	4.03	31.03.2015				
2.	United India Insurance Company Limited	360425	4.03	01.04.2014	0	-	360425	4.03
		59196	0.66	31.03.2015				
3.	Master Capital Services Limited			01.04.2014		Purchase	62899	0.70
				04.04.2014	3703	Purchase	63169	0.71
				11.04.2014	270	Purchase	67469	0.75
				18.04.2014	4300	Purchase	66445	0.74
				25.04.2014	(1024)	Sale	66645	0.74
				16.05.2014	200	Purchase	59145	0.66
				23.05.2014	(7500)	Sale	57524	0.64
				30.05.2014	(1621)	Sale	50603	0.57
				06.06.2014	(6921)	Sale	59359	0.66
				27.06.2014	8756	Purchase	66725	0.75
				04.07.2014	7366	Purchase	82833	0.93
				11.07.2014	16108	Purchase	89269	1.00
				18.07.2014	6436	Purchase	89885	1.00
				25.07.2014	616	Purchase	108653	1.21
				01.08.2014	18768	Purchase	107156	1.20
				08.08.2014	(1497)	Sale	106983	1.20
				15.08.2014	(173)	Sale	100988	1.13
				22.08.2014	(5995)	Sale	119038	1.33
				29.08.2014	18050	Purchase	116292	1.30
				05.09.2014	(2746)	Sale	114767	1.28
				12.09.2014	(1525)	Sale	139069	1.55
				19.09.2014	24302	Purchase	152340	1.70
				30.09.2014	13271	Purchase	152484	1.70
				10.10.2014	144	Purchase		





8.	Kamlesh Dangayach	76087	0.85	01.04.2014	-	-	76087	0.85
9.	Shanthy General Finance P Ltd.	76087 12000	0.85 0.13	31.03.2015 01.04.2014	-	Purchase Purchase Purchase Purchase Purchase Purchase Purchase Purchase	76087 21294 32582 35582 42554 53800 66177 73777 74590	0.85 0.24 0.36 0.40 0.48 0.60 0.74 0.82 0.83
10	Kantilal Vajeshanker Vakharia	74590 78033	0.83 0.87	31.03.2015 01.04.2014	9294 11288 3000 6972 11246 12377 7600 813	Purchase Purchase Purchase Purchase Purchase Purchase Purchase Purchase	74590 77933 77833 77533 77482 77212 76562 76412 76112 76008 75808 75358 75303 75003 74941 74829 74729 73879 73544 73230 72930 72180 72030	0.83 0.87 0.87 0.87 0.87 0.86 0.86 0.85 0.85 0.85 0.85 0.84 0.84 0.84 0.84 0.84 0.83 0.82 0.82 0.82 0.81 0.81
					(100) (100) (300) (51) (270) (650) (150) (300) (104) (200) (450) (55) (300) (62) (112) (100) (850) (335) (314) (300) (750) (150)	Sale Sale		







S. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
	<b>KMPs</b>							
1.	Mr. S. S. Janakarajan	16300	0.18	01.04.2014	Nil	-	16300	0.18
2.	Ms. Priyanka Manawat	Nil	Nil	-	Nil	-	Nil	Nil

**VI. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured loans	excluding deposits	Unsecured loans	Deposits Total indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
				<b>NIL</b>



**VII. Remuneration to Directors and Key Managerial Personnel**

**A. Remuneration to Managing Director, Whole Time Director and/or Manager**

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Ashok Doshi	Mr. Sudhir Doshi	Manager	
		Managing Director	Whole Time Director	–	
1.	Gross Salary				
	Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	39,00,000	24,11,200	–	63,11,200
	Value of perquisites u/s 17(2) of Income Tax Act, 1961	3,15,196	23,358	–	3,38,554
	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	–	–	–	–
2.	Stock option granted during the year	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission			–	–
	As % of profit	24,50,000	–	–	24,50,000
	Others, specify	–	–	–	–
5.	Others (Company Contribution towards PF)	3,60,000	2,49,600	–	6,09,600
	<b>Total</b>	<b>70,25,196</b>	<b>26,84,158</b>	<b>–</b>	<b>97,09,354</b>

**B. Remuneration to Other Directors**

S. No.	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Mr. Ravi Kumar Krishnamurthi	Mr. Roshan Lal Nagar	Mr. Prakash Kumar Verdia	
1.	Fees of attending Board Meeting	80000	40000	40000	160000
2.	Commission	–	–	–	–
3.	Others, please specify	–	–	–	–
	<b>Total</b>				

**\*No Sitting Fees payable for attending Committee meetings**



**C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager**

S. No.	Particulars of Remuneration	Name of KMP		Total Amount
		Mr. S. S. Janakarajan	Ms. Priyanka Manawat	
		<b>CFO</b>	<b>CS</b>	
1.	Gross Salary			
	Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	19,31,480	5,36,400	24,67,880
	Value of perquisites u/s 17(2) of Income Tax Act, 1961	9,201	–	9,201
	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	–	–	–
2.	Stock option granted during the year	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission	–	–	–
	As % of profit	–	–	–
	Others, specify	–	–	–
5.	Others (Company Contribution towards PF)	1,37,520	42,768	1,80,288
	<b>Total</b>	<b>20,78,201</b>	<b>5,79,168</b>	<b>26,57,369</b>

**VIII. Penalties/Punishment/Compounding of Offences**

No Penalties/Punishment/Compounding of Offences were levied under the Companies Act, 2013.



## ANNEXURE IV to the Directors' Report

### Secretarial Audit Report

(For the Financial Year ended on 31.03.2015)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members  
Madhav Marbles and Granites Limited  
11 A, Charak Marg  
Ambamata Scheme  
Udaipur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Madhav Marbles and Granites 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 my verification of the 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 my opinion, the Company has, during the audit period **01.04.2014 to 31.03.2015**, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Madhav Marbles and Granites Limited** ("The Company") for the financial year ended on 31.03.2015 according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-
    - 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;
    - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

- (i) Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

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



During the period under review, provisions of the following regulations were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;
- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India (Yet to be notified);
- (iv) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;

**2. I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 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, 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.
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

**I further report that** based on the information received and records maintained 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.

**I further report that** during the audit period the company has no undertaken any event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above

**For Ronak Jhuthawat & Co**  
Company Secretaries

**Ronak Jhuthawat**  
Proprietor

Place : Udaipur  
Date : 02.06.2015

M No. 32924 CP No. 12094



## Management's Discussion and Analysis Report

Management of MMGL is pleased to present its analysis report covering business wise performance and outlook. This report contains certain forward-looking statements, which are subject to certain future events and uncertainties that could cause actual results to differ materially.

### Business

Company is mainly engaged in the following businesses

- (a) Manufacturing and processing of Granite Tiles and Slabs; and
- (b) Generation of power by WTG
- (c) Land Development and Realty Business
- (d) Trading of Marble, Granite & Other Stone

### Review of Operations

- **Granite Business - Tile and Slab Segment:**

The turnover from the tile business was at Rs. 225.86 million as against Rs.203.53 million in the previous year, an increase of 10.97%. The production during the year was at 170813.00 sq. meters as compared to 142333.10 sq. meters of previous year.

The turnover from the Slab business was at Rs. 598.87 million as against Rs. 488.21 million in the previous year, an increase of 22.67%. The production during the year was at 238372.670 sq meters as compared to 174727.851 sq. meters of previous year.

- **Windmills**

The production during the year was 3386841 units as against 3964415 units in the previous year. Out of current years' production 490882 (previous year 1077976) units were sold to TNEB after utilizing 2895959 (2886439) units by granite division.

The Company had setup an additional Wind Turbine Generating Unit with capacity of 1.5 MW and the unit had commenced operation w.e.f. March 26, 2015.

- **Realty**

Land measuring 184885 Sq. ft. is in the process of conversion and after that the company will sell the converted plots.

### Outlook

- **Granite Business**

Company is widening its reach by developing its existing and new customer base through its effective pricing, aggressive marketing and making available different varieties of color and design. This is resulting in boost in our business growth and good financial performance year wise.

The Tamil Nadu state government has not taken any decision to revamp the closed mines; hence availability of good quality rough granite blocks remains a critical issue. Company continues to import rough granite blocks from Norway & Finland.

We are optimistic that global economic scenario improves resulting in better business environment and profitable results.

- **Realty Business**

As informed earlier, regarding stay granted by Hon'ble Rajasthan High court for conversion in peripheral belt, the Company had opted to terminate the joint development agreement entered into with Land owners.



Global economic uncertainties have affected India's economy, including the real estate market. "Macroeconomic indicators are not healthy. Fiscal deficit and interest rates are high while the rupee is depreciating. All this does not bode well for any industry, especially real estate. Slow sales and a glut of properties are set to hamper the residential real estate market. Accordingly, the Management does not intend to take up any new project in near future.

**Financial Performance Review & Analysis:**

(Rupees in Millions)

Details	Year ended		% of Change
	2015	2014	
Total Income	<b>933.89</b>	774.34	<b>20.60</b>
Total Expenditure	<b>791.82</b>	637.51	<b>24.20</b>
Profit Before Finance Costs & Depreciation	<b>142.07</b>	136.83	<b>3.83</b>
Finance Costs	<b>0.09</b>	0.008	-
Depreciation	<b>32.30</b>	54.64	<b>(40.89)</b>
Profit Before Exceptional Item & Tax	<b>109.68</b>	82.18	<b>33.46</b>
Exceptional Item	<b>0.00</b>	0.00	<b>0.00</b>
Profit before Tax	<b>109.68</b>	82.18	<b>33.46</b>
Tax Expense	<b>31.14</b>	21.81	<b>42.78</b>
Profit After Tax	<b>78.54</b>	60.37	<b>30.10</b>

- Turnover achieved by the Company for the Year ended 31.03.2015 is Rs.903.05 million compared to the previous year turnover of Rs.742.43 million, a substantial increase of 21.64%.
- Total Turnover includes 91.00% contribution from Granite Business.
- Company has achieved Operating Profit at 15.74% of total sales as a result of better operating efficiencies and cost cutting measures adopted.
- Net Profit after Tax stood at Rs. 78.54 million as against Rs. 60.37 million in 13-14
- Earning per Share was Rs. 8.78 for the year under review against Rs.6.75 in the corresponding previous year.
- The Company has an adequate system of internal controls implemented by the Management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.
- The Company continues to maintain cordial relation with all its employees.

**Conclusion**

The Company had a successful year under review with a significant growth in turnover over last year. An additional Wind Turbine Generating unit has also been set up during the year which commenced operation in March 2015. The inherent strength, strong fundamentals, aggressive marketing strategies bodes well for the Company. Efforts towards higher operational efficiencies shall continue and management is confident and striving to deliver more good results with the support and trust of all the stakeholders.



## Report on Corporate Governance

Corporate Governance is an ethically driven business process that provides the framework for attaining Company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosures. Corporate governance essentially involves balancing the interests of all the stakeholders in a Company - these include its shareholders, management, customers, suppliers, financiers, government and the community.

Madhav Marbles and Granites Limited believes in the concept of good Corporate Governance involving integrity, transparency, accountability and compliance with laws in all dealings with Government, Customers, Suppliers, Employees and other Stake-holders. It should be followed by all the directors, management and employees of the Company to evolve into a responsible business enterprise and should endeavor to improve on these aspects.

In accordance with clause 49 of the Listing agreement with the Stock Exchanges and the best practices followed, on Corporate Governance, the details of Compliances by the Company are as under:

### Board of Directors

The Board over a period of years has created a culture of leadership to provide vision and policy approach to improve performance and for sustainable growth of the Company. As on March 31, 2015, the Company's Board comprised of six directors, two of whom are executive and four Non –executive Independent Directors. None of the Directors are members of more than ten Board-level Committees nor are they Chairman of more than five Committees in which they are members.

The Board of Directors appointed Ms. Swati Yadav, as an Additional Director (Independent) on the Board of the Company with effect from March 01, 2015.

The Board of Directors met six times during the year, on May 24, 2014, August 08, 2014, November 12, 2014, December 06, 2014, February 09, 2015 and March 11, 2015.

**Information regarding attendance at the Board Meetings, Last AGM, Outside directorships/ Committee memberships held by the Directors is tabulated hereunder:**

Director	Relationship with other Directors	Share-holding	Board meetings attended	Attendance at the last AGM	No. of other Directorship	Chairmanship(s)/ Membership(s) in Committees of others Companies	
						As Chairman	As Member
Mr. Ravi K. Krishnamurthi <i>Chairman &amp; Independent Director</i>	None	Nil	4	Yes	4	–	1
Mr. Ashok Doshi <i>Managing Director</i>	Brother of Mr. Sudhir Doshi	578900	6	Yes	7	–	–
Mr. Sudhir Doshi <i>Whole Time Director</i>	Brother of Mr. Ashok Doshi	32001	6	Yes	2	–	2
Mr. Prakash Kumar Verdia <i>Independent Director</i>	None	500	6	Yes	–	–	–
Mr. Roshan Lal Nagar <i>Independent Director</i>	None	Nil	6	Yes	1	–	–
Ms. Swati Yadav <i>Independent Director</i>	None	Nil	–	NA	1	–	–





## Information supplied to the Board

The Board is presented with all the relevant information of the Company in form of agenda papers and other additional details are tabled in the course of Board Meetings.

The following information is regularly supplied to the Board along with the specific item agenda –

1. Quarterly/Half yearly/Annual results of the Company and its units or business segments
2. Operating Plans, Long Term Plans, Business Initiatives and other related matters
3. Minutes of meetings of Committees of the Board
4. Status Report on Investor Requests/grievances
5. Related Party Transactions
6. Expansion projects and its status monitoring
7. Sale of material nature like equity investment, subsidiaries, assets, which is not in normal course of business
8. Corporate Social Responsibility activities.
9. Other matters as set out in the Listing agreement

## Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) to the Companies Act 2013 and Clause 49 of the listing agreement, a meeting of the Independent Directors was held on February 09, 2015 without the attendance of Non-Independent Directors and members of management.

## Committees of the Board:

### a) Audit Committee

#### • Functions/Role of Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors, Tax Auditors and Internal Auditors of the Company and the fixation of their audit fees.
3. Reviewing, with the Management, the Quarterly/Half-Yearly/annual financial statements before submission to the Board for approval
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualifications in draft audit report.
5. Reviewing with the management, performance of auditors and adequacy of internal control systems.
6. Reviewing the adequacy of Internal Audit plan.



7. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Discussion with Statutory Auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. Reviewing the functioning of Vigil mechanism.
10. Carrying out any other function, as is mentioned in the terms of reference of the Audit Committee.

• **Composition, Meetings and Attendance Record**

As on March 31, 2015, the committee comprises of three Directors, two Non-Executive Independent Directors and one Executive Director. Members of the committee possess financial and accounting expertise/exposure. The Company Secretary is the Secretary to the Committee as well.

The Committee met four times during the year under review on May 24, 2014, August 08, 2014, November 12, 2014 and February 09, 2015

The presence of the Members at the aforesaid Audit Committee Meetings is as under:

Name	Position	No. of Meetings	
		Held	Attended
Mr. Roshan Lal Nagar	Chairman	4	4
Mr. Prakash Kumar Verdia	Member	4	4
Mr. Sudhir Doshi	Member	4	4

**b) Stakeholders Relationship Committee**

During the year 2014-15, the nomenclature of Shareholders Transfer/Grievance Committee was change to Stakeholders Relationship Committee pursuant to the provisions of Section 178 of Companies Act, 2013 and Clause 49 of the Listing agreement.

The committee reviews in consultation with our Registrar and Share Transfer Agents Ankit Consultancy P. Ltd., matters related to Transfer/Transmission/Issue of Duplicate Shares, Non – Receipt of Annual Report, Dividend and related matters. The Company Secretary acts as the Secretary to the Committee. To expedite the share transfer/transmission work in the physical segment, necessary authority has been delegated to Registrar and Share Transfer Agents to approve transfers/transmissions. Details of share transfers / transmissions / Issue of Duplicate shares effected / approved are placed regularly both at Committee and Board meetings.

All communications regarding share transfers/transmission/issue of duplicate certificates, change of address, and bank details, etc. should be addressed to Registrar and Transfer Agents.

• **Composition, Meetings and Attendance Record**

The Committee met seven times during the year under review on May 17, 2014, August 04, 2014, September 01, 2014, October 30, 2014, December 06, 2014, December 20, 2014 and January 10, 2015. The presence of the Members at the aforesaid Stakeholders Relationship Committee Meetings is as under:

Name	Position	No. of Meetings	
		Held	Attended
Mr. Prakash Kumar Verdia	Chairman	7	7
Mr. Roshan Lal Nagar	Member	7	7
Mr. Sudhir Doshi	Member	7	7



• **Investors' Grievances received during the year and attended to**

Nature of Grievances	2014 – 2015	
	Received	Disposed
Relating to non – receipt of shares sent for Transfer, Transmission, non – receipt of Dividend etc.	4	4

**c) Corporate Social Responsibility Committee**

The committee was formed at the Board meeting held on August 08, 2014 in compliance with the provisions of Companies Act, 2013

The terms of reference of the committee includes formulation and recommendation to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in Schedule VII of Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor CSR Policy and its implementation from time to time.

Mr. Prakash Kumar Verdia is Chairman of the Committee while Mr. Roshan Lal Nagar and Mr. Sudhir Doshi are members. The Committee met once during the year under review on January 31, 2015 and the meeting was attended by all the members.

**d) Nomination and Remuneration Committee**

• **Terms of reference/objectives**

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration of Directors and Key Managerial Personnel.
2. To devise a policy on Board diversity
3. To formulate the criteria for evaluation of Independent Directors and the Board.
4. To recommend/review remuneration of Executive Directors based on their performance and defined assessment criteria
5. To carry out any other function as is directed by the Board from time to time or enforced by ant statutory notification, amendment as may be applicable.

Mr. Ravi Kumar Krishnamurthi is Chairman of the Committee while Mr. Roshan Lal Nagar and Mr. Prakash Kumar Verdia are members. During the year one Committee Meeting was held on November 12, 2014 which was attended by all the members

**Remuneration to Directors during the year 2014-2015**

• **Executive Directors**

Name of the Director	Salary and Bonus (Rs.)	Provident Fund Contribution (Rs.)	Perquisites / other benefits (Rs.)	Commission Payable (Rs.)	Total (Rs.)
Mr. Ashok Doshi Managing Director	39,00,000	3,60,000	3,15,196	34,75,252	80,50,448
Mr. Sudhir Doshi Whole Time Director	24,11,200	2,49,600	23,358	–	26,84,158



• **Non- Executive Independent Directors**

<b>Name of the Director</b>	<b>Sitting Fees (Rs.)</b>	<b>Commission Payable (Rs.)</b>	<b>Total (Rs.)</b>
Mr. Ravi Kumar Krishnamurthi	80000	–	80000
Mr. Prakash Kumar Verdia	40000	–	40000
Mr. Roshan Lal Nagar	40000	–	40000
Ms. Swati Yadav*	–	–	–

• Appointed as additional director w.e.f. March 01, 2015

**Related Party Transactions**

All transaction entered by the Company with Related Parties were in ordinary course of busienss and at Arm’s Length pricing basis. There were no materially significant transactions with Related Parties during the Financial year 2014-15 which were in conflict with the interest of the Company.

Details of employees who are relatives of the Directors holding an office or place of profit in the Company as on March 31, 2015 pursuant to section 188 of Companies Act 2013 are as follows:

<b>Name of Employee</b>	<b>Relationship with Director</b>	<b>Remuneration drawn during the year 2014-15 (Rs.)</b>
Mr. Madhav Doshi President	Son of Mr. Ashok Doshi	26,37,506
Mrs. Riddhima Doshi Deputy Finance Manager	Daughter in law of Mr. Ashok Doshi	14,16,150

**CEO / CFO Certification**

The Managing Director of the Company has certified in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO/CFO certification for the year ended March 31, 2015.

**Code of Conduct**

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management Personnel of your Company. All Board Members and Senior Management Personnel have confirmed compliance with the code. A declaration signed by the Managing Director is given below:

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In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2015.

Udaipur, June 13, 2015

**Ashok Doshi**  
Managing Director  
DIN: 00648998



## General Body Meetings

### (i) Annual General Meetings

Details of the last three Annual General Meetings of the Company held at Hotel Rajdarshan, Pannadhay Marg, Udaipur are as follows:

Year	Date	Time	Special Resolution Passed
2013-2014	09.08.2014	10:30 a.m.	No Special Resolution was passed.
2012-2013	17.08.2013	10:30 a.m.	No Special Resolution was passed.
2011-2012	22.09.2012	10.30 a.m.	No Special Resolution was passed.

### (ii) Special Resolution passed through Postal Ballot

No special resolution was passed through Postal Ballot during the year 2014-15.

## Means of Communication

- The quarterly / half-yearly / annual financial results of the Company are published in Financial Express and Jai Rajasthan. These results are not distributed / sent individually to the shareholders.
- The financial results are also uploaded on Company's Website **www.madhavmarbles.com**.
- All periodical compliance filings like Shareholding pattern, Corporate governance report, Outcome of Meetings etc. are also filed electronically on the BSE Corporate Compliance & Listing Centre and also on NSE Electronic Application Processing System.
- The Management Discussion and Analysis Report forms part of the Annual Report

## Unpaid / Unclaimed Dividend

The shareholders are requested to write to the Company or its RTA in respect of non-receipt / unclaimed / un-encashed dividend.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 09, 2014 (date of last Annual General Meeting) on the website of the Company as also on the Ministry of Corporate Affairs website.

Unclaimed/Unpaid dividend for the year ended March 31, 2008 is due for transfer to IEPF in the month of October 2015. No claim will lie against the Company or the IEPF in respect of the unclaimed / unpaid dividend amounts once it is transferred to the IEPF.

## Statutory Compliance

The Company ensures compliance of various statutory requirements by its Business Segments and quarterly reports / certificates obtained are placed before the Board and recorded on quarterly basis.

## Vigil Mechanism/Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism/Whistle Blower Policy provides for adequate safeguards against victimization of Directors and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The whistle Blower Policy has been disclosed on the Company's website and circulated to all the Directors/employees.



## General Shareholder Information

### 1. Company Registration Details

The Company is registered in the State of Rajasthan, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L14101RJ1989LPLC004903

### 2. Annual General Meeting

The Twenty Sixth General Meeting will be held as per the following schedule:

<b>Day</b>	Friday
<b>Date</b>	August, 14, 2015
<b>Time</b>	10.00 a.m.
<b>Venue</b>	Hotel Rajdarshan, Pannadhay Marg, Udaipur – 313001

### 3. Book closure

The dates of Book Closure are from Friday, 07<sup>th</sup> day of August, 2015 to the Friday, 14<sup>th</sup> day of August, 2015, both days inclusive.

### 4. Dividend Payment Date

Dividend if declared at the Annual General Meeting is proposed to be credited/dispatched on or after August 20, 2015

### 5. Financial Calendar(Tentative)

First Quarter	:	August, 2015
Second Quarter & Half-Yearly	:	November, 2015
Third Quarter	:	February, 2016
Fourth Quarter & Annual	:	May, 2016

### 6. Listing on Stock Exchanges

The equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE), and the National Stock Exchange of India Ltd. (NSE). The annual listing fees for the financial year 2015-2016 to NSE and BSE has been paid.

**Company ISIN No.: INE925C01016**

<b>Name of the Stock Exchange</b>	<b>Stock Code</b>
The Bombay Stock Exchange (BSE) 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400001 Phone: 022-2272 1233 / 34 Fax: 022-2272 2061; Web: www.bseindia.com	515093
The National Stock Exchange (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 Phone: 022-2659 8100 - 8114 Fax: 022-2659 8237; Web: www.nseindia.com	MADHAV



## 7. Dematerialization of Shares

The Company's shares are available for trading with both the depositories i.e. CDSL and NSDL. As on 31st March 2015, 84,17,890 equity shares forming 94.09% of the share capital of the Company stand dematerialized.

### Depositories

1. The National Securities Depository Limited (NSDL)  
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel, Mumbai 400 013  
Phone: 022-2499 4200 Fax: 022-2497 6351. Web: www.nsdl.co.in
2. The Central Depository Services (India) Limited (CDSL)  
17th Floor, P J Towers, Dalal Street  
Mumbai 400 001  
Phone: 022-2272 3333 Fax: 022-2272 2072 / 3199  
Web: www.cdslindia.com

## 8. Registrar of Companies

The Registrar of Companies, Rajasthan  
Corporate Bhawan, G/6-7, 2nd Floor  
Residency Area, Civil lines, Jaipur- 302001  
Mail: roc.jaipur@mca.gov.in

## 9. Plant Location

### Granite Division

Village Thoppur, Distt. Dharmapuri  
Tamil Nadu, INDIA

### Wind Mills

- SF No. 405/1(PART) & 412 (PART)  
Village: Balabathiraramapuram  
Dist. Tirunelveli, Tamil Nadu, INDIA
- Survey No. 149/151  
Velampatti Road, Pungamuthur Village  
Otanchatram Taluk, Dindigul Distt.  
Tamil Nadu, INDIA

## 10. Address for Correspondence

### 1. Registered Office

Ms. Priyanka Manawat,  
Company Secretary & Compliance Officer  
11-A, Charak Marg, Ambamata Scheme,  
Udaipur – 313001 (Raj.)  
Phone: (0294) 2430200, Fax: (0294) 2430400  
e-mail: madhavnorth@madhavmarbles.com, investormmgl@gmail.com  
website: www.madhavmarbles.com

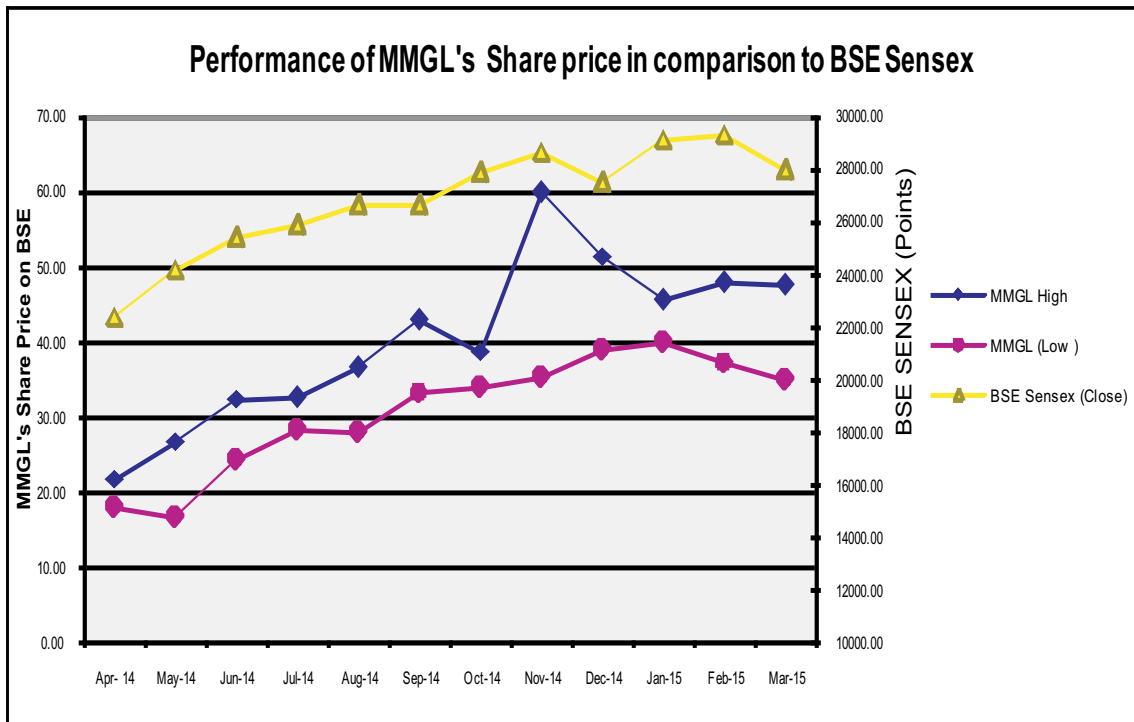
### 2. Registrar and Share Transfer Agents

M/s Ankit Consultancy Pvt. Limited,  
Plot No. 60, Electronic Complex, Pardeshipura,  
Indore (M.P.) – 452 010  
Phone: (0731) 3198601-02, (0731) 2551745-46  
Fax: (0731) 4065798.  
E-mail: ankit\_4321@yahoo.com



11. Highs, Lows and Volume of Company's Shares for the year 2014-2015

Months	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume of shares traded	High (Rs.)	Low (Rs.)	Volume of shares traded
Apr-14	21.90	18.00	50872	21.25	18.05	20597
May-14	26.80	16.70	146658	26.50	18.60	90933
Jun-14	32.55	24.35	216188	33.95	24.10	185044
Jul-14	32.70	28.35	133336	32.55	27.70	88282
Aug-14	36.60	27.90	203654	35.85	28.30	128115
Sep-14	42.95	33.45	137909	43.50	33.55	165285
Oct-14	38.80	34.10	27293	41.80	33.70	34820
Nov-14	59.90	35.35	427214	59.90	34.55	590886
Dec-14	51.45	39.00	102739	50.95	38.50	136349
Jan-15	45.60	40.00	45485	46.80	40.00	94042
Feb-15	47.95	37.45	136762	47.95	37.65	125034
Mar-15	47.65	35.10	77025	47.50	35.20	86631







**12. Distribution of Shareholding according to size class as on March 31, 2015.**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
0-100	5069	60.02	426517	4.77
101-200	1073	12.71	200865	2.25
201-300	427	5.06	119299	1.33
301-400	204	2.42	79024	0.88
401-500	632	7.48	313346	3.50
501-1000	489	5.79	403271	4.51
1001-2000	219	2.59	333624	3.73
2001-3000	102	1.21	258494	2.89
3001-4000	58	0.69	208884	2.34
4001-5000	44	0.52	208787	2.33
5001-10000	61	0.72	452046	5.05
10001 above	67	0.79	5942843	66.42
<b>Total</b>	<b>8445</b>	<b>100.00</b>	<b>8947000</b>	<b>100.00</b>

**13. Distribution of Shareholding across categories as on March 31, 2015**

Category of Shareholder	No. of Shareholders	Number of Shares	% of Shares
<b>A. Promoter &amp; Promoter Group</b>			
Indian	22	3466790	38.75
Foreign	–	–	–
<b>B. Public Shareholding</b>			
Mutual Funds/UTI	4	9500	0.11
Financial Institutions / Banks	–	–	–
Insurance Companies	1	360425	4.03
Foreign Institutional Investors	1	100	0.00
Bodies Corporate	180	540195	6.04
Individual Shareholders	7920	4254616	47.55
NRIs , OCBs	303	312650	3.49
Clearing Member	14	2724	0.03
<b>Total</b>	<b>8445</b>	<b>8947000</b>	<b>100.00</b>



## **Auditors' Certificate regarding Compliance on Corporate Governance**

To  
The Members  
Madhav Marbles and Granites Limited

We have examined the compliance of conditions of Corporate Governance by Madhav Marbles and Granites Limited, ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing agreement of the said Company with Stock Exchanges (hereinafter referred to as 'the agreement').

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the listing agreement in all material aspects.

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

For **NYATI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 002327C

Udaipur, June 13, 2015

Suresh Nyati  
**Partner**  
Membership No. 70742



## Independent Auditors' Report

To  
The Members of  
Madhav Marbles and Granites Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Madhav Marbles and Granites Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 and ensuring their operating effectiveness and 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.

### Auditors' Responsibility

Our responsibility is 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 made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 31<sup>st</sup> March, 2015, its profit/loss and its cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditors' Report) Order, 2015 ("the 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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. The Order is yet to be notified in the Gazette of India.
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.
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid 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 March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note on Contingent Liabilities and Note on Contingent Assets to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts hence; the question of any material foreseeable losses does not arise;
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **NYATI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 002327C

Udaipur, May 23, 2015

Suresh Nyati  
**Partner**  
Membership No. 70742



### Annexure to Auditors' Report

- (I) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have not been physically verified by the management. However, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (II) (a) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion the Company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.
- (III) As informed the Company has not granted any loans, secured or unsecured, to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, accordingly clause 3(iii) (a), (b) of the said order are not applicable to the Company.
- (IV) In our opinion and according to the information and explanations given to us, the internal control system needs to be strengthened for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed continuing failure to correct major weaknesses in internal control system of the Company.
- (V) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (VI) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (VII)(a) According to the records, information and explanation provided to us, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Value added Tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of Wealth Tax, Sales Tax, Service Tax, Value added Tax and Customs duty which have not been deposited on account of any dispute, and the particulars of dues of Income tax, and excise duty as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of the disputed dues	Amount Rs. Lacs	Period to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961	Disallowance of claim of deduction u/s 80IA and interest attributable to interest free advance.	56.40	2012-13	CIT(A)
Income Tax Act, 1961	Disallowance of claim of deduction u/s 80IA and interest attributable to interest free advance.	72.71	2011-12	CIT(A)



Central Excise Duty	Disallowing Exemption/concession towards DTA sale under Notification No.23/2003 dated 31.3.2003	235.06	1st April 2008-31st December 2013	Central Excise & Service Tax Appellate Tribunal , Commissioner (Appeals)
Departmental Appeal				
Income Tax Act, 1961	Relief granted by Commissioner of Income Tax (Appeals) for deduction u/s 80IA ,10B and allowance of expenses	61.48	A.Y. 2009-2010 to 2010-11	ITAT
Income Tax Act, 1961	Relief granted by Commissioner of Income Tax (Appeals) for deduction u/s 80IA ,10B and allowance of expenses	62.77	2008-2009	High Court

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (VIII) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.
- (IX) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution(s), bank(s) or debenture holder(s).
- (X) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (XI) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (XII) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

**For NYATI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration. No. 002327C

Suresh Nyati  
**Partner**  
Membership No. 70742

Udaipur, May 23, 2015



**BALANCE SHEET AS AT MARCH 31, 2015**

			(Rupees)		
Particulars	Note No.	As at 31.03.2015	As at 31.03.2014		
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
a) Share Capital	'3'	<b>89470000</b>		89470000	
b) Reserves and Surplus	'4'	<b><u>1028124296</u></b>		<u>965736451</u>	
		<b>1117594296</b>		1055206451	
<b>2. Non-Current Liabilities</b>					
a) Long Term Borrowings		-		-	
b) Deferred Tax Liabilities (Net)	'5'	<b>45007741</b>		36233052	
c) Other Long Term Liabilities	'6'	<b>8509624</b>		10586673	
d) Long-Term Provisions	'7'	<b><u>4683440</u></b>		<u>4538346</u>	
		<b>58200805</b>		51358071	
<b>3 Current Liabilities</b>					
a) Short Term Borrowings	'8'	<b>100158414</b>		-	
b) Trade Payables	'9'	<b>59641628</b>		56307718	
c) Other Current Liabilities	'10'	<b>17370933</b>		13196401	
d) Short Term Provisions	'11'	<b><u>44454554</u></b>		<u>52202252</u>	
		<b>221625529</b>		121706371	
<b>Total</b>		<b><u>1397420630</u></b>		<u>1228270893</u>	
<b>II ASSETS</b>					
<b>1. Non Current Assets</b>					
a) Fixed Assets					
i) Tangible Assets	'12'	<b>289653087</b>		218271482	
ii) Intangible Assets		-		-	
iii) Capital Work in Progress		<b>3086588</b>		95425	
iv) Intangible Assets under Development		-		-	
b) Non-Current Investments		-		-	
c) Long Term Loans and Advances	'13'	<b>147032958</b>		150932669	
d) Other Non Current Assets	'14'	<b><u>62366385</u></b>		<u>104164352</u>	
		<b>502139018</b>		473463928	
<b>2. Current Assets</b>					
a) Current Investments		-		-	
b) Inventories	'15'	<b>242924028</b>		252289929	
c) Trade Receivables	'16'	<b>361597812</b>		325240580	
d) Cash and Cash Equivalents	'17'	<b>205047567</b>		90803550	
e) Short Term Loans and Advances	'18'	<b>85507438</b>		86260726	
f) Other Current Assets	'19'	<b><u>204767</u></b>		<u>212180</u>	
		<b>895281612</b>		754806965	
<b>Total</b>		<b><u>1397420630</u></b>		<u>1228270893</u>	

Significant Accounting Policies '2'

The accompanying notes are an integral part of the financial statements

**In terms of our report of even date**

**For and on behalf of the Board of Directors**

For **NYATI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 002327C

Suresh Nyati  
Partner, Membership No. 70742

Ashok Doshi  
Managing Director

Sudhir Doshi  
Whole Time Director

Udaipur, May 23, 2015

Priyanka Manawat  
Company Secretary



## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Rupees)

Particulars	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
<b>I Revenue from operations(Gross)</b>	'20'	<b>912617272</b>	742427161
Less: Excise Duty		<b>2851912</b>	1403941
Revenue from Operations (Net)		<b>909765360</b>	741023220
<b>II Other Income</b>	'21'	<b>24125310</b>	33312557
<b>III Total Revenue (I + II)</b>		<b>933890670</b>	774335777
<b>IV Expenses</b>			
Cost of materials consumed	'22'	<b>366123730</b>	290294852
Purchase of stock in trade	'23'	<b>57816103</b>	36796860
Changes in inventories of Finished goods, Work in Progress & Stock in trade	'24'	<b>26675559</b>	(14667152)
Employee Benefits Expenses	'25'	<b>84632406</b>	70877362
Finance Costs	'26'	<b>90596</b>	7587
Depreciation & Amortization	'12'	<b>32296603</b>	54641125
Other Expenses	'27'	<b>256568874</b>	254209131
<b>Total Expenses</b>		<b>824203871</b>	692159765
<b>V Profit/(Loss) before exceptional items &amp; taxes (III-IV)</b>		<b>109686799</b>	82176012
<b>VI Exceptional Items</b>		-	-
<b>VII Profit/(Loss) before Taxes (V-VI)</b>		<b>109686799</b>	82176012
<b>VIII Tax expenses</b>			
(a) Current Tax for current year		<b>23003382</b>	32185229
(b) Less: MAT Credit entitlement		<b>631762</b>	-
(c) Net Current Tax Expense		<b>22371620</b>	32185229
(d) Deferred Tax		<b>8774689</b>	(10374305)
		<b>31146309</b>	21810924
<b>IX Profit /(Loss) for the year from (VII-VIII)</b>		<b>78540490</b>	60365088
<b>X Earnings per equity share (Face Value of Rs. 10 per share)</b>			
(1) Basic		<b>8.78</b>	6.75
(2) Diluted		<b>8.78</b>	6.75

Significant Accounting Policies '2'

The accompanying notes are an intergral part of the financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For **NYATI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 002327C

Suresh Nyati

Partner, Membership No. 70742

Udaipur, May 23, 2015

Ashok Doshi  
Managing DirectorSudhir Doshi  
Whole Time DirectorPriyanka Manawat  
Company Secretary





**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(Rupees)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit / Loss Before Tax after Exceptional Items adjusted for</b>	<b>109686800</b>	82176012
Depreciation	<b>32296602</b>	54641125
(Profit) / Loss on sale of Fixed Assets	<b>(33722)</b>	47807
Interest Paid	<b>90596</b>	7587
Bad Debts written off	<b>2738324</b>	19353571
Provision no longer required written back	<b>(1226372)</b>	(444082)
Provision for Gratuity	<b>145094</b>	972139
Deferred Revenue Expenditure	<b>106090</b>	106090
Interest Income	<b>(17579008)</b>	(15512392)
Loss by Theft	-	652311
Unrealised Foreign Exchange Loss/(gain) (Net)	<b>648247</b>	(2422417)
<b>Operating Profit Before Working Capital Changes</b>	<b>126872651</b>	139577751
Adjustments for (Increase)/ Decrease in Operating Assets:		
Inventories	<b>9365901</b>	21921941
Trade & other Receivables*	<b>(43334868)</b>	(22966168)
Trade payables*	<b>5431395</b>	(13334062)
<b>Cash Generated from Operation</b>	<b>98335079</b>	125199462
Direct Taxes Paid / Tax Deducted at Source	<b>(21198893)</b>	(22331340)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>77136186</b>	102868122
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Capital W.I.P.	<b>(106749935)</b>	(6832389)
Deposit with Companies and others	-	-
Proceeds from Sale of Fixed Assets	<b>114286</b>	247620
Interest Income	<b>17579008</b>	15512392
<b>Net Cash Used in Investing Activities (B)</b>	<b>(89056641)</b>	8927623
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowings / Repayments	-	-
Repayment to / Proceeds from Banks	<b>100158414</b>	(1985)
Interest Paid	<b>(90596)</b>	(7587)
Dividend Payout	<b>(13420500)</b>	(8947000)
Tax on Dividend	<b>(2280814)</b>	(1520543)
<b>Net Cash Flow from/ (Used) in Financing Activities (C)</b>	<b>84366504</b>	(10477115)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>72446049</b>	101318630
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	<b>194967902</b>	93649272
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE**</b>	<b>267413951</b>	194967902

\*Includes current and non-current



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

**Notes :**

1. Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements" as specified in the Companies (Accounting Standard) Rules, 2006.
2. Purchase of Fixed Assets includes movement of capital work-in-progress during the year.
3. For Cash and Cash equivalents not available for immediate use as on the Balance Sheet date, see note no.15 of notes forming part of the financial statements.
4. Cash and Cash equivalent are reflected in the Balance Sheet as follows:

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
a) Cash and Cash Equivalents disclosed under current assets [Note No.17]	<b>205047566</b>	90803550
b) Cash and Cash Equivalents disclosed under non-current assets [Note No.14]	<b>62366385</b>	104164352
<b>**Total cash and cash equivalents as per cash flow statement</b>	<b>267413951</b>	194967902

5. Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date attached

**For NYATI & ASSOCIATES**

*Chartered Accountants*

Firm Registration No. 002327C

**For and on behalf of the Board of Directors**

Suresh Nyati

**Partner**

**Membership No. 70742**

Ashok Doshi  
**Managing Director**

Sudhir Doshi  
**Whole Time Director**

Udaipur, May 23, 2015

Priyanka Manawat  
**Company Secretary**



**NOTES forming part of the financial statements for the year ended March 31, 2015**

**NOTE 1 COMPANY OVERVIEW**

Madhav Marbles & Granites Limited (the Company) is a public limited Company and listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in manufacturing, processing and trading of granite slabs / tiles, marble slabs / tiles and realty business. The Granite division is situated in Tamil Nadu and Trading/Realty business is carried at Udaipur.

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**2.2 System of accounting**

- 1) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.
- 2) Financial Statements are prepared under the Historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.
- 3) Estimates and Assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

**2.3 Use of Estimates**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

**2.4 Fixed Assets**

Fixed Assets are stated at their original cost including incidental expenditure related to acquisition and installation less accumulated depreciation. The original cost of the fixed assets acquired by utilising loans, repayable in foreign currency, any loss or gain on conversion of foreign currency liabilities are added to or deducted from the cost of the assets.

Indirect expenditure incurred during the construction period related to mines and other fixed assets not yet put to use remain pending for allocation in capital work-in-progress.

**2.5 Depreciation**

Depreciation is provided on straight line method. Depreciation is provided based on useful life of asset as prescribed in Schedule II to the Companies Act, 2013 .

Depreciation on fixed assets has been calculated on pro-rata basis with reference to the month in which the assets are put to use.



**NOTES forming part of the financial statements for the year ended March 31, 2015**

**2.6 Borrowing Cost**

Borrowing costs that are directly attributable to long-term project management and development activities are capitalized as part of project cost. Other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing costs are suspended from capitalization on the project when development work on the project is interrupted for extended period.

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred

**2.7 Inventories**

- 1) Finished goods, rejects and waste are valued at cost or net realizable value whichever is lower. Raw material, stores and spares and packing material are valued at cost. Provision is made in respect of non- standard and non-moving items.
- 2) Cost of Work-in-Progress is ascertained at material cost and an appropriate share of production overheads.
- 3) Cost of Finished goods is ascertained at material cost and an appropriate share of production overheads and excise duty where paid/payable.
- 4) Cost of rejects and waste is determined considering cost of material, labour, and related overheads including depreciation.
- 5) Property Development Land is valued at lower of Cost or Net Realizable Value.

**2.8 Revenue Recognition**

- 1) Sales of goods are recognized on dispatch and in accordance with the terms and conditions of the sale. Sale includes excise duties and processing done for third parties.
- 2) Sale from Property Development Activity is recognized when all significant risks and rewards of ownership in the land and / or building are transferred to the customer and a reasonable expectation of collection of the sale consideration from the customer exists.
- 3) The estimates of saleable area and cost are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.

**2.9 Investments**

Investments are classified as long term and current investments. Long Term Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost or fair value.

**2.10 Impairment of Assets**

Carrying amount of cash generating units/assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amounts being the higher of net realizable price and value in use. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.



**NOTES forming part of the financial statements for the year ended March 31, 2015**

**2.11 Tax on Income**

Income tax expense for the year comprises of current tax and deferred tax. Current tax provision has been determined on the basis of relief, deductions etc. available under the Income Tax Act 1961 and Deferred Tax is accounted for by computing the tax effect of timing differences which originate in one period and are capable of reversal in subsequent periods. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**2.12 Foreign Currency Transactions**

- 1) Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- 2) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable on year end date.
- 3) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.
- 4) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.
- 5) In case of forward exchange contracts, the premium or discount arising at the inception of such contracts is amortised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets/liabilities. Profit or loss on cancellation/renewals of forward contracts is recognised during the year.

**2.13 Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized in terms of Accounting Standard (AS-29) –Provisions, Contingent Liabilities and Contingent Assets notified pursuant to Companies (Accounting Standards) Rules, 2006, when there is present legal or statutory obligation as result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation can not be measured in terms of future outflow of resources or where a realizable estimate of the obligation cannot be made. Obligations are assessed on an on going basis and only those having largely probable outflow of resources are provided for.

**2.14 Employee Benefits**

**(a) Short term Employee benefits:**

All employee benefits falling due wholly within two months of rendering the services are classified as short-term employee benefits. The benefits like salaries, wages, and short term compensated absences etc. and the expected cost of bonus; ex-gratia is recognized in the period in which the employee renders the related service.

**(b) Post employment benefits:**

**(i) Defined Contribution Plan**

The Company has Defined Contribution plan for post employment benefit namely provident fund, which is recognised by the income tax authorities and administered through appropriate authorities.



**NOTES forming part of the financial statements for the year ended March 31, 2015**

The Company contributes to a Government administered provident Fund and has no further obligation beyond making its contribution.

**(ii) Defined Benefit Plans**

The employees gratuity fund scheme managed by life insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method.

Actuarial gains and losses are recognised immediately in the Statement of profit and Loss as income or expense.

**(c) Leave encashment**

Based on the leave Rules of the Company, employees are not permitted to accumulate Leave.

**(d) Termination benefits are recognized as an expense as and when incurred.**

**2.15 Segment Accounting**

Segment accounting policies are in line with the accounting policies of the Company. However, the following specific accounting policies have been followed for segment reporting.

- 1) Segment Revenue includes Sales and other income directly identifiable with/ allocable to the segment including inter segment revenue.
- 2) Expenses that are directly identifiable with/ allocable to segment are considered for determining the Segment Result. The expenses, which relate to the Company as a whole and not allocable to segments, are included under "Other Unallocable Expenditure".
- 3) Income, which relates to the Company, as a whole and not allocable to segments is included in "Unallocable Corporate Income".
- 4) Segment assets and Segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

**2.16 Earnings Per Share**

The earnings considered in ascertaining the Company's Earnings per share ('EPS') comprise the Net Profit after Tax. The number of shares used in computing the Basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as Basic EPS.

**2.17 Discontinued Operations**

Assets and Liabilities of discontinued operations are assessed at each Balance Sheet date. Impacts of any impairments and write backs are dealt with in the Statement of Profit and Loss.

Impacts of discontinued operations are distinguished from the ongoing operations of the Company, so that their impact on the Statement of Profit and Loss for the year can be perceived.

**2.18 Miscellaneous Expenditure**

Deferred revenue expenditure is written off over a period of 5 years.



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	As at	As at
	31.03.2015	31.03.2014

**3 SHARE CAPITAL**

**(a) Authorised :**

17250000 (Previous year 17250000) Equity Shares of Rs.10/- each	<b>172500000</b>	172500000
75000 (Previous year 75000) Cumulative Convertible Preference Shares of Rs.100/- each	<b>7500000</b>	7500000
	<u><b>180000000</b></u>	<u>180000000</u>

**(b) Issued, Subscribed and Paid Up:**

89,47,000 (Previous Year 89,47,000) Equity Shares of Rs.10/- each fully paid up	<b>89470000</b>	89470000
	<u><b>89470000</b></u>	<u>89470000</u>

**(c) Reconciliation of number of Shares outstanding at the beginning and end of the year :**

**Equity Shares :**

Outstanding at the beginning of the year	<b>8947000</b>	8947000
Issued during the year	-	-
Outstanding at the end of the year	<u><b>8947000</b></u>	<u>8947000</u>

**(d) Rights, Preferences and restrictions attached to Equity Shares :**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to shareholder approval in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

**(e) Shares in the Company held by each shareholder holding more than 5% Shares:**

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares held in the Company	% of Shares Held	No. of Shares held in the Company	% of Shares Held
Mumal Finance (P) Ltd.	<b>782600</b>	<b>8.75</b>	782600	8.75
Aruna Doshi	<b>586452</b>	<b>6.55</b>	586452	6.55
Ashok Doshi	<b>578900</b>	<b>6.47</b>	578900	6.47



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	As at 31.03.2015	As at 31.03.2014
<b>4. RESERVES &amp; SURPLUS</b>		
<b>(a) General Reserve :</b>		
Opening Balance	419755297	419755297
Add: Transferred from Surplus in Statement of Profit & Loss	<u>350000000</u>	<u>—</u>
Closing Balance (i)	<b>769755297</b>	419755297
<b>(b) Surplus in Statement of Profit and Loss</b>		
Opening Balance	545981154	501317380
Add: Net Profit for the year	<u>78540490</u>	<u>60365088</u>
	<b>624521644</b>	561682468
Less: Proposed Dividend	13420500	13420500
Dividend Distribution Tax	2732145	2280814
Transfer to General Reserve	<u>350000000</u>	<u>—</u>
	<b>366152645</b>	15701314
Closing Balance (ii)	<u>258368999</u>	<u>545981154</u>
<b>Total (i + ii)</b>	<b><u>1028124296</u></b>	<b><u>965736451</u></b>
<b>5. DEFERRED TAX LIABILITIES (NET):</b>		
<b>Deferred Tax Liabilities</b>		
On account of timing difference in:		
Depreciation	46652002	37290882
Others	301738	301738
Gross Deferred Tax Liability	<u>46953740</u>	<u>37592620</u>
<b>Deferred Tax Asset</b>		
On account of timing difference in:		
Expenses	1792719	1206288
Others	153280	153280
Gross Deferred Tax Assets	<u>1945999</u>	<u>1359568</u>
Net Deferred Tax (Assets)/Liabilities	<u>45007741</u>	<u>36233052</u>
<b>6. OTHER LONG TERM LIABILITIES:</b>		
Trade Payables	3165441	3532632
Advance from Customers	5344183	7054041
Other Payables	<u>—</u>	<u>—</u>
	<b><u>8509624</u></b>	<b><u>10586673</u></b>





NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	As at 31.03.2015	As at 31.03.2014
<b>7. LONG TERM PROVISIONS:</b>		
Provisions for empolyee benefits		
(i) Provision for Gratuity	4683440	4538346
	<u>4683440</u>	<u>4538346</u>
<b>8. SHORT TERM BORROWINGS:</b>		
<b>Loans repayable on demand</b>		
From Bank		
Secured		
<b>Loan Against Fixed Deposit</b>	<b>100158414</b>	-
	<u>100158414</u>	<u>-</u>
8.1 The loan against fixed deposit from IDBI Bank Limited is secured by pledge of fixed deposits.		
<b>9. TRADE PAYABLES:</b>		
Due to Micro and Small Enterprises*	-	-
Other than dues to Micro and Small Enterprises #	59641628	54324233
Acceptances	-	1983485
	<u>59641628</u>	<u>56307718</u>
*Considering the Company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under “ The Micro, Small and Medium Enterprises Development Act, 2006” during the year.		
There is also no amount of outstanding interest in this regard, brought forward from previous years. The above information is on the basis of intimation received, on request made by the Company, with regards to vendors registration under the said act.		
#Trade Payables includes emoluments payable to employees for services rendered.		
<b>10. OTHER CURRENT LIABILITIES:</b>		
Unclaimed Dividend	3574243	3644699
Other Payables		
(i) Advance From Customers	4646269	2605668
(ii) Statutory dues including PF & TDS	1534508	858053
(iii) Bonus Payable	3030500	2509551
(iv) Other Payable	4585413	3578430
	<u>17370933</u>	<u>13196401</u>
<b>11. SHORT TERM PROVISIONS:</b>		
Provision- Others		
(i) Provision for taxation	28301909	36500938
(ii) Provision for proposed dividend	13420500	13420500
(iii) Provision for dividend tax	2732145	2280814
	<u>44454554</u>	<u>52202252</u>



NOTES forming part of the financial statements for the year ended March 31, 2015

(Rupees)

	As at 31.03.2015	As at 31.03.2014
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**12. FIXED ASSETS**

Name of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1/4/2014	Addition	Deduction/ Adjustment	As at 31/03/2015	As at 1/04/2014	For the Year	Deduction Adjustment	As at 31/03/2015	As at 31/03/2015	As at 31/03/2014
<b>TANGIBLE ASSETS:</b>										
Free hold land	8730871	2000000	-	10730871	-	-	-	10730871	10730871	8730871
Building	118600713	-	-	118600713	42606337	3586244	-	46192581	72408132	75994376
Plant & Machinery	392456560	1025853	-	393482413	354905917	12140834	-	367046751	26435662	37550643
Electrical Installation	33355559	0	-	33355559	15676165	5671739	-	21347904	12007655	17679394
Factory Equipment	120068	335468	-	455536	-	-	-	455536	455536	120068
Office Equipment	6237837	636307	-	6874144	4202804	1815484	-	6018288	855856	2035033
Furniture & Fittings	5090606	265920	-	5356526	3703964	423071	-	4127035	1229491	1386642
Vehicles	15164121	748905	418227	15494799	5868526	3036661	337663	8567524	6927275	9295595
Miscellaneous Fixed Assets	13098178	6500	-	13104678	6076665	979298	-	7055963	6048715	7021513
Computer	2060661	-	-	2060661	1697338	271562	-	1968900	91761	363323
Site development	2882280	-	-	2882280	352358	45444	-	397802	2484478	2529922
Wind Mill	110445212	98739819	-	209185031	54881110	4326266	-	59207376	149977655	55564102
<b>Total Tangible Assets</b>	<b>708242666</b>	<b>103758772</b>	<b>418227</b>	<b>811583211</b>	<b>489971184</b>	<b>32296603</b>	<b>337663</b>	<b>521930124</b>	<b>289653087</b>	<b>218271482</b>
Previous Year Total	701653145	8202430	1612909	708242666	435985230	54641125	655171	489971185	218271482	

Deductions include cost of assets sold during the year.

**13. LONG TERM LOANS AND ADVANCES:**

(Unsecured , Considered Good Unless Otherwise Stated):

(a) Loans and advances to corporate	25189094	28221880
(b) Security Deposits	8245208	6047797
(c) Other Loans & Advances		
Other Advances	8957548	8973267
Advance Tax & Tax deducted at source	3626263	3626263
Advance to suppliers	12896560	15945177
Project advances	88118285	88118285
	<b>147032958</b>	<b>150932669</b>



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	As at 31.03.2015	As at 31.03.2014
<b>14. OTHER NON- CURRENT ASSETS:</b>		
Balances with banks		
In Term Deposit	53970072	37493868
In Margin Money	8396313	66670484
	<u>62366385</u>	<u>104164352</u>
<b>15. INVENTORIES :</b>		
Raw Material (at cost)	78435162	57728488
Work-in-progress (at estimated value)	13460694	27952171
Finished Goods (at lower of cost and net realizable value)	69533769	81328435
Stock in Trade		
Real Estate (at lower of cost and net realizable value)	40878456	40878456
Goods (at cost)	328933	718349
Stores & Spares (at cost)	38310169	41334863
Packing Material (at cost)	1976845	2349167
	<u>242924028</u>	<u>252289929</u>
<b>16. TRADE RECEIVABLES:</b>		
(Unsecured)		
<b>Outstanding for a period exceeding six months from the date they were due for payment</b>		
Considered good	101303595	107867922
Other Debts		
Considered good	260294217	217372658
	<u>361597812</u>	<u>325240580</u>
<b>17. CASH AND BANK BALANCES :</b>		
<b>(a) Cash and Cash Equivalents :</b>		
Cash on hand	1810522	1679889
Balances with banks:		
In Current accounts	166092836	22302046
In EEFC account	33557666	457605
Stamps on hand	12900	12900
<b>(b) Other Bank Balances:</b>		
Term Deposit with original maturity more than 3 months but less than 12 months	-	62707011
Earmarked balances with banks-Unpaid Dividend	3573643	3644099
	<u>205047567</u>	<u>90803550</u>



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	As at 31.03.2015	As at 31.03.2014
<b>18. SHORT TERM LOANS AND ADVANCES :</b>		
<b>(Unsecured , Considered Good Unless Otherwise Stated):</b>		
Loans and advances to corporates	49234	49234
Loans and advances to employees	219090	168823
Prepaid Expenses	3628985	3971005
Balances with government authorities		
VAT/ CST Receivable	3757732	3598454
Service Tax credit receivable	3762150	2914706
CENVAT Credit Receivable	1291308	830792
Excise Duty Refundable	1881666	2052727
- Professional Tax	-	245
- Exice Duty PLA	142279	-
Others :		
Advance Tax & Tax deducted at source	26789473	35566626
Minimum Alternative Tax Credit Entitlement	631762	-
Advance to suppliers	43260874	36963214
Other Advances	92885	144900
	<u>85507438</u>	<u>86260726</u>
<b>19. OTHER CURRENT ASSETS:</b>		
Tamilnadu state electricity board development charges (To the extent not written off or adjusted)	204767	212180
	<u>204767</u>	<u>212180</u>
	<b>For the Year ended 31.03.2015</b>	<b>For the Year ended 31.03.2014</b>
<b>20. REVENUE FROM OPERATIONS:</b>		
(a) Sale of Products (Refer Note No. 39 A and 39 B)	921620738	758302576
Less:- Inter divisional transfers	15715318	15875415
Less: Excise Duty	2851912	1403941
	<u>903053508</u>	<u>741023220</u>
(b) Other operating revenues	6711852	-
	<u>909765360</u>	<u>741023220</u>
<b>21. OTHER INCOME:</b>		
Interest income	17579008	15512392
Net Gain on Foreign Currency Transactions & Translations (Other than considered as finance cost)	756550	16222270
Other non-operating income	625793	1133813
Profit on sale of asset	33722	-
Provision no longer Required written back	1226372	444082
Miscellaneous income	3903865	-
	<u>24125310</u>	<u>33312557</u>



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>22. COST OF MATERIAL CONSUMED :</b>		
Raw & Packing Material Consumed:		
Opening Stock	57728488	93148956
Purchases & expenses	<u>356483697</u>	<u>229721772</u>
	414212185	322870728
Less : Closing Stock	<u>78435162</u>	57728488
Raw Material Consumed	335777023	265142240
Packing Material Consumed	<u>30346707</u>	25152612
	<u>366123730</u>	<u>290294852</u>
<b>23. PURCHASE OF TRADED GOODS :</b>		
Marble- Tiles/Slabs	42240221	25503734
Granite -Tiles/Slabs	<u>15575882</u>	<u>11293126</u>
	<u>57816103</u>	<u>36796860</u>
<b>24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE:</b>		
<u>Inventories at the end of the year:</u>		
Finished Goods	69533769	81328435
Work-in-progress	13460694	27952171
Goods for Trade	<u>328933</u>	718349
	83323396	<u>109998955</u>
<u>Inventories at the beginning of the year:</u>		
Finished Goods	81328435	81376348
Work-in-progress	27952171	13182413
Goods for Trade	<u>718349</u>	773042
	109998955	95331803
<b>Net (Increase)/Decrease</b>	<u>26675559</u>	<u>(14667152)</u>
<b>25. EMPLOYEES BENEFIT EXPENSES:</b>		
Salary, Wages & Allowances	71653575	60000042
Staff welfare expenses	5320128	4690480
Contributions to Provident and other funds	5501757	4543012
Gratuity	<u>2156946</u>	1643828
	<u>84632406</u>	<u>70877362</u>
<b>26. FINANCE COSTS:</b>		
Interest expenses on :		
Borrowings		
– Term Loan	–	–
– Working Capital	90596	7587
	<u>90596</u>	<u>7587</u>



NOTES forming part of the financial statements for the year ended March 31, 2015

	(Rupees)	
	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>27. OTHER EXPENSES:</b>		
Stores & Spares Consumed	101884035	100373234
Power & Fuel	46282770	44338469
Repairs & Maintenance		
– Building	1478322	1528969
– Plant & Machinery	23791417	22346838
Other Manufacturing Expenses	8752198	12840566
Printing & Stationary	514500	468464
Postage, Telegram, Telephone	1779177	1480512
Conveyance & vehicle running and maintenance	2268189	1972913
Travelling	9059878	5282686
Legal, Professional & Consultancy	1095238	1317212
Deferred Revenue Expenditure written off	106090	106090
General Insurance	526806	462549
Selling expenses	46336837	33538406
Financial charges	2132103	2390728
Security expenses	568000	512800
Repairs & Maintenance (others)	221925	14087
Office maintenance	303324	274606
Bad debts written off (net)	2738324	20296002
Rates & taxes	3495478	1432389
Miscellaneous expenses	2007293	2301681
Loss by theft	–	652311
Loss on Sale of assets	–	47807
CSR Expense	1090000	–
Wealth Tax	115187	139783
Prior period expenses (Net) (Refer Note No. 30)	21783	90029
	<u>256568874</u>	<u>254209131</u>



NOTES forming part of the financial statements for the year ended March 31, 2015

28. Contingent liabilities not provided for in respect of

(Rs. in lacs)

Sr. No.	Particulars	As at 31.3.2015	As at 31.3.2014
1.	Bills discounted with Bankers	Nil	Nil
2.	Bank Guarantee/ Letter of Credit issued by bank	127.14	105.98
3.	Income Tax Liability (including penalty) that may arise in respect of matters which are pending in appeal	253.36	111.95
4.	Central Excise Liability (including penalty) that may arise of matters which are pending in appeal	235.06	–
5.	Bond executed in favour of customs, excise and DGFT authorities	815.00	815.00

29. Payment to Auditors:

(Rupees)

Sr. No.	Particulars	For the Year Ended	
		31.3.2015	31.3.2014
1.	As Auditors- Statutory Audit	130000	120000
2.	For Tax Audit	30000	30000
3.	For Taxation matters	40000	30000
4.	Other matters/ certification	60000	60000
5.	Reimbursement of out-of-pocket expenses	77917	89283
	Total	337917	329283

30. Prior Period adjustment represent:

Sr. No.	Particulars	For the Year Ended	
		31.3.2015	31.3.2014
1.	Debits relating to earlier year	(21783)	(249313)
2.	Credits relating to earlier year	–	159284
	Total	(21783)	(90029)

31. Earning per Share:

Sr. No.	Particulars	For the Year Ended	
		31.3.2015	31.3.2014
1.	Net profit for the year after tax (Rs.)	78540490	60365088
2.	Weighted average no. of Equity Shares outstanding	8947000	8947000
3.	Nominal value of the shares (Rs.)	10	10
4.	Basic & Diluted Earning per share (Rs.)	8.78	6.75

32. Disclosures of Derivatives

(a) The particulars of derivative contracts entered into for hedging purposes outstanding as at March 31, 2015 are as under:

Foreign Currency	31.3.2015 Forward USD	31.3.2015 Forward EURO	31.3.2015 Forward CAD
For hedging commitments outstanding: Receivables	800000 (700000)	300000 (700000)	– –



NOTES forming part of the financial statements for the year ended March 31, 2015

(b) Un-hedged foreign currency exposures as at March 31,2015 are as under:

<u>Foreign Currency</u>	31.3.2015 Forward USD	31.3.2014 Forward EURO
For Uncovered Risks	2115345	1067240
Receivables	1846081	(416144)

Note: Previous year figures are given in brackets

33. Value of Imported / Indigenous Materials Consumed:

(Rupees)

Particulars	For the year ended 31.3.2015		For the year ended 31.3.2014		
	%	Amount	%	Amount	
Raw Materials	-Imported	5.62%	18881979	3.24%	8588453
	-Indigenous	94.38%	316895044	96.76%	256553787
		100.00%	335777023	100.00%	265142240
Stores & Spares	-Imported	53.50%	54508467	57.36%	57578057
	-Indigenous	46.50%	47375568	42.64%	42795177
		100.00%	101884035	100.00%	100373234

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
-------------	----------------------------------	----------------------------------

34. Value of Import on CIF basis:

Raw Material	17880511	-
Stores & Spares	51240276	55483462
Capital Goods	-	-
Traded Goods	-	-
<b>Total</b>	<b>69120787</b>	<b>55483462</b>

35. Expenditure in Foreign Currency:

Travelling	4925037	1739628
Selling commission	1077965	2369586
Other expenses	1843809	943073
<b>Total</b>	<b>7846811</b>	<b>5052287</b>

36. Earning in Foreign exchange:

On account of export calculated at FOB value (including third party exports Rs. 21603264/- previous year Rs. 18289442/- )	883569148	724000645
---	-----------	-----------

37. Remittance of Foreign Currency on account of dividends:

No. of Share Holders	97	100
No of Shares	38200	39700
Gross Amount (Rs.)	57300	39700
Related To Year	2013-2014	2012-2013





NOTES forming part of the financial statements for the year ended March 31, 2015

(Rupees)

**38. Particulars in respect of Loans & Advances in the Nature of Loans as required by the Listing Agreement:**

Name of the Company	Balance as on 31.3.2015	Maximum outstanding during the year
Loans & Advances in the Nature of Loans where repayment schedule is not specified	49234	49234

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
-------------	----------------------------------	----------------------------------

**39. Sales (Including Exports), Net of Excise Duty:**

<b>(A) Sale of Product (Manufactured):</b>		
Granite Tiles	225290804	203529280
Granite Slabs	579274015	476177083
Power	1538488	2910537
<b>(B) Goods Traded In:</b>		
Marble Slabs	73084926	47774459
Granite Tile	569000	–
Granite Slabs	229657580	12035802
Sand Stone	328695	–
<b>Total</b>	<b>903053508</b>	<b>742427161</b>

**40. Closing Inventory**

**(i) Finished Goods -Own Production:**

Granite Tiles	24285717	30610935
Granite Slabs	45248052	50717500
<b>Total</b>	<b>69533769</b>	<b>81328435</b>

**(ii) Traded Goods:**

Marble / Granite Tiles / Slabs	328933	718349
<b>Total</b>	<b>328933</b>	<b>718349</b>

**(iii) Work in Progress:**

Granite Tiles	8317716	11163311
Granite Slabs	5142978	16788860
<b>Total</b>	<b>13460694</b>	<b>27952171</b>

**41. Raw Material Consumed:**

Marble Blocks	–	351000
Granite Blocks	335777023	264791240
<b>Total</b>	<b>335777023</b>	<b>265142240</b>

**NOTES forming part of the financial statements for the year ended March 31, 2015****42. Related Party Disclosures:**

Related party disclosures, as required by Accounting Standard (AS) 18- "Related Party Disclosures" issued by the ICAI are given below:

The Company has identified all the related parties having transactions during the year, as per details given below:

**(i) List of Related Parties**

- (a) Individual exercising control or significant influence.

**Directors**

Mr. Ravi Kumar Krishnamurthi (Chairman)  
Mr. Prakash Kumar Verdia  
Mr. Roshan Lal Nagar

**Managing Director**

Mr. Ashok Doshi  
Mrs. Aruna Doshi, Wife  
Mr. Madhav Doshi, Son  
Mrs. Riddhima Doshi, Daughter-in-Law

**Whole-time Director**

Mr. Sudhir Doshi  
Mrs. Prema Doshi, Wife

- (ii) In respect of the outstanding balance recoverable as at 31st March 2015, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such related parties.

**(iii) Transactions, etc. with Related Parties**

(Amount in Rs.)

Sr. No.	Name of the transacting related party	Nature of Relationship	Nature of Transaction	Volume of Transaction (Rupees)	Amount outstanding as on 31.03.2015
1.	Ashok Doshi	Managing Director	Remuneration and Perquisites	7690448 (6555539)	Nil
2.	Sudhir Doshi	Whole Time Director	Remuneration and Perquisites	2434558 (1838279)	Nil
3.	Madhav Doshi	Son of Mr. Ashok Doshi	Salary and Perquisites	2637506 (2188912)	Nil
4.	Ridhimma Doshi	Daughter-in-law of Mr. Ashok Doshi	Salary	1416150 (1307100)	Nil

Note: Previous year figures are given in bracket



NOTES forming part of the financial statements for the year ended March 31, 2015

43. Segment reporting for the year ended 31.3.2015:

(a) Information about Primary Business Segments

1) Segment revenue :

Particulars	(Rs. in Lacs)	
	2014-15	2013-14
(a) Granite & Stone Division	9043.67	7395.17
(b) Realty Division	—	—
(c) Power Generation Unit	172.54	187.86
(d) Unallocated	—	—
<i>Total</i>	<b>9216.21</b>	7583.03
Less: Inter segment revenue	157.15	158.75
Gross Sales / Income from operations	<b>9059.06</b>	7424.28
Less: Excise Duty	28.52	14.04
<i>Net Sales / Income from operations</i>	<b>9030.54</b>	7410.24

2) Segment Results (Profit/ Loss)

Particulars	2014-15		2013-14	
	2014-15	2013-14	2014-15	2013-14
(a) Granite & Stone Division	975.30	704.31		
(b) Realty Division	—	—		
(c) Power Generation Unit	92.84	97.42		
(d) Unallocated	28.72	23.61		
<i>Total</i>	<b>1096.86</b>	825.34		
Less: (I) Interest	—	0.08		
(II) Other unallocable expenditure	—	3.50		
Net of unallocable income				
<i>Operating Profit/ (loss) before tax</i>	<b>1096.86</b>	821.76		
Provision for tax- charge/ (release)	223.72	(321.85)		
Provision for deferred tax- charge/ (release)	(87.75)	103.74		
Taxes in respect of earlier years	—	—		
Profit after tax	<b>785.39</b>	603.64		

3) Capital Employed (Segment assets less segment liabilities)

Particulars	2014-15			2013-14		
	Assets	Liabilities	Net	Assets	Liabilities	Net
(a) Granite & Stone Division	10853.25	1591.92	9261.33	10075.27	1461.61	8613.66
(b) Realty Division	1289.97	—	1289.97	1319.22	—	1319.22
(c) Power Generation Unit	1578.61	1219.88	358.73	605.51	269.04	336.47
(d) Unallocated	252.38	—	252.38	282.71	—	282.71
<b>Total</b>	<b>13974.21</b>	<b>2811.80</b>	<b>11162.41</b>	12282.71	1730.65	10552.06



NOTES forming part of the financial statements for the year ended March 31, 2015

(b) Information about Secondary Business Segments

Revenue by Geographical Segment

i. Segment-wise Revenue

Particulars	2014-15			2013-14		
	Revenue from Customers Outside India	Revenue from Customers within India	Total Revenue	Revenue from Customers Outside India	Revenue from Customers within India	Total Revenue
(a) Granite & Stone Division	8868.91	174.76	9043.67	7263.79	131.38	7395.17
(b) Realty Division	-	-	-	-	-	-
(c) Power Generation Unit	-	15.39	15.39	-	29.11	29.11
<b>Total Revenue</b>	<b>8868.91</b>	<b>190.15</b>	<b>9059.06</b>	7263.79	160.49	7424.28

ii All the assets of the Company are situated/registered in India accordingly the total cost incurred during the year, geographical segment wise not applicable.

44. Employee Benefits:

a) Defined benefit plan-As per Actuarial Valuation on 31st March, 2015

Particulars	31.3.2015	31.3.2014
<b>I Amount recognized in the Profit and Loss Account</b>		
Current Service Cost	580803	628894
Interest Cost	631347	715188
Expected Return on Plan Assets	(777090)	(671969)
Actuarial (gain)/Loss on Obligation	335028	(2315941)
Expense/ (Income) recognized in Profit and Loss	770088	(1643828)
<b>II Actual return on plan assets</b>		
Expected Return on Plan Assets	777090	671969
Actuarial gain/ (loss) on Obligation	(335028)	2315941
Actual Return on plan assets	442062	2987910
<b>III Amount recognized in the Balance Sheet</b>		
Present value of Funded Obligation	9241118	7663806
Fair value of Plan Assets	10020143	8727735
Net Asset/ (Liability) recognized in Balance Sheet (Included under provision for employee benefits Refer Note '8' )	779025	(1063929)
<b>IV Change in the present value of obligation</b>		
Opening balance of present value of obligation	7891836	8939844
Interest cost	631347	715188
Current Service Cost	687142	628894
Benefits Paid	(304235)	(304179)
Actuarial (gain)/ loss on Obligation	335028	(2315941)
Closing Balance of present value of obligation	9241118	7663806
<b>V Change in fair value of plan assets</b>		
Opening balance of fair value of plan assets	8727735	7799022
Expected return on plan assets	777090	671969
Contributions	819553	560923
Benefits Paid	(304235)	(304179)
Actuarial Gain/ (Loss) on plan assets	-	-
Closing balance of fair value of plan assets	10020143	8727735



NOTES forming part of the financial statements for the year ended March 31, 2015

b) Actuarial Assumptions

Particulars	% per annum	
	31.03.2015	31.03.2014
Discount Rate	8%	8%
Salary Escalation	8%	10%
Rate of return on plan assets	8.25%	8.25%

c) The liability for leave encashment and compensated absences as at year end is Rs. Nil/-

d) Gratuity is administered through Group Gratuity Scheme with Life Insurance Corporation of India.

45. The Company has spent Rs 10.90 lacs as required as per Section 135 of the Companies Act, 2013 read with Schedule VII towards expenditure related to Corporate Social Responsibility

46. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

47. Previous year figures has been regrouped wherever necessary.

48. Figures have been rounded off to nearest Rupees.

SIGNATURES TO THE NOTES '1' TO '48'

For and on behalf of the Board of Directors

For **NYATI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 002327C

Suresh Nyati  
**Partner, Membership No. 70742**

Ashok Doshi  
**Managing Director**

Sudhir Doshi  
**Whole Time Director**

Udaipur, May 23, 2015

Priyanka Manawat  
**Company Secretary**



**PROXY FORM**

Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

**Madhav Marbles and Granites Ltd.**

**CIN: L14101RJ1989PLC004903**

**Regd. Office: 11-A, Charak Marg, Ambamata Scheme, Udaipur – 313 001 (Raj.)**

Name of Member	
Registered Address	
Email I.D	
Folio No./DP I.D./Client I.D.	

I/ We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

(1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

as my/our proxy to vote for me/us on my/our behalf at the Twenty Sixth Annual General Meeting of the Company to be held on Friday, August 14, 2015 at 10.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
	<b>Ordinary Business</b>		
1	Approval of Financial Statements and Reports thereon		
2	Declaration of Dividend		
3	Appointment of Statutory Auditors		



	<b>Special Business</b>		
4	Appointment of Mr. Ravi Kumar Krishnamurthi as an Independent Director		
5	Appointment of Ms. Swati Yadav as an Independent Director		
6	Adoption of new Articles of Association of Company		
7	Modification/Amendment of the Special Resolution passed at the 23 <sup>rd</sup> Annual General Meeting for re-appointment of Mr. Sudhir Doshi as Whole Time Director so as to make him a director liable to retire by rotation		
8	Revision in remuneration payable to Mr. Madhav Doshi		
9	Re-appointment of Mr. Ashok Doshi Managing Director for three years effective from May 01,2015		
10	To approve borrowing money (ies) for the business of the Company pursuant to Section 180 (1) (c) of the Companies Act, 2013		
11	To approve creation of security on the properties of the Company both present and future pursuant to section 180 (1) (a) of the Companies Act, 2013		

Signed this ..... day of .....2015

Signature of the Shareholder \_\_\_\_\_

Affix  
Re.1  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**Note :** This Proxy Form, in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.



**Madhav Marbles and Granites Ltd.**

**CIN: L14101RJ1989PLC004903**

**Regd. Office: 11-A, Charak Marg, Ambamata Scheme, Udaipur – 313 001 (Raj.)**

**ATTENDANCE SLIP**

(To be filled in and handed over at the entrance of the meeting hall)

I hereby record my presence at the Twenty Sixth Annual General Meeting of the Members of the Company to be held on Friday, August 14, 2015 at 10.00 a.m. at Hotel Rajdarshan, Udaipur- 313001, (Raj.)

Name of the Member/Proxy	
Registered Address	
DP ID No.	
Folio No./Client ID No.	
No. of Shares held	

\_\_\_\_\_  
Signature of Member / Proxy



