



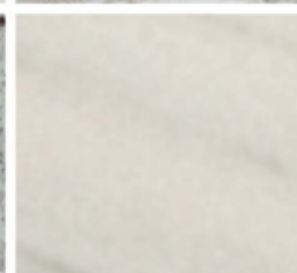
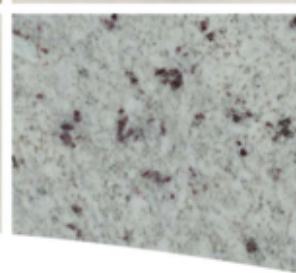
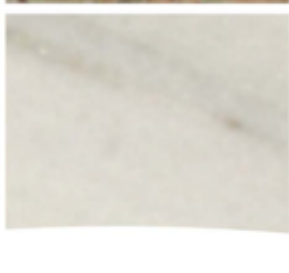
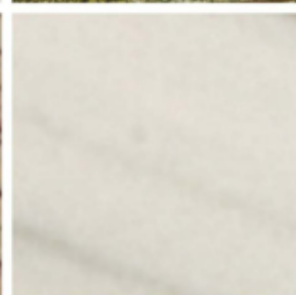
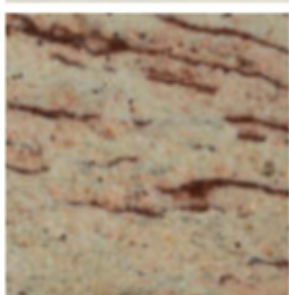
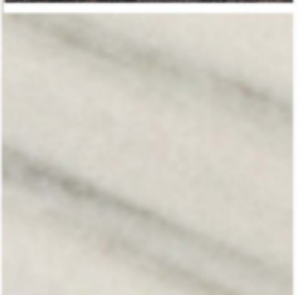
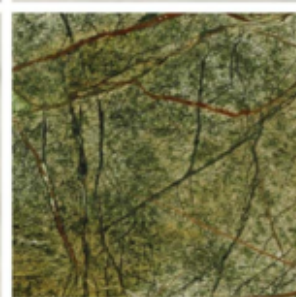
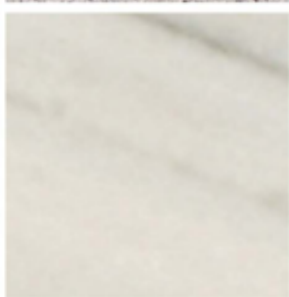
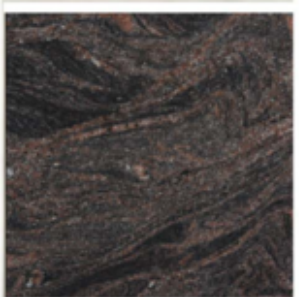
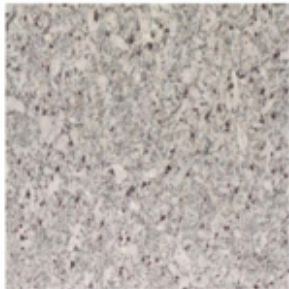
TM

MADHAV

leaders in quality

Natural Stone Surfaces

30th
Annual Report
2018-2019



celebrating **30**
years of
trust

www.madhavmarbles.com

In pursuit of growth



Marmomac 2018, Italy

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Corporate Information

Board of Directors

Independent Directors

- Mr. Ravi Kumar Krishnamurthi, Board's Chairman
- Mr. Roshan Lal Nagar
- Mr. Prakash Kumar Verdia
- Ms. Swati Yadav

Executive Directors

- Mr. Madhav Doshi
- Mr. Sudhir Doshi

Key Executives

- Mrs. Riddhima Doshi, President
- Mr. S. Panneerselvam, CFO
- Ms. Priyanka Manawat, CS

Bankers

HDFC Bank
State Bank of India
Allahabad Bank
IDBI Bank

Registrar and Share Transfer Agents

Ankit Consultancy Private Limited
60, Electronic Complex
Pardeshipura
Indore-452010

Auditors

Statutory Auditors

M/s L.S. Kothari & Co.
Chartered Accountants, Jaipur

Internal Auditor

Anil J Jain & Associates
Chartered Accountants, Udaipur

Secretarial Auditor

Ronak Jhuthawat & Co.
Company Secretaries, Udaipur

Registered Office:

First Floor, "Mumal Towers"
16, Saheli Marg, Udaipur-313001
CIN: L14101RJ1989PLC004903
Tel: 0294-2981666

Website: www.madhavmarbles.com

Email: investor.relations@madhavmarbles.com, madhavnorth@madhavmarbles.com

Message from CEO

Dear Shareholders,

I am pleased to report that FY 2018-2019, performance wise, was a satisfactory year for your Company as compared to last year.

Sales Revenue increased by 9.87%. This is outcome of our efforts towards productivity enhancement, investment in technology, systems and processes; strong marketing and understanding of customer demands and preferences.

For the ongoing year, we expect a consistent operational and financial performance but still macro-economic conditions around the world may impact our business.

Keeping in pace with the dynamics of the Industry, we have decided to set up a plant for manufacturing and processing of engineered stone. The project is taking positive shape and we are hopeful that this diversification will be strategic and profitable for the future growth of your organization.

With a renewed sense of optimism and ambition, we are committed to grow and create value for our stakeholders.

We sincerely thank our customers, the Board, Management, Unions and our dedicated employees for their unrelenting support and commitment

Thank you all for the confidence you have reposed in the Company.

Madhav Doshi
CEO & Managing Director

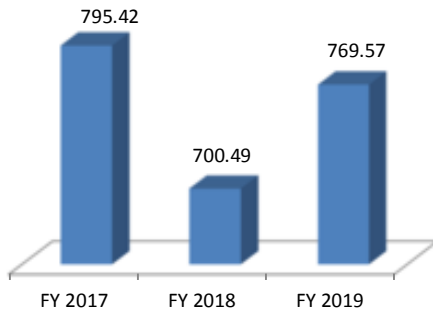
Financial Highlights

(₹ in million)

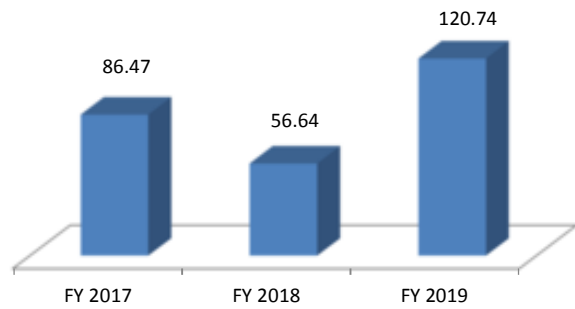
	2018-2019	2017-2018	2016-2017
Statement of Profit and Loss			
Revenue from Operations	769.57	700.49	795.42
Other Income	48.88	53.99	21.81
EBIDTA	120.74	56.64	86.47
Pre-Tax Profit	60.15	21.62	60.93
Post Tax Profit	46.12	17.99	52.09
Balance Sheet			
Property Plant and Equipment	413.38	300.29	269.99
Investments	25.47	19.46	6.30
Equity Share Capital	89.47	89.47	89.47
Net Worth	1285.57	1241.38	1234.64
Key Ratios			
Earning Per Share (EPS)	5.15	2.01	5.82
Book Value Per Share	143.69	138.75	137.99
Return On Capital Employed (%)	5.25	2.33	4.90
Return On Net Worth (%)	3.59	1.45	4.22
Debt Equity Ratio	0.14	0.16	0.03

Financial and Operational Highlights

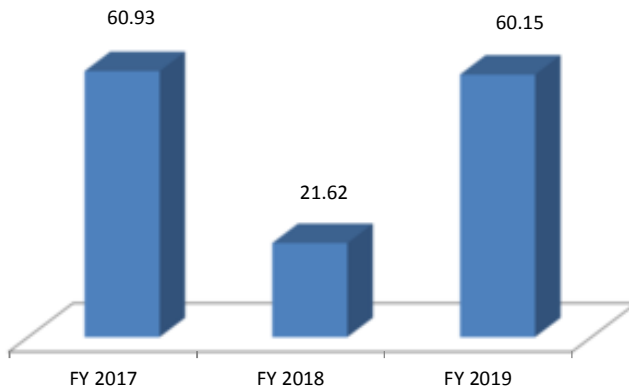
Revenue from Operations (In million)



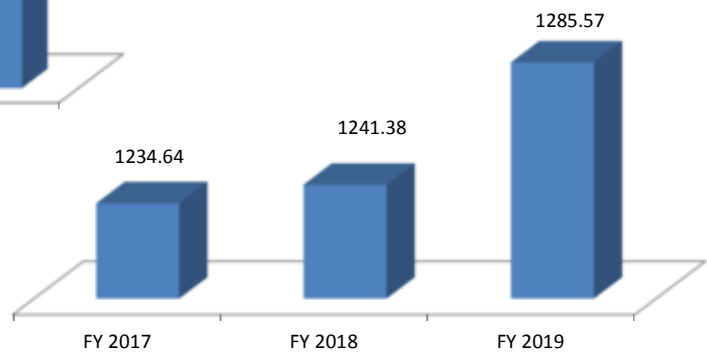
EBIDTA (In million)



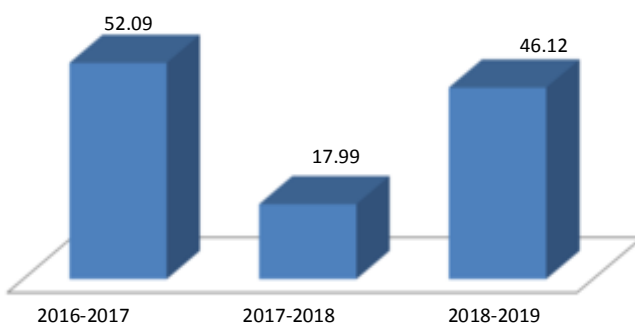
Pre Tax Profits (In million)



Net Worth (In million)

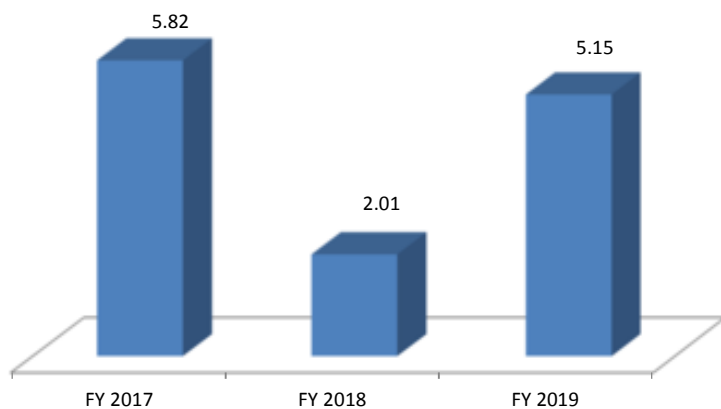


Post Tax Profits (In million)

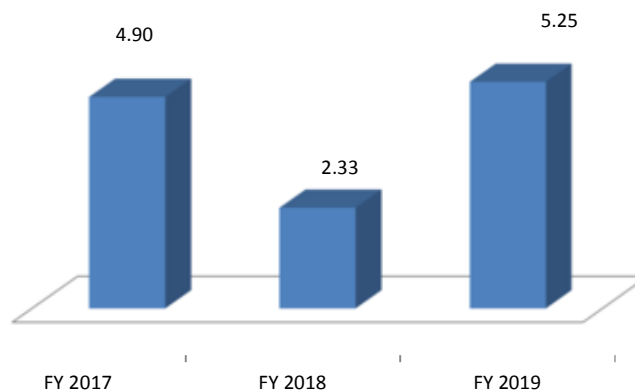


Driving Valuations

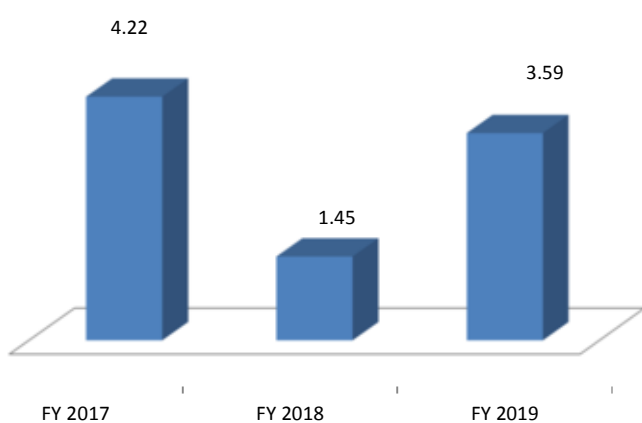
Earning Per Share (EPS)



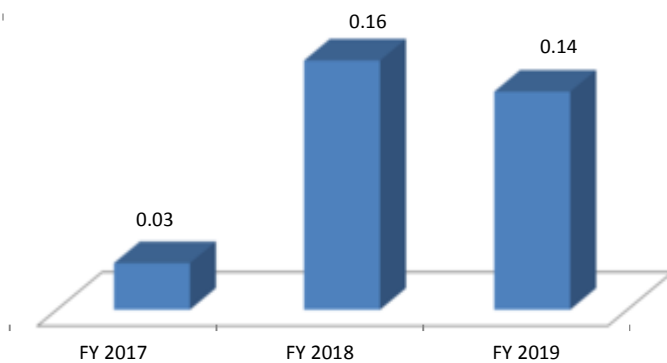
ROCE %



RONW %



Debt Equity Ratio



Madhav Marbles and Granites Limited

CIN: L14101RJ1989PLC004903, Web: www.madhavmarbles.com,
Regd. Office: First Floor, "Mumal Towers", 16, Saheli Marg, Udaipur-313001
Email: investor.relations@madhavmarbles.com, Tel: 0294-2981666

Notice of the Annual General Meeting

NOTICE is hereby given that the Thirtieth Annual General Meeting of the members of **MADHAV MARBLES & GRANITES LIMITED** will be held at Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur-313001 on Monday, September 30, 2019 at 4.30 p.m. to transact the following business:-

Ordinary Business:

- To receive, consider and adopt:
 - the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the report of Auditors thereon.
- To declare a dividend on Equity Shares for the financial year ended March 31, 2019.
- To appoint a Director in place of Mr. Madhav Doshi (DIN: 07815416), who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

- To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution: **Re-appointment of Mr. Ravi Kumar Krishnamurthi (DIN: 00464622) as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') and the Rules framed thereunder and Regulations 16 and 17 (1 A) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ravi Kumar Krishnamurthi (DIN:00464622), who was appointed as an Independent Director to hold office up to March 31, 2020 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from April 01, 2020 to March 31, 2025, and that the consent of the Members of the Company be and is hereby accorded for continuation of Mr. Ravi Kumar Krishnamurthi as an Independent Director of the Company on his attaining the age of 75 (seventy five) years during the said second term of five years

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

- To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution: **Re-appointment of Ms. Swati Yadav (DIN: 06572438) as an Independent Director of the Company**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') and Rules framed thereunder and Regulation 16 and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on recommendation of the Nomination and Remuneration committee and the Board of Directors of the Company, Ms. Swati Yadav (DIN: 06572438), who was appointed as an Independent Director to hold office up to February 29, 2020 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from March 01, 2020 to February 28, 2025

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution: **To approve continuation of payment of remuneration to Executive Directors who are Promoters/members of the promoter group in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018**

"RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018, applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and other applicable provisions, if any and as per the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the continuation of payment of remuneration as per existing terms and conditions as approved by the shareholders to Mr. Sudhir Doshi, Whole Time Director and Mr. Madhav Doshi, CEO & Managing Director at the Annual General Meeting held on September 09, 2017 and August 11, 2018 respectively and who are Executive Directors and members of the promoter group of the Company notwithstanding:

- i) annual remuneration to each of them exceeding Rs. 5 Crores or 2.5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or
- ii) their aggregate annual remuneration exceeding 5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013,

till the expiry of their current term as such i.e. July 27, 2020 and April 30, 2021, respectively

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all steps as may be necessary, proper and 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: **To seek approval of Shareholders, pursuant to applicable provisions of the Companies Act, 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for authorizing the Board to enter into related party transaction by giving loans to; and/or making investments in; and/or providing security / guarantee to secure obligations of, present and/or future Subsidiary and/or Associate of the Company upto an aggregate financial limit of Rs. 100 Crores**

"RESOLVED THAT in supersession of all the resolutions passed in this regard and pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), Section 185, 188 and other applicable provisions of the Companies Act, 2013 including Rules thereunder, approval of the Members be and is hereby accorded to the Board of Directors of the Company to enter into material related party transaction(s) by way of (a) grant of loans to; and/or (b) provision of guarantee / security to secure any loan/obligations of; and/or (c) acquisition by way of subscription, purchase or otherwise the securities of Madhav Natural Stone Surfaces Private Limited, the present and/or future Subsidiary(ies) of the Company, subject to the condition that the aggregate of principal amount of such loan and/or value of such investment and/or principal amount secured by such guarantee/security already made/given and proposed to be made/given shall not exceed an amount of Rs. 100 Crores (Rupees One Hundred Crores only) at any point in time

RESOLVED FURTHER THAT the Board of Directors of the Company including the Audit Committee of the Board be and is hereby authorized to finalize and approve, from time to time, the terms and conditions of the said material related party transaction(s) notwithstanding that the value of such current and future transaction(s) may exceed the materiality threshold prescribed under Regulation 23 of SEBI Listing Regulations or any other regulatory requirements, including Companies Act, 2013."

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

Priyanka Manawat
Company Secretary

Udaipur, August 10, 2019

Notes

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Business under Item Nos. 4 to 7 of the accompanying Notice is annexed hereto. Further Information under Regulations 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and as required under Secretarial Standard 2, pursuant to Section 118 (10) of the Act, issued by the Institute of Company Secretaries of India, relating to Directors proposed to be appointed/re-appointed is provided in the Annexure to this Notice.
2. A Member of the Company entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organisation.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorised representative to attend the AGM are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the AGM.
4. The Register of Members and Transfer Books of the Company will be closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).
5. Members, Proxies and Authorised Representatives are requested to bring to the AGM, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or from October 04, 2019 to those members:
 1. whose names appear in the Register of Members at the close of business hours on Monday, September 23, 2019 in respect of shares held by them in physical form
 1. whose names appear in the statement of beneficial ownership furnished by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) at the beginning of the business hours on Tuesday, September 24, 2019 in respect of shares held by them in dematerialised form.
7. Shareholders holding shares in physical form are requested to advise any change of correspondence address, email address, bank details immediately to the Company's Registrar and Share Transfer Agents, M/s Ankit Consultancy Private Limited. Shareholders holding shares in electronic form must advise their respective depository participants about any change in correspondence address, email address and bank details and not to the Company or the Registrars.

It is in the interest of shareholders to register their bank details against their account and avail of facility being extended by the Company of receiving the credit of dividend directly to their bank account through electronic means. Shareholders may please note that under SEBI instructions, furnishing of bank particulars by the shareholders has become mandatory.

8. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.

9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
10. In accordance with Section 20 of the Act, read with the relevant rules, the Notice of the AGM along with the Annual Report for financial year 2018-19 are sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office 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 AGM and also at the AGM.
12. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, specifies that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

13. Transfer of Unclaimed / Unpaid dividend to the Investor Education and Protection Fund (IEPF):

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended March 31, 2011 have been transferred to the IEPF.

It may be noted that unclaimed dividend for the financial year 2011-12 declared on September 22, 2012 is due to be transferred to the IEPF by November 2019. The same can, however, be claimed by the members by October, 2019. Members who have not encashed the dividend warrant(s) from the financial year ended March 31, 2012 may forward their claims to the Company's Registrar and Share Transfer Agents before they are due to be transferred to the IEPF.

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial year ended March 31, 2011 and remained unpaid or unclaimed were transferred to the IEPF. The Company has sent notices to all such members in this regard and thereafter transferred the shares to the IEPF during financial year 2018-19. The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned members from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

14. The route map showing directions to reach the venue of the thirtieth AGM is annexed

15. Voting through electronic means

In compliance with the provisions of Section 108 of the Act, and Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide members holding shares either in physical form or in dematerialized form, the facility to exercise their right to vote on the resolutions set forth in the Notice by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited ("CDSL"). The members may cast their votes using an electronic voting system from a place other than the venue of the AGM (remote e-voting).

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 entitled to cast their vote again.

The remote e-voting period commences on Friday, September 27, 2019 (9:00 am) and ends on Sunday, September 29, 2019 (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 Monday, September 23, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Mr. Ronak Jhuthawat, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.madhavmarbles.com and on the website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to stock exchanges.

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

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Madhav Marbles and Granites Limited.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- 1 Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- 1 A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 1 After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- 1 The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 1 A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement

Statement pursuant to Section 102 of the Companies, Act, 2013

Item No. 4

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 26th Annual General Meeting held on August 14, 2015, Mr. Ravi Kumar Krishnamurthi was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto March 31, 2020.

As per the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), an Independent director can hold office for a term of up to 5 (five) consecutive years on the board of a company and can be re-appointed for one more term with approval of shareholders by way of a special resolution.

As per the Regulation 17(1 A) of the Listing Regulations to be effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Mr. Ravi Kumar Krishnamurthi will attain the age of 75 years during his second term of re-appointment and hence continuation beyond 75 years requires the approval of members by way of a special resolution.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 28, 2019 has, subject to approval of shareholders, re-appointed Mr. Ravi Kumar Krishnamurthi as an Independent Director for second term of five (5) years with effect from April 01, 2020 upto March 31, 2025.

Mr. Ravi Kumar Krishnamurthi, a Solicitor in the Mumbai High Court and the Supreme Court of England, has a rich and wide experience of over 45 years in the field of Law. He is a retired Partner of Mulla & Mulla Craigie Blunt & Caroe, a reputed firm of Advocates, Solicitors and Notaries.

The Company has also received a declaration from Mr. Ravi Kumar Krishnamurthi confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time.

Mr. Ravi Kumar Krishnamurthi is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Board considers that his continued association as an Independent Director of the Company would be of immense benefit to the Company and stakeholders. It is in the interest of the Company to continue to avail the benefits of his knowledge, expertise and vast experience.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Mr. Ravi Kumar Krishnamurthi as an Independent Director of the Company.

A copy of the draft letter for re-appointment of Mr. Ravi Kumar Krishnamurthi setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 pm. during office hours on all working days upto the date of this meeting except Saturdays, Sundays and Holidays at the Registered Office of the Company.

Except Mr. Ravi Kumar Krishnamurthi, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

Item No. 5

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 26th Annual General Meeting held on August 14, 2015, Ms. Swati Yadav was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto February 29, 2020.

As per the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), an Independent director can hold office for a term of up to 5 (five) consecutive years on the board of a company and can be re-appointed for one more term with approval of shareholders by way of a special resolution.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 28, 2019 has, subject to approval of shareholders, re-appointed Ms. Swati Yadav as an Independent Director for second term of five (5) years with effect from March 01, 2020 upto February 28, 2025.

Ms. Swati Yadav holds M.B.A. degree in Finance. She helps in bringing judgment on the Board of Directors' deliberations especially on issues of Finance, performance, resources, and standards of conduct.

The Company has also received a declaration from Ms. Swati Yadav confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time.

Ms. Swati Yadav is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Board considers that her continued association as an Independent Director of the Company would be of immense benefit to the Company and stakeholders. It is in the interest of the Company to continue to avail the benefits of her knowledge, expertise and vast experience.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Ms. Swati Yadav as an Independent Director of the Company.

A copy of the draft letter for re-appointment of Ms. Swati Yadav setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 pm. during office hours on all working days upto the date of this meeting except Saturdays, Sundays and Holidays at the Registered Office of the Company.

Except Ms. Swati Yadav, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

Item No. 6

Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 specifies that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

- (i) the annual remuneration payable to such executive director exceeds Rs. 5 Crore or 2.5 per cent of the net profits of the listed entity calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or
- (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

At present, on the Board of Directors of the Company, there are two executive directors Mr. Sudhir Doshi, Whole Time Director and Mr. Madhav Doshi, CEO and Managing Director, who are also promoters/member of promoter group. The shareholders have approved remuneration payable to them within the limits as prescribed at that time as per Companies Act, 2013, while approving their appointment on September 09, 2017 and August 11, 2018, respectively, which is in excess of the newly prescribed threshold limits of SEBI (LODR) (Amendment) Regulations, 2018. This necessitates seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their respective term i.e. July 27, 2020 and April 30, 2021 respectively in order to comply with the above mentioned newly introduced Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The Board approved the above proposal after considering the valuable contributions of Executive Directors in the business growth of the Company and remuneration prevalent for the similar positions in the Industry.

The Board recommends the special resolution set out at Item No. 6 of the Notice for approval by the Members.

Except Mr. Sudhir Doshi, Whole Time Director, Mr. Madhav Doshi, CEO and Managing Director and their relatives, none of the other Directors, Key Managerial Personnel or their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No. 7

The Company ventured into the business of manufacturing and processing of Quartz through incorporation of Subsidiary Madhav Natural Stone Surfaces Private Limited. But due to the petition filed with the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (Commission) seeking antidumping and countervailing duties on imports of certain quartz surface products from India, the Board decided that the Company will not set up a plant for manufacturing and processing of engineered stone at Udaipur, Rajasthan.

The management is in exploratory talks with some groups/parties to avert the current situation and for undertaking the project of manufacturing and processing of engineered stone out of India. The decision to set up the project overseas may be undertaken through the present subsidiary or a new subsidiary may be required to be incorporated.

The Company might have to increase its Investment or would be additionally required to fund the business requirements of present and/or future subsidiary (ies) and/or associates.

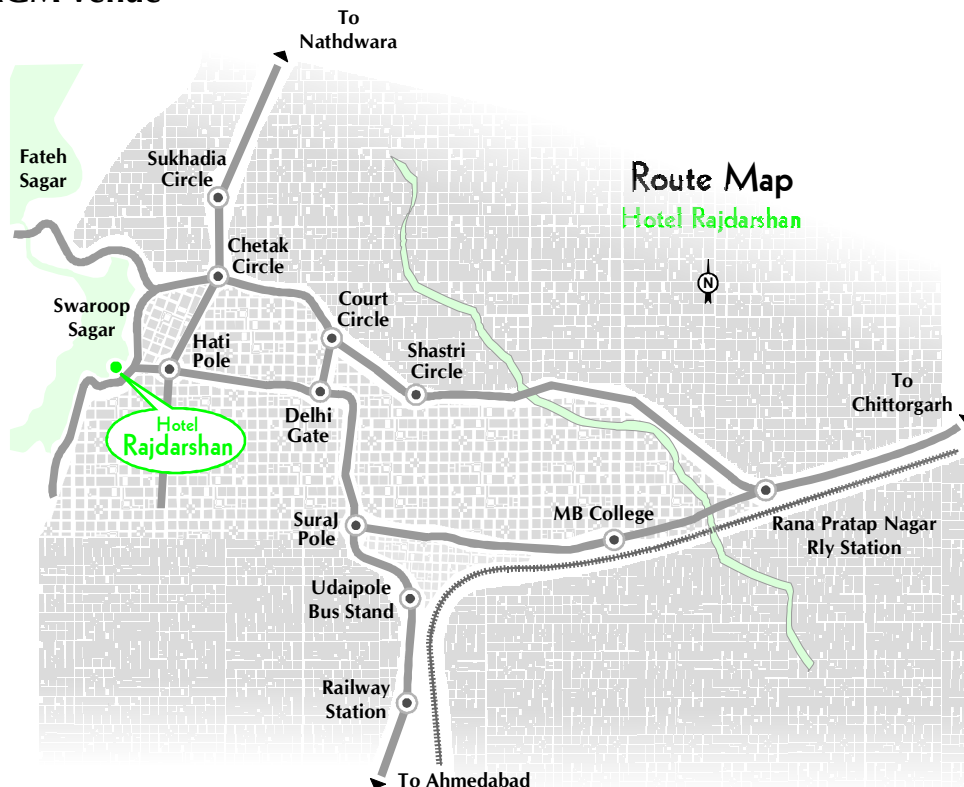
In view of this, as an abundant caution, approval of members is being sought to enable the Board of Directors for entering into material related party transaction of providing loan and/or making investment and/or providing guarantee/security to the present/future Subsidiary(ies) and/or Associate(s) of the Company subject to the condition that the aggregate of principal amount of such loan and/or value of such investment and/or principal amount secured by such guarantee/security already made/given and proposed to be made/given shall not exceed an amount of Rs. 100 Crores (Rupees One Hundred Crores only) at any point in time

The Board of Directors recommends Special resolution as set out at Item no. 7 of the accompanying notice for approval of the members.

As per the Act and Regulation 23 of LODR, related party(ies) of the Company shall abstain from voting on said resolution

Except Mr. Madhav Doshi, CEO and Managing Director, Mr. Sudhir Doshi, Whole Time Director and their relatives, none of the other Directors, Key Managerial Personnel or their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Map of AGM venue



Annexure A

(for Item Nos. 3, 4 and 5 of the Notice)

Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting in pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 issued on General Meetings by The Institute of the Company Secretaries of India:

	Mr. Madhav Doshi	Mr. Ravi Kumar Krishnamurthi	Ms. Swati Yadav
DIN	07815416	00464622	06572438
Date of Birth	18/07/1986	17/01/1946	27/05/1982
Date of first appointment in the current designation	01/05/2018	30/11/1993	01/03/2015
Qualification	B.E. (Computer Science)	B.A, L.L.B.	M.Com, M.B.A. Finance
Expertise	Business Management including functional expertise in Sales, Marketing & Corporate management	Corporate Law	Finance and CSR related activities
Number of Board Meetings attended during the year	7 out of 7	4 out of 7	5 out of 7
Board Memberships of other Companies as on March 31, 2019	Rajdarshan Industries Ltd. Rupal Holdings P. Ltd. Mumal Marketing P. Ltd Emerald Construction Co. P. Ltd. Lakecity Buildcon P. Ltd. Rajdarshan Hotels P. Ltd.	Emkay Global Financial Services Ltd. Emkay Commotrade Ltd. Emkay Wealth Advisory Ltd. Emkay Fincap Ltd.	-
Chairmanship(s)/Membership(s) of Committees of other Companies as on March 31, 2019	One	Four	-
Shareholding in Company	713800	-	-
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Nephew of Mr. Sudhir Doshi, Whole Time Director	-	-
Terms and Conditions of appointment or re-appointment	Director liable to retire by rotation	Independent Director not liable to retire by rotation.	Independent Director not liable to retire by rotation.
Details of last remuneration drawn	Details given in Corporate Governance Report		

Board's Report

To The Members

The Directors are pleased to present their 30th Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2019.

(Rs. in million)

Particulars	Standalone	
	31.03.2019	31.03.2018
Revenue from Operations	769.57	700.49
Earnings before Interest, Taxes and Depreciation & Amortization	120.74	56.64
Less: Finance Costs	12.99	10.78
Less: Depreciation & Amortization	47.60	24.24
Profit before Tax	60.15	21.62
Less: Tax Expense	14.03	3.63
Profit for the period from continuing Operations	46.12	17.99
Profit/Loss before tax from discontinued Operations	0.00	0.00
Tax Expense of discontinued Operations	0.00	0.00
Profit/Loss from discontinued operations after tax	0.00	0.00
Total Profit for the period	46.12	17.99
Other Comprehensive Income (net of tax)	0.00	0.00
Total Comprehensive Income	46.12	17.99
Earning Per Share	5.15	2.01

Note: Madhav Natural Stone Surfaces Private Limited ("MNSSPL"), the subsidiary company, incorporated on October 12, 2018 has not commenced commercial operations as a result there is no revenue and expense as at March 31, 2019. So the consolidated financial highlights are not presented herein above.

Performance Review:

Your Company's performance during the year under report has overall improved.

Revenue from operations increased by 9.87% from Rs. 700.49 million in 2017-2018 to Rs. 769.57 million in the 2018-2019. The Operating Profit before tax rose to Rs. 60.15 million as against operational profit before tax of Rs. 21.62 million reported in the previous year. Profit after Tax for the current year is Rs. 46.12 million against Rs. 17.99 in the previous year.

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relate on the date of this report.

Transfer to Reserves

Your Company proposes to transfer an amount of Rs. 100.00 million to the General Reserves.

Share Capital

There was no change in the share capital of the Company during the financial year 2018-19.

Dividend

Directors have recommended a dividend of Rs.0.25 per equity share of the face value of Rs. 10 each for the financial year 2018-2019. The proposed dividend, subject to approval of shareholders would result in appropriation of Rs. 2.70 million including dividend tax of Rs.0.46 million.

The dividend would be payable to Shareholders whose names appear in the Register of Members as on the Book Closure Dates.

Directors Responsibility Statement:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, the Board of Directors hereby confirms that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2019, applicable accounting standards have been followed and there are no material departures from the same;;
- b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the Profit of the Company for the financial year ended on that date;
- c) proper and sufficient care has been taken 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 annual accounts have been prepared on a "going concern" basis;
- e) proper internal financial controls laid down by the directors were followed by the Company 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 place and that such systems are adequate and operating effectively.

Management Discussion and Analysis Report

The Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, market developments, performance and state of affairs of Company's business during the financial year 2018-19.

Subsidiaries, Associates and Joint Venture Companies

The Company has one subsidiary viz. Madhav Natural Stone Surfaces Private Limited incorporated on October 12, 2018.

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiary is given in Form AOC-1 which forms an integral part of this Report.

The Company had no joint venture or associate during the financial year 2018-19.

Corporate Governance

In compliance with Regulation 34 of the SEBI Listing Regulations, a Report on Corporate Governance along with certificate from the Statutory Auditors on its compliance forms an integral part of this Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing (obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors.

The Board's functioning was evaluated after seeking inputs from all the directors on various aspects including Board composition and structure, effectiveness of board processes, manner of conducting the meetings, value addition of the Board members and corporate governance etc.

The Board and the Nomination and Remuneration committee reviewed the performance of individual directors on aspects such as attendance and contribution at Board/ Committee Meetings and guidance to the management.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

Directors and Key Managerial Personnel

- 1 In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Madhav Doshi, (DIN: 07815416) Director retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.
- 1 During the year under review, the Board of Directors on recommendation of the Nomination and Remuneration Committee re-appointed Mr. Prakash Kumar Verdia (DIN: 02429305) and Mr. Roshan Lal Nagar (DIN: 02416642) as Independent Directors for second term of five consecutive years with effect from April 01, 2019. The said re-appointment was approved by the members at the extra-ordinary general meeting held on March 29, 2019
- 1 Pursuant to the provisions of the Companies Act, 2013 ("Act"), the shareholders in the 26th AGM of your Company held on August 14, 2015 appointed Mr. Ravi Kumar Krishnamurthi (DIN: 00464622) as an Independent Non-Executive Director to hold office for five consecutive years for a term up to March 31, 2020. Mr. Krishnamurthi is eligible for re-appointment as an Independent Non-Executive Director for a second term of five consecutive years. Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through a Special Resolution in the 30th AGM of your Company, the re-appointment of Mr. Krishnamurthi as an Independent Non-Executive Director for second term of five consecutive years from April 01, 2020 to March 31, 2025.

- | Ms. Swati Yadav (DIN: 06572438), will complete her first term of appointment on February 29, 2020 as Independent Non-executive Director. Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through a Special Resolution in the 30th AGM of your Company, the re-appointment of Ms. Yadav as an Independent Non-Executive Director for second term of five consecutive years from March 01, 2020 to February 28, 2025.
- | All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- | Pursuant to the provisions of section 2(51) and 203 of the Act, the key managerial personnel of the Company are:
 - Mr. Madhav Doshi, CEO and Managing Director
 - Mr. Sudhir Doshi, Whole Time Director
 - Mr. S. Panneerselvam, Chief Financial Officer
 - Ms. Priyanka Manawat, Company Secretary

Number of Meetings of the Board

The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

Auditors and Auditors' Report

Statutory Auditor:

As per Section 139 of the Companies Act, 2013 ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company in the 28th Annual General Meeting approved the appointment of M/s. L.S. Kothari & Co. Chartered Accountants (Firm Registration No. 001450C), as the Statutory Auditors of the Company for an initial term of 5 years i.e. from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company. Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every annual general meeting has been omitted with effect from May 07, 2018

M/s L.S. Kothari & Co., Chartered Accountants has furnished a certificate of their eligibility and consent under Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the Company for the financial year 2019-20.

The Report given by Statutory Auditors on the financial statement of the Company for the year 2018-2019 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of Mr. Ronak Jhuthawat, (CP No. 12094), Company Secretary in Practice, Udaipur to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2019. The Report given by the Secretarial Auditor forms integral part of this Report and does not contain any qualification, reservation or adverse remark.

Extract of the Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as Annexure III which forms an integral part of this Report.

Particulars of Contracts, Arrangements or Transactions with Related Parties.

During the financial year ended March 31, 2019, all the contracts or arrangements or transactions with Related Parties were in the ordinary course of business and on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

All related party transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per SEBI Listing Regulations for the transactions which are foreseen and are repetitive in nature.

Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 forms an integral part of this Report.

The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website.

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given and investments made during the year in accordance with Section 186 of the Act forms part of the notes to the financial statements provided in this Annual Report. All the loans & guarantees given and investments made are for the Business purpose.

Particulars of Employees

The information required in accordance with Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2019 can be accessed in the manner as provided under Section 136 of the Companies Act, 2013. If any Member is interested in obtaining these particulars, may write to the Company Secretary at the Registered Office of the Company in this regard. Further, the Company has no person in its employment drawing remuneration in excess of limits as defined under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Deposits

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modifications(s) or re-enactment(s) thereof for the time being in force;

Corporate Social Responsibility

As a part of CSR initiative, the Company has undertaken projects mainly in the areas of education, infrastructure development and promoting road safety.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure II of this report in the format prescribed in The Companies (Corporate Social Responsibility Policy) Rules, 2014.

Whistle Blower Policy and Vigil Mechanism

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The said policy has been uploaded on the website of the Company.

Risk Management

As per Listing Regulations, constitution of Risk Management Committee is not applicable to the Company. However the Company has its own procedure for identifying the various business risks and seeks to create transparency, minimize adverse impact on the business objectives and enhance Company's competitive advantage.

The risk management system defines the risk management approach across the enterprise at various levels including documentation and reporting.

Policy on Prevention of Sexual Harassment at Workplace

The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"). Internal Complaints Committees have also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

Internal Controls

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Statutory and the Internal Auditors routinely conduct system checks and give their report after evaluation of the efficacy and adequacy of internal control systems including controls with respect to the financial statements, its compliance with operating systems, accounting procedures and policies in the Company. Based on the report of Internal Audit, the departments undertake corrective action in their respective areas and thereby strengthen the controls. The significant audit observations and follow up actions thereon are reported to the Audit Committee as well and further corrective action taken as per the inputs received from the committee members and the auditors.

Significant and Material Orders Passed by the Regulators / Courts, if any.

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

Acknowledgment

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, Customers, Financial Institutions, Banks, Central and State Governments, Stock Exchanges and the Company's valued Investors for their continued co-operation and support received during the year.

Your Directors would also like to take this opportunity to express their appreciation for the hard work and dedicated efforts put in by the Company's employees and look forward to their continued contribution.

For and on behalf of the Board
Ravi Kumar Krishnamurthi

Chairman

DIN: 00464622

Udaipur, May 28, 2019

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. 55% of Company's power requirement is met by non-conventional source i.e. Windmill.

B. Technology Absorption

The Company is continuously updating itself to standardize and install latest required machinery for manufacturing, quality control, management, improvement and cost reduction.

The Company during the year under review has not carried out any activity which can be construed as Research & Development..

C. Foreign Exchange Earning & Outgo:

(Rs. in millions)

Particulars	2018-2019	2017-2018
Foreign Exchange Earned	641.91	617.05
Foreign Exchange used	60.80	63.97

For and on behalf of the Board

Ravi Kumar Krishnamurthi

Chairman

DIN: 00464622

Udaipur, May 28, 2019

Annexure II to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities for the year ended March 31, 2019

- 1. A brief outline of the Company's Corporate Social Responsibility 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 program.**

The CSR vision of the Company is to strive to be a responsible corporate by proactively partnering in the Environmental, Social and Economic development of the communities. CSR Policy focuses on areas of Education, Healthcare & Hygiene and Water Management.

Web-link to the CSR Policy: <https://madhavmarbles.com/wp-content/uploads/investor/Corporate-Social-Responsibility-Policy.pdf>

In line with the primary CSR philosophy of the Company and the specified activities under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has laid down its Corporate Social Responsibility Policy ('CSR Policy') to determine its objectives for the CSR activities of the Company.

The Company undertakes its CSR activities in line with CSR Policy with focus on development of communities around the vicinity of its plants and offices, promoting education, infrastructure development at schools, girl education and promoting road safety.

Web-link to the CSR Policy: <https://madhavmarbles.com/wp-content/uploads/investor/Corporate-Social-Responsibility-Policy.pdf>

- 2. Composition of CSR Committee:**

The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR policy. The composition of CSR Committee as on the date of Director's Report is as follows:

Name	Category
Mr. Prakash Kumar Verdia, Chairman of the Committee	Independent Director
Mr. Roshan Lal Nagar	Independent Director
Mr. Sudhir Doshi	Executive Director

- 3. Average net profit of the Company for the last three financial years: 541.65 Lakh**

Years	2018	2017	2016
Net Profit (in Lakh)	216.19	602.91	805.85

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The net profits of the Company for the financial year 2017-18 were less than five crore so the Company was not required to spend towards CSR in the financial year 2018-2019. The relevant provision as per the Companies Amendment Act, 2017, specifies that the Company would not be required to undertake the compliances relating to Corporate Social Responsibility (CSR) if a Company, during the immediately preceding financial year, does not meet the criteria of: (1) net worth of Rs. 500 crores or more; or (2) turnover of Rs. 1,000 crores or more; or (3) a net profit of Rs. 5 crores or more.

- 5. Details of CSR spent during the financial year 2018-2019:**

- (a) Total amount spent in the financial year: Rs. 10.02 Lakhs
 (The amount which is being spent towards CSR programs in FY 2018-19 is the amount which remained unspent in previous financial year and carried forward.)
- (b) Amount unspent, if any: Not Applicable

(c) Manner in which the amount spent during the financial year is detailed below: (Amount in Lakh)

CSR Projects/ Activities	Sector in which Project is Covered	Project or programmes 1) Local area or other 2) State and district	Amount outlay (budget)	Amount spent in FY 18-19	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Infrastructure development at Schools - Upgrading school buildings; providing classroom setups like benches, desks and boards, among others;	Education	Thoppur District Tamilnadu	8.51	8.51	8.51	Direct
Barricades given for Traffic Management to Police Stations	Road Safety/ Traffic Regulation	Thoppur District Tamilnadu	1.51	1.51	1.51	Direct
TOTAL			10.02	10.02	10.02	

6. Reason for not spending the prescribed two per cent amount

Not Applicable

7. Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

For and on behalf of CSR Committee

Udaipur, May 28, 2019

Prakash Kumar Verdia
Chairman

Roshan Lal Nagar
Member

Annexure III to the Directors' Report

Form No. MGT-9

Extract of the Annual Return

as on the financial year ended March 31, 2019

[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:

i. CIN :	L14101RJ1989PLC004903
ii. Registration Date :	April 07, 1989
iii. Name of the Company :	Madhav Marbles and Granites Limited
iv. Category / Sub-category of the Company :	Company limited by shares/ Indian Non- Government Company
v. Address of the registered office and : contact details	Madhav Marbles and Granites Limited, First Floor, Mumal Towers, 16, Saheli Marg, Udaipur- 313001 Tel: 0294-2981666, Mail: investor.relations@madhavmarbles.com
vi. Whether listed :	Yes
vii. Name, Address and contact details of : Registrar and Share Transfer Agent	Ankit Consultancy Private Limited 60, Electronic Complex, Pardeshipura Indore-452010 Tel: 0731-2551745/46 Mail: ankit_4321@yahoo.com

II. Principal Business Activities of the Company:

(All the business activities contributing 10 percent or more of the total turnover of the Company shall be stated)

Name and Description of main products and services	NIC Code	Percent to total turnover of the Company
Granite Tiles	680233	26.04
Granite Slabs	680233	61.36

III. Particulars of Holding, Subsidiary and Associate Companies:

S. No.	Name and Address	CIN of the Company	Holding/Subsidiary, Joint Venture/ Associate	% of Shares held	Applicable Section
1	Madhav Natural Stone Surfaces Private Limited First Floor, Mumal Towers, 16, Saheli Marg, Udaipur-313001	U36999RJ2018PTC062689	Subsidiary Company	66.33	Section 2(87)

IV. SHAREHOLDING PATTERN: (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholder	No of Shares held at the beginning of the year (April 01, 2018)				No of Shares held at the end of the year (March 31, 2019)				% of change during the year
	Demat	Physical	% of total Shares		Demat	Physical	% of total Shares		
			Total				Total		
(A) Promoter and Promoter Group									
(1) Indian									
(a) Individual /HUF	1452312	-	1452312	16.23	1540901	-	1540901	17.22	0.99
(b) Central Government/State Governments(s)	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	1894416	-	1894416	21.17	1919416	-	1919416	21.45	0.28
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(1) :	3346728		3346728	37.41	3460317		3460317	38.68	1.27
(2) Foreign									
(a) NRI Individuals/Other Individuals	-	-	-	-	-	-	-	-	-
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Banks/FI	-	-	-	-	-	-	-	-	-
(d) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :	3346728		3346728	37.41	3460317		3460317	38.68	1.27
Total Shareholding of Promoters (A) = A(1) + A(2)	3346728		3346728	37.41	3460317		3460317	38.68	1.27
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	5500	5500	0.06	-	-	-	-	-0.06
(b) Banks/FI	13934	-	13934	0.16	-	-	-	-	-0.16
(c) Central Government/State Governments(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	360425	-	360425	4.03	360425	-	360425	4.03	0.00
(f) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	374359	5500	379859	4.25	360425	-	360425	4.03	-0.22

Category of Shareholder	No of Shares held at the beginning of the year (April 01, 2018)				No of Shares held at the end of the year (March 31, 2019)				% of change during the year
	Demat		Physical		Demat		Physical		
		Total		% of total Shares		Total		% of total Shares	
(2) Non-Institutions									
(a) Bodies Corporate	465067	4000	469067	5.24	391981	3900	395881	4.42	-0.82
(b) Individuals									
(i) Individuals holding nominal share capital upto '1 lakh	2593269	254810	2848079	31.83	2635693	211410	2847103	31.82	-0.01
(ii) Individuals holding nominal share capital in excess of '1 lakh	1552600	-	1552600	17.35	1543303	-	1543303	17.25	-0.10
(c) Any Other (specify)									
(i) NRI & OCB	112693	69600	182293	2.04	113291	55400	168691	1.89	-0.15
(ii) Clearing Members	38821	-	38821	0.43	6215	-	6215	0.07	-0.36
(iii) IEPF	129553	-	129553	1.45	165065	-	165065	1.84	0.40
(iv) Trusts	-	-	-	-	-	-	-	-	-
(v) NBFC registered with RBI	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :	4892003	328410	5220413	58.35	4855548	270710	5126258	57.30	-1.05
Total Public Shareholding (B)=B(1)+B(2) :	5266362	333910	5600272	62.59	5215973	270710	5486683	61.32	-1.27
(C) Shares held by custodians for GDRs & ADRs									
GRAND TOTAL (A + B + C) :	8613090	333910	8947000	100.00	8676290	270710	8947000	100.00	0.00

ii. **Shareholding of Promoters**

Sl No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	
	Individuals							
1	Aruna Doshi	586452	6.55	0.00	633437	7.08	0.00	0.53
2	Late Shri Ashok Doshi*	578900	6.47	0.00	0	0.00	0.00	-6.47
3	Madhav Doshi	134400	1.50	0.00	713800	7.98	0.00	6.48
4	Mumal Kanthed	4300	0.05	0.00	4300	0.05	0.00	0.00
5	Riddhima Doshi	0	0.00	0.00	41104	0.46	0.00	0.46
6	Dr. Sudhir Doshi	20500	0.23	0.00	20500	0.23	0.00	0.00
7	Sudhir Tej Singh Doshi	11501	0.13	0.00	11501	0.13	0.00	0.00
8	Prema Doshi	28800	0.32	0.00	28800	0.32	0.00	0.00
9	Sumal Doshi	3100	0.03	0.00	3100	0.03	0.00	0.00
10	Divya Doshi	3000	0.03	0.00	3000	0.03	0.00	0.00
11	Raj Kumar Bapna	20600	0.23	0.00	20600	0.23	0.00	0.00
12	Raj Kumar Bapna -Karta (RK Bapna HUF)	28859	0.32	0.00	28859	0.32	0.00	0.00
13	Rekha Bapna	15400	0.17	0.00	15400	0.17	0.00	0.00
14	Ankita Bapna	13000	0.15	0.00	13000	0.15	0.00	0.00
15	Anu Khamesra	2000	0.02	0.00	2000	0.02	0.00	0.00
16	Rajesh Khamesra	1000	0.01	0.00	1000	0.01	0.00	0.00
17	Jagdish Dashora	500	0.01	0.00	500	0.01	0.00	0.00
	Bodies Corporate							
1	Mumal Finance Private Limited	782600	8.75	0.00	782600	8.75	0.00	0.00
2	Rajdarshan Industries Limited	423162	4.73	0.00	423162	4.73	0.00	0.00
3	Sumal Finance and Investments Private Limited	235250	2.63	0.00	235250	2.63	0.00	0.00
4	Lark Finance and Investments Private Limited	284000	3.17	0.00	284000	3.17	0.00	0.00
5	Akshat Investments and Consultants Private Limited	156060	1.74	0.00	181060	2.02	0.00	0.28
6	Gelda Finance and Trading Private Limited	13344	0.15	0.00	13344	0.15	0.00	0.00
		3346728	37.41	0.00	3460317	38.68	0.00	1.27

*Note: Shares held by Late Shri Ashok Doshi transferred through Transmission to his spouse Mrs. Aruna Doshi and then Mrs. Aruna Doshi transferred the shares to Mr. Madhav Doshi.

iii. Change in Promoters' Shareholding

Sl No.	Name of the Shareholder	Shareholding at the beginning of the year (as on April 01, 2018)		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Late Shri Ashok Doshi	578900	6.47	01-04-2018	(578900)	Transmission	578900	6.47
				26-04-2018			0	0.00
				31-03-2019			0	0.00
2	Aruna Doshi	586452	6.55	01-04-2018		Purchase	586452	6.55
				05-12-2018	134	Purchase	586586	6.56
				06-12-2018	2030	Purchase	588616	6.58
				06-12-2018	739	Purchase	589355	6.59
				07-12-2018	1000	Purchase	590355	6.60
				07-12-2018	1544	Purchase	591899	6.62
				10-12-2018	50	Purchase	591949	6.62
				11-12-2018	98	Purchase	592047	6.62
				13-12-2018	787	Purchase	592834	6.63
				14-12-2018	500	Purchase	593334	6.63
				09-01-2019	925	Purchase	594259	6.64
				10-01-2019	1000	Purchase	595259	6.65
				11-01-2019	500	Purchase	595759	6.66
				14-01-2019	100	Purchase	595859	6.66
				15-01-2019	1100	Purchase	596959	6.67
				16-01-2019	51	Purchase	597010	6.67
				17-01-2019	1000	Purchase	598010	6.68
				21-01-2019	1185	Purchase	599195	6.70
				22-01-2019	4000	Purchase	603195	6.74
				28-01-2019	1000	Purchase	604195	6.75
				28-01-2019	1171	Purchase	605366	6.77
				13-02-2019	3139	Purchase	608505	6.80
				14-02-2019	2106	Purchase	610611	6.82
				15-02-2019	1322	Purchase	611933	6.84
				18-02-2019	1578	Purchase	613511	6.86
				26-02-2019	2000	Purchase	615511	6.88
				27-02-2019	4051	Purchase	619562	6.92
				28-02-2019	2906	Purchase	622468	6.96
				05-03-2019	6000	Purchase	628468	7.02
				08-03-2019	1000	Purchase	629468	7.04
				12-03-2019	1388	Purchase	630856	7.05
				13-03-2019	529	Purchase	631385	7.06
				14-03-2019	52	Purchase	631437	7.06
				15-03-2019	2000	Purchase	633437	7.08
				31-03-2019			633437	7.08

iii. Change in Promoters' Shareholding

Sl No.	Name of the Shareholder	Shareholding at the beginning of the year (as on April 01, 2018)		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
3	Madhav Doshi	134400	1.50	01-04-2018			134400	1.50
				18-06-2018		Transfer	713300	7.97
				08-12-2018	500	Purchase	713800	7.98
4	Riddhima Doshi	0	0.00	31-03-2019			713800	7.98
				01-04-2018			0	0.00
				01-08-2018	31478	Purchase	31478	0.35
				23-10-2018	4626	Purchase	36104	0.40
				15-11-2018	5000	Purchase	41104	0.46
31-03-2019			41104	0.46				
5	Akshat Investments and Consultants P.Ltd	156060	1.74	01-04-2018			156060	1.74
				31-12-2018	25000	Transfer	181060	2.02
				31-03-2019			181060	2.02

(iv) Shareholding Pattern of Top Ten Shareholders

Sl No.	Name of the Shareholder	Shareholding at the beginning of the year (as on April 01, 2018)		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Subramanian P	740470	8.28	01-04-2018	-	-	740470	8.28
				31-03-2019			740470	8.28
2	United India Insurance Company Ltd.	360425	4.03	01-04-2018	-	-	360425	4.03
				31-03-2019			360425	4.03
3	Hetalkumar Pravinbhai Desai	85821	0.96	01-04-2018	-	-	85821	0.96
				31-03-2019			85821	0.96
4	Monarch Network Finserve Pvt. Ltd.	0	0.00	01-04-2018	-	-	0	0.00
				20-07-2018	77778	Purchase	77778	0.87
				31-03-2019			77778	0.87
5	Mrudu Kantilal Vakharia	69264	0.77	01-04-2018	-	-	69264	0.77
				31-03-2019			69264	0.77
6	Kamlesh Dangayach	62182	0.70	01-04-2018	-	-	62182	0.70
				31-03-2019			62182	0.70
7	Shanthy General Finance P. Ltd.	55690	0.62	01-04-2018	-	-	55690	0.62
				31-03-2019			55690	0.62
8	Prem Nath Maini	48030	0.54	01-04-2018	-	-	48030	0.54
				31-03-2019			48030	0.54
9	Usha Gupta	47400	0.53	01-04-2018	100	Purchase	47400	0.53
				07-09-2018			47500	0.53
				31-03-2019			47500	0.53

10	Kavy Stock Broking Limited	43910	0.49	01-04-2018	(70)	43910	Sale	43910	0.49
				06-04-2018	70		Purchase	43840	0.49
				13-04-2018	(200)		Sale	43910	0.49
				20-04-2018	175		Purchase	43710	0.49
				27-04-2018	(1660)		Sale	43885	0.49
				04-05-2018	635		Purchase	42225	0.47
				18-05-2018	(50)		Sale	42860	0.48
				25-05-2018	333		Purchase	42810	0.48
				08-06-2018	679		Purchase	43143	0.48
				15-06-2018	(575)		sale	43822	0.49
				22-06-2018	50		Purchase	43247	0.48
				29-06-2018	(141)		sale	43297	0.48
				06-07-2018	(300)		Sale	43156	0.48
				13-07-2018	100		Purchase	42856	0.48
				20-07-2018	(217)		Sale	42956	0.48
				27-07-2018	(1012)		Sale	42739	0.48
				03-08-2018	(335)		Sale	41727	0.47
				10-08-2018	181		Purchase	41392	0.46
				17-08-2018	(7)		Sale	41573	0.46
				24-08-2018	200		Purchase	41566	0.46
				31-08-2018	657		Purchase	41766	0.47
				07-09-2018	(235)		Sale	42423	0.47
				14-09-2018	53		Purchase	42188	0.47
				21-09-2018	(40)		Sale	42241	0.47
				28-09-2018	(268)		Sale	42201	0.47
				12-10-2018	(98)		Sale	41933	0.47
				19-10-2018	(2)		Sale	41835	0.47
				26-10-2018	20		Sale	41833	0.47
				09-11-2018	78		Purchase	41853	0.47
				16-11-2018	102		Purchase	41931	0.47
				23-11-2018	(136)		Purchase	42033	0.47
				30-11-2018	200		Sale	41897	0.47
				07-12-2018	(296)		Purchase	42097	0.47
				14-12-2018	(200)		Sale	41801	0.47
				21-12-2018	100		Sale	41601	0.46
				28-12-2018	(5433)		Purchase	41701	0.47
				04-01-2019	(1100)		Sale	36268	0.41
				11-01-2019	115		Sale	35168	0.39
				18-01-2019	(100)		Purchase	35283	0.39
				25-01-2019	50		Sale	35183	0.39
				01-02-2019	200		Purchase	35233	0.39
				15-02-2019	(175)		Purchase	35433	0.40
				01-03-2019	(15)		Sale	35258	0.39
				08-03-2019	200		Sale	35243	0.39
				29-03-2019			Purchase	35443	0.40
				31-03-2019				35443	0.40

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name	Shareholding at the beginning of the year (as on April 01, 2018)		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
Directors								
1	Mr. Ravi Kumar Krishnamurthi Independent Director	-	-	01-04-2018 - 31-03-2019	-	-	-	-
2	Mr. Madhav Doshi CEO & Managing Director	134400	1.50	01-04-2018 18-06-2018 08-12-2018 31-03-2019	578900 500	Transfer Purchase	134400 713300 713800 713800	1.50 7.97 7.98 7.98
3	Mr. Sudhir Doshi Whole Time Director	32001	0.36	01-04-2018 - 31-03-2019	-	-	32001 - 32001	0.36 - 0.36
4	Mr. Prakash Kumar Verdia Independent Director	500	0.01	01-04-2018 - 31-03-2019	-	-	500 - 500	0.01 - 0.01
5	Mr. Roshan Lal Nagar Independent Director	-	-	01-04-2018 - 31-03-2019	-	-	- - -	- - -
6	Ms. Swati Yadav Independent Director	-	-	01-04-2018 - 31-03-2019	-	-	- - -	- - -
Key Managerial Personnel								
1	Ms. S.PanneerSelvam Chief Financial Officer	-	-	01-04-2018 - 31-03-2019	-	-	- - -	- - -
2	Ms. Priyanka Manawat Company Secretary	-	-	01-04-2018 - 31-03-2019	-	-	- - -	- - -

(V.) INDEBTEDNESS

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

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				
i) Principal Amount	201310966	-	-	201310966
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	201310966	-	-	201310966
Change in Indebtedness during the financial year				
• Addition	228392825	-	-	228392825
• Reduction	251501184	-	-	251501184
Net Change	-23108359	-	-	-23108359
Indebtedness at the end of the financial year				
i) Principal Amount	178202607	-	-	178202607
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	178202607	-	-	178202607

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		
		Mr. Madhav Doshi CEO & Managing Director	Mr. Sudhir Doshi Whole Time Director	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4576000	3100994	7676994
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	239308	129844	369152
	(c) Profits in lieu of salary under sec. 17(3) of I.T. Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission as% of net profits	-	-	-
	Others, specify	-	-	-
5	Others: Company's contribution in Provident Fund	422400	323303	745703
	Total (A)	5237708	3554141	8791849

B. Remuneration to other directors

S. No.	Particulars of Remuneration	Independent Directors				Total Amount
		Mr. Ravi Kumar Krishnamurthi	Mr. Prakash Kumar Verdia	Mr. Roshan Lal Nagar	Ms. Swati Yadav	
1	Sitting fees	120000	75000	75000	75000	345000
2	Commission	-	-	-	-	-
3	Others, please specify	-	-	-	-	-
	Total (B)	120000	75000	75000	75000	345000

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr.S.Panneerselvam Chief Financial Officer	Ms. Priyanka Manawat Company Secretary	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under sec. 17(3) of I.T. Act, 1961	757904	815084	1572988
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission as% of net profits	-	-	-
5	Others Others: Company's contribution in Provident Fund	51264	66048	117312
	Total (C)	817138	881132	1698270

(VII) Penalties / Punishment/ Compounding of Offences:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year 2018-2019

Annexure IV to the Directors' Report

Form No MR-3
Secretarial Audit Report
(For the Financial Year ended on 31.03.2019)
[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
First Floor, "Mumal Towers",
16, Saheli Marg,
Udaipur-313001

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, I hereby report that in my opinion, the Company has, during the audit period 01.04.2018 to 31.03.2019, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any shares during the year under review;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – (Repealed with effect from September 11, 2018) Not applicable as the Company has not issued any shares during the year under review;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review;

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities which were listed during the year under review;
 - g) 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; - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – (Repealed with effect from September 11, 2018)) Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – (notified on September 11, 2018) Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.
6. The Company is into business of manufacturing /processing of granite Slabs/Tiles, Trading of Granite & Other Stone, Power generation and realty. Accordingly, the following Major Industry specific Acts and Rules are applicable to the Company, in the view of the Management:
1. All Labour welfare legislations applicable in the state of Tamilnadu.
 2. All pollution control acts, regulations and rules applicable in the state of Tamilnadu.
 3. Industrial (Development & Regulation) Act, 1951.
 4. The Mines and Mineral (Regulation & Development) Act, 1957.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

- ā 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.
- ā Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- ā All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the review period no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place.

For **Ronak Jhuthawat & Co**
(Company Secretaries)

Ronak Jhuthawat
Proprietor

FCS: 9738 CP: 12094

Place: Udaipur
Date: 24.05.2019

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

“ANNEXURE A”

To
The Members
Madhav Marbles and Granites Limited
First Floor, “Mumal Tower”,
16, Saheli Marg,
Udaipur-313001

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Ronak Jhuthawat & Co**
(Company Secretaries)

Ronak Jhuthawat
Proprietor
FCS: 9738 CP: 12094

Place: Udaipur
Date: 24.05.2019

Management Discussion and Analysis Report

Company Overview

Inception in the year 1989, Madhav Marbles and Granites Limited, leading processor and exporter of premium quality natural stones is a 100% EOU with plant situated at Thoppur, Tamilnadu. The company pledges its commitment to excellence and has maintained its own standards. With around thirty years of experience, product quality and dedication towards customer relationship, the Company has established very good brand image in the International market particularly in US and European Countries. The products are also being exported to Canada, Australia, South Africa, Russia and the Far East.

Companies power generation segment owns three Wind Turbine Generators (WTGs) having capacity of 4.00 MW, in the state of Tamil Nadu and the electricity generated from out of these three machines is being utilized for captive consumption. Excess units are banked with TNEB.

Trading Business of Marble, Granite, Sandstone, Quartz etc is being carried out at Udaipur, Rajasthan

Economic Review

Global Economy

Global economic activity lost some momentum in the second half of 2018 after witnessing a reasonable growth in the previous year. The global growth in late 2017 and early 2018, which was driven by increase in consumption, policy initiatives and recovery in investments, waned off in the wake of escalating trade tensions, heightened policy uncertainty, dwindling business and consumer confidence and increasing financial stress in many economies of the world.

These weaknesses seem to have continued to persist in the first half of 2019, with materialization of certain downside risks owing to the lingering effects of the factors mentioned above.

Global growth is forecast at 3.2 percent in 2019, picking up to 3.5 percent in 2020 (down 0.1 % points from the previous forecast) backed by policy stimulus in major economies, improvements in global financial market sentiments, efforts to negotiate trade tensions bearing fruit and a gradual improvement in conditions in the stressed economies.

There is a great need for global cooperation to reduce trade and technology tensions, resolve uncertainty around trade agreements, diffuse geopolitical tensions, address climate change and promote fiscal prudence and financial stability.

Indian Economy

The Indian economy remained one of the fastest growing major economies and possibly the least affected by global turmoil. The economic growth for the year averages around 7%. The fiscal commenced with an impressive growth rate however the second half encountered growing liquidity concerns, high crude oil prices, rupee devaluation and overall slowdown in the global growth amidst trade wars between US and China.

IMF is bullish on India's growth potential and has projected that economy is set to grow at 7.0 percent in 2019; picking up to 7.2 percent in 2020 amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

With key economic policies on track and the new central government formed, the focus on broad based economic growth and infrastructure development is likely to continue.

Industry Overview: Global and Indian

Credited for adding unmatched style and elegance to the architecture, the glossy, smooth Indian granite has become the most sought-after and extensively used stone material in building construction, indoor decoration, countertops, tile floors and massive structural works throughout the world.

The industry being amongst the oldest industries in the World; has scaled new heights with growing exports and the country emerges as one of the leading exporter of rough granite blocks, processed granite blocks, granite slabs and granite tiles.

USA is the largest consumer of Granite and its demand is met through imports from Brazil, China, India, Italy, Spain and Canada.

But in past few years, Granite business share in big markets like USA, UK and Australia declined due to increased popularity of Quartz and Porcelain.

Chinese quartz dominated in USA leading to tough competition for other Quartz and Granite Companies both in domestic and International market. Resulting this, USA levied antidumping and countervailing duties on imports of Quartz surface products from China.

The Indian Granite Industry continues to remain fragmented and unorganized and is facing hurdles in the form of shortage of raw material, quarries in Tamilnadu remaining shut down, high input cost on import of rough blocks, stiff competition from Brazilian market, Preference of Quartz over Granite, delay in GST refunds among others.

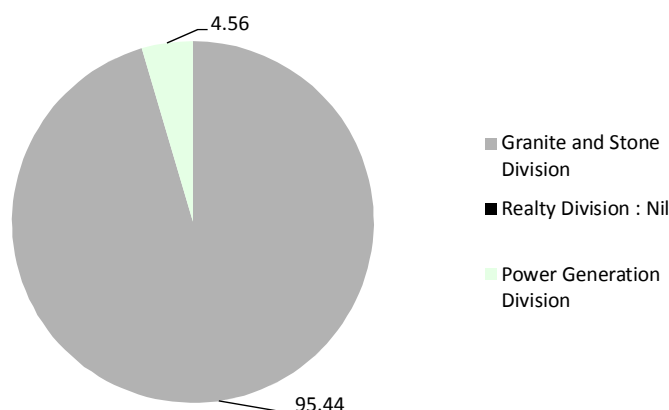
The Granite Industry expects demand revival in big markets.

Financial Review

- | Revenue from operations achieved for the FY 2018-19 is Rs. 769.57 million, a increase of 9.87% over last years' revenue of Rs. 700.48 million.
- | Profit after Tax increased by 156.36 % to Rs. 46.12 million in FY 2018-19 from Rs. 17.99 million in FY 2017-18.
- | EPS is 5.15 for the year under review against 2.01 in the corresponding previous year.

Segmental Review

Companies' financials comprises of three business segments: Granite and Stone Division, Realty and Power Generation Unit.



Granite and Stone Division

Tile Business: Turnover from Tile business was at 196.86 million as against 205.72 million in previous fiscal, a decline of 4.31%. The production during the year was at 211458.956 sq. meters as compared to 185015.999 sq. meters in previous year.

Slab Business: Revenue from Slab business improved with increase of 7.63% over previous fiscal. Turnover from this division stood at 442.86 million as against 411.48 million in 2017-2018. The production during the year was at 134205.169 sq. meters as compared to 185015.999 sq. meters in previous year.

Trading Business: Trading business accounted for 16% of revenue during the year under review with turnover being at Rs. 121.55 million as compared to Rs. 75.92 million in previous year

Power Generation

The production during the year was 5794197 units as against 6508346 units in the previous year. The entire current years' production was utilized for meeting power requirements of Granite and Stone Division.

Realty

The management does not intend to take up any new real estate project in near future.

Risks and Concerns

- I Increased Trade Protectionism in US markets
- I Competition from Brazil on price front.
- I Raw material availability remains a concern for the Industry.
- I Delay in GST Refund affecting Cash cycle.

Opportunities and Outlook

The Company pursues trading in Quartz slabs and is now aiming to set up its own plant for manufacturing and processing of Quartz. Exploratory talks for this project are going on in full swing and in the near future, the company will have a separate Quartz business segment to meet the current market demand and preference.

The business outlook for the Company is positive and promising with signs and indicators of improvement in the economic environment.

Internal Controls and their adequacy

The Company has a well-established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets on a regular basis to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of the follow-up action required.

The Company conducts its business with integrity and high standards of ethical behavior and in compliance with the all applicable laws and regulations that govern its business.

Cautionary Statement

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied.

Report on Corporate Governance

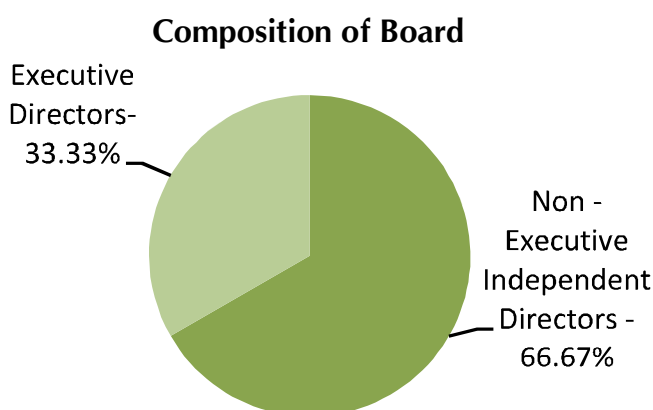
The Company believes that effective Corporate Governance emerges from the application of the best and sound management practices and strict adherence to compliance with the laws and regulations. The Corporate Governance Principles implemented by Company ensure that trust of stakeholders is retained and enhanced at all times.

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Board of Directors

Company's Board represents an optimal mix of professionalism, knowledge and experience which enables it to discharge its responsibilities and provide effective leadership to the business.

The Board as on March 31, 2019 comprises of six directors of whom two are Executive and four are Non-executive Independent Directors. The Chairman of the Board is Non-executive Independent Director. The Non-Executive Independent Directors are eminent professionals, having considerable experience in respective fields.



All the Independent Directors have confirmed that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 16 (1)(b) of SEBI Listing Regulations. In addition, they maintain their limits of directorships as required under SEBI Listing Regulations.

Mr. Madhav Doshi, CEO and Managing Director is relative (nephew) of Mr. Sudhir Doshi, Whole Time Director of the Company. Save and except this, none of the directors of the Company are related to each other.

Board Meetings

The Board meets at regular intervals and meetings are convened by giving appropriate notice well in advance of the meetings. The Directors are provided with appropriate information in the form of agenda papers in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management in this regard.

The Board periodically reviews and takes note of the compliance confirmations in respect of laws and regulations applicable to the Company.

During the year 2018-19, the Board met seven times on May 30, 2018, August 10, 2018, September 17,

The following table shows attendance of directors at Board meetings, attendance at last annual general meeting, number of shares held in the Company and number of other directorships, chairmanships / memberships of Board committees in various other companies and Directorship in other listed entities as on March 31, 2019:

Director	No. of Board Meeting attended during the year	Attendance at last Annual General Meeting	Number of Shares held in the Company@	Directorships in other Companies*	Name of the Listed entities where person is Director and category of Directorship	Membership and Chairmanship of the Committees of the Board of other Companies#	
						Chairperson	Member
Mr. Ravi Kumar Krishnamurthi DIN:00464622	4	Present	Nil	4	Emkay Global Financial Services Limited-Independent Director	-	3
Mr. Madhav Doshi DIN:07815416	7	Present	713800	1	Rajdarshan Industries Limited-Non-executive Director	-	1
Mr. Sudhir Doshi DIN:00862707	6	Present	32001	-	-	-	-
Mr. Prakash Kumar Verdia DIN: 02429305	7	Present	500	1	Rajdarshan Industries Limited-Independent Director	2	1
Mr. Roshan Lal Nagar DIN: 02416642	7	Present	Nil	1	Rajdarshan Industries Limited-Independent Director	1	1
Ms. Swati Yadav DIN: 06572438	5	Present	Nil	-	-	-	-

@Includes 11501 shares held by Sudhir Tej Singh Doshi HUF

*Other directorships do not include private companies, foreign companies and companies established under Section 8 of the Companies Act, 2013.

#For the purpose of considering the limit of Committee memberships and chairmanships of a Director, membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of other public companies have been considered.

Directors' Familiarisation Programme

The Company has in place a Familiarization Program for Independent Directors to provide insights into the Company's Business to enable them contribute significantly to the decision making.

Further, on an ongoing basis as a part of Agenda of Board and Committee Meetings, information is made available to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries, business environment, operations, industry and regulatory updates, strategy, finance, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

Meeting of Independent Directors

During the year under review, the Independent Directors met separately on August 11, 2018 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act.

At the said meeting, the Independent Directors:

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Committees of the Board

The Board Committees play an important role in governance and dealing with areas and activities which require a closer review. The committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The minutes of the meetings of all Committees are placed before the Board for review and noting.

The Company currently has four Board Level Committees:

- 1) Audit Committee,
- 2) Nomination and Remuneration Committee,
- 3) Stakeholders` Relationship Committee, and
- 4) Corporate Social Responsibility Committee.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below:

1. Audit Committee

The Audit Committee is entrusted with the responsibility to supervise the Company's financial control and reporting process and its compliance with the legal and regulatory requirements.

The Committee oversees the accounting and financial process, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies.

The composition, quorum, powers, role and scope of Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. All members of the Audit Committee bring in expertise in the fields of Finance and Taxation. The Committee functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Composition

Mr. Roshan Lal Nagar, an Independent Non-Executive Director, is the Chairman of the Audit Committee. Mr. Prakash Kumar Verdia, Independent Non-Executive Director and Mr. Sudhir Doshi, Executive Director are members of Audit Committee. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance Record

During the year under review, the Audit Committee met six times on May 30, 2018, August 10, 2018, September 26, 2018, November 05, 2018, February 08, 2019 and February 22, 2019. The requisite quorum was present at all the Meetings. The Meetings of the Audit Committee are also attended by the Chief Financial Officer, Internal Auditors and the Statutory Auditors as invitees. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 11, 2018

The table below provides details of attendance at the Audit Committee Meetings:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. Roshan Lal Nagar	Independent, Non-Executive	Chairman	6	6
Mr. Prakash Kumar Verdia	Independent, Non-Executive	Member	6	6
Mr. Sudhir Doshi	Executive	Member	6	6

2. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration and Compensation Committee constituted pursuant to the provisions of Regulation 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act.

The terms of reference to the Nomination & Remuneration Committee are as given below:

- I Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other senior employees;
- I Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board;
- I Devising a policy on Board diversity;
- I Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- I Recommending whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- I Recommending to the board, remuneration payable to senior management.

Composition:

Mr. Prakash Kumar Verdia, Independent Non-Executive Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration committee include Mr. Ravi Kumar Krishnamurthi and Mr. Roshan Lal Nagar, Independent Directors. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance Record:

The Committee met two times during the year 2018-19 on April 28, 2018 and February 08, 2019. The requisite quorum was present at the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company.

The attendance at the said meetings is as under:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. Prakash Kumar Verdia	Independent, Non-Executive	Chairman	2	2
Mr. Ravi Kumar Krishnamurthi	Independent, Non-Executive	Member	2	1
Mr. Roshan Lal Nagar	Independent, Non-Executive	Member	2	2

Remuneration Policy

A. Non-Executive Independent Directors

The Non-Executive Independent Directors are paid remuneration by way of Sitting Fees for each meeting of the Board attended by them. They do not have any material pecuniary relationship or transactions with the Company.

B. Executive Directors

The appointment and remuneration of Executive Directors i.e. CEO and Managing Director and Whole Time Director is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Members of the Company and Agreement executed between them and the Company. The remuneration package of Executive Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

Presently, the Company does not have a stock options scheme for its Directors.

Detail of Remuneration paid to the Directors during 2018-2019 (Rs. in Lakhs)

(a) Non-Executive Independent Directors:

Name of the Director	Sitting Fees
Mr. Ravi Kumar Krishnamurthi	1.20
Mr. Prakash Kumar Verdia	0.75
Mr. Roshan Lal Nagar	0.75
Ms. Swati Yadav	0.75

(b) Executive Directors

Particulars	Name of the Directors	
	Mr. Madhav Doshi, CEO & Managing Director	Mr. Sudhir Doshi, Whole Time Director
Term of Appointment	For a period of 3 years from May 01, 2018 to April 30, 2021	For a period of 3 years from July 28, 2017 to July 27, 2020
Salary	45.76	26.94
Commission	-	-
Perquisites	2.39	1.30
Ex-Gratia	-	4.07
Company's Contribution to PF	4.22	3.23
Sitting Fees	-	-
Notice Period & Severance Fees	Three months' notice or three months' salary in lieu thereof	Three months' notice or three months' salary in lieu thereof
Remuneration drawn from Subsidiary Company	-	-

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Director subject to evaluation, had not participated.

3. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations as amended from time to time.

The committee's role includes:

- I Monitoring speedy redressal of requests/grievances received from the Investors relating to Transfer / Transmissions / Duplicate Shares, non-receipt of Shares, Annual Reports, Dividend, updating of Address and Bank details etc.
- I To approve issue of Duplicate Shares
- I To decide on waiver of documents / requirements prescribed in cases of:
 - a) Transmission of shares
 - b) Issue of duplicate share certificates
 - c) Recording of updation of signatures by shareholders
- I Reviewing the manner and time-lines of dealing with complaint letter received from Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. and action taken by your Company for redressing the same;
- I Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- I Such other matter as may be specified by the Board from time to time.

Meetings:

The Stakeholders Relationship Committee met eight times during the year on April 28, 2018, August 06, 2018, September 26, 2018, October 22, 2018, December 13, 2018, January 05, 2019, January 30, 2019 and February 09, 2019.

Composition and Attendance Record:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. Prakash Kumar Verdia	Independent, Non-Executive	Chairman	8	8
Mr. Roshan Lal Nagar	Independent, Non-Executive	Member	8	8
Mr. Sudhir Doshi	Executive	Member	8	8

Ms. Priyanka Manawat, Company Secretary acts as Secretary to the Committee and is also Compliance Officer of the Company

Investor Grievances Redressal Status

During the financial year 2018-19, the complaints and queries received from the shareholders were mainly pertaining to non-receipt of Dividend, non-receipt of Shares, issue of duplicate share certificates and non-receipt of Annual Reports etc.

All the complaints were resolved to the satisfaction of the investors.

The status of Investors' Complaints as on March 31, 2019, is as follows:

No. of complaints as on April 1, 2018	Nil
No. of complaints received during the Financial Year 2018-19	55
No. of complaints resolved upto March 31, 2019	55
No. of complaints pending as on March 31, 2019	Nil

To redress investor grievances, the Company has a dedicated E-mail ID: investor.relations@madhavmarbles.com to which investors may send their queries/complaints.

4. Corporate Social Responsibility Committee

The Board of Directors has constituted Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014 comprising of Mr. Prakash Kumar Verdia as Chairman of the Committee, Mr. Roshan Lal Nagar and Mr. Sudhir Doshi as members

The role of CSR Committee includes formulating and recommending to the Board a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; recommending the amount of expenditure to be incurred on CSR activities of the Company and reviewing and monitoring the CSR policy of the Company.

The Committee met twice during the year on April 21, 2018 and February 09, 2019. All the members attended the above meetings.

General Body Meetings

(a) (i) The details of Annual General Meetings held during last three years are as under:

AGM	Day	Date	Time	Venue
29th	Saturday	August 11, 2018	10:00 a.m.	Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur
28th	Saturday	September 09, 2017	10: 00 a.m.	Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur
27th	Saturday	August 13, 2016	10:00 a.m.	Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur

(ii) The details of Extra-Ordinary General Meeting held during last three years are as under:

Day	Date	Time	Venue
Friday	March 29, 2019	10:30 a.m.	Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur

(b) Special resolutions passed in the last three AGMs/EGMs

AGM's

Date	Matter
August 11, 2018	Appointment of Mr. Madhav Doshi (DIN: 07815416) as Chief Executive Officer (CEO) and Managing Director of the Company
September 09, 2017	Appointment of Mr. Sudhir Doshi (DIN: 00862707) as Whole Time Director of the Company
August 13, 2016	-

EGM

Date	Matter
March 29, 2019	<ul style="list-style-type: none"> I To seek approval for entering into Related Party Transaction of providing loans and / or give guarantees and / or providing securities in connection with loans raised by Madhav Natural Stone Surfaces Private Limited, Subsidiary Company I Re-appointment of Mr. Prakash Kumar Verdia (DIN: 02429305) as an Independent Director I Re-appointment of Mr. Roshan Lal Nagar (DIN: 02416642) as an Independent Director

(c) Postal Ballot

During the year 2018-19, approval of shareholders was sought through Postal Ballot and details of the same are given below:

Date of Postal Ballot Notice: August 10, 2018

Voting period: August 21, 2018 to September 19, 2018

Date of declaration of result: September 21, 2018

Date of passing of resolution(s): September 21, 2018

A summary of the voting pattern is as follows:

Resolution	Type of Resolution	No. of Valid votes polled	No. of Votes – in Favour	No. of Votes – Against
To issue Convertible Warrants to Promoter /Promoter Group of the Company on preferential basis	Special	98268	96505	1763
Adoption of new set of Memorandum of Association as per the provisions of the Companies Act, 2013	Special	2113418	2112184	1234

Person who conducted the postal ballot

The Company had appointed Mr. Ronak Jhuthawat, Practicing Company Secretary, Membership No. FCS 9738 and COP No. 12094 as the Scrutinizer for conducting Postal Ballot and e-voting process in a fair and transparent manner.

Procedure for postal ballot

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company provided electronic voting (e-voting) facility to all its members. The Company engaged the services of CDSL for the purpose of providing e-voting facility to all its members. The members had an option to vote either by postal ballot or through e-voting

Members desiring to vote through postal ballot were requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period and members desiring to exercise their votes by electronic mode were requested to vote before the close of business hours on the last date of e-voting.

The Scrutinizer submitted his report to the Managing Director after the scrutiny of voting done and the consolidated results of the voting by postal ballot were then announced by the Managing Director of the Company. The results were also communicated to the Stock Exchanges and also displayed on the website of the Company.

(d) None of the businesses proposed to be transacted at the ensuing AGM require passing through postal ballot. Resolutions, if any to be passed through Postal Ballot during the current year will be taken up as and when required.

Means of Communication

- (i) The Un-audited quarterly/ half yearly financial results are announced within forty-five days of the close of the quarter and the audited financial results for the year end are announced within sixty days from the closure of the financial year as per the requirements of the Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in national English newspaper and in local Hindi newspaper, within forty-eight hours of approval thereof. Presently, the same are not sent to the shareholders separately.
- (iii) The Company's financial results are also displayed on the Company's website- www.madhvarmarbles.com. Investors Relation section on the Company's website also gives information on Unclaimed dividends, Corporate Governance Report, Shareholding pattern and other relevant information of interest to the investors.

- (iv) The Management Discussion and Analysis forms part of the Annual Report
- (v) Compliances pursuant to the Listing Regulations and all other corporate communication to the Stock Exchanges are filed electronically through BSE's BSE Listing Centre and NSE's NEAPS portal.
- (vi) For Investor requests and grievances, the Company has designated the e-mail ID investor.relations@madhavmarbles.com

General Shareholder Information:

(a) Annual General Meeting to be held:

Day: Monday

Date: September 30, 2019

Time: 04:30 p.m.

Venue: Hotel Rajdarshan, 18, Pannadhari Marg, Udaipur-313001

(b) Dates of Book Closure:

September 24, 2019 to September 30, 2019 (Both days inclusive)

(c) Last date of receipt of Proxy Forms:

Saturday, September 28, 2019 before 04:30 p.m. at Registered Office of the Company

(d) Dividend payment date:

The final Dividend, if declared by the Shareholders at the Annual General Meeting shall be paid / credited on or before Wednesday, October 30, 2019 i.e. within 30 days from the date of declaration.

(e) Financial Year:

The Company's financial year begins from April 01 and ends on March 31 each year.

Tentative Calendar for Financial Year 2019-20

Particulars:	Period
For consideration of Unaudited/Audited Financial Results	
First quarter ending June 30, 2019(Unaudited)	On or before August 14, 2019
Second quarter and half year ending September 30, 2019 (Unaudited):	On or before November 14, 2019
Third quarter and nine months ending December 31, 2019 (Unaudited):	On or before February 14, 2020
Fourth quarter and financial year ending March 31, 2020 (Audited):	On or before May 30, 2020

(f) Listing of Equity Shares:

BSE Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Stock Code:

515093

The National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

MADHAV

The Company has paid the Annual Listing fees to the stock exchanges for the year 2019-20.

Demat ISIN in NSDL & CDSL: INE925C1016

(g) Stock Market Price Data

Month	BSE Limited			National Stock Exchange of India Limited		
	High	Low	Volume	High	Low	Volume
Apr- 2018	62.45	49.45	57112	62.40	50.00	210886
May- 2018	60.95	46.05	37587	61.75	47.60	190552
Jun- 2018	50.15	40.20	43213	52.00	40.10	105694
Jul- 2018	53.95	39.00	51940	54.80	39.05	191336
Aug- 2018	59.80	49.60	138128	58.60	49.55	241255
Sep- 2018	54.00	41.30	36508	54.25	40.00	184898
Oct- 2018	47.15	39.25	89547	48.60	40.00	54972
Nov- 2018	47.85	41.45	59195	51.70	41.55	64656
Dec- 2018	48.80	41.50	13866	49.90	41.50	74411
Jan- 2019	47.90	41.30	11024	47.00	40.75	63824
Feb- 2019	45.10	38.15	18121	44.00	37.10	58065
Mar- 2019	48.00	40.65	13652	48.15	39.70	103059

(h) Registrar and Share Transfer Agents

Ankit Consultancy Private Limited, having their office situated at 60, Electronic Complex, Pardeshipura, Indore - 452001 are Company's Registrar and Share Transfer Agents (RTA'S) and deal with services related to Shares both in physical and demat form.

(i) Share Transfer System

All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. Requests for issuance of new share certificates are approved by the Stakeholders Relationship Committee of the Board of directors of your Company. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued and copy is being filed with BSE & NSE.

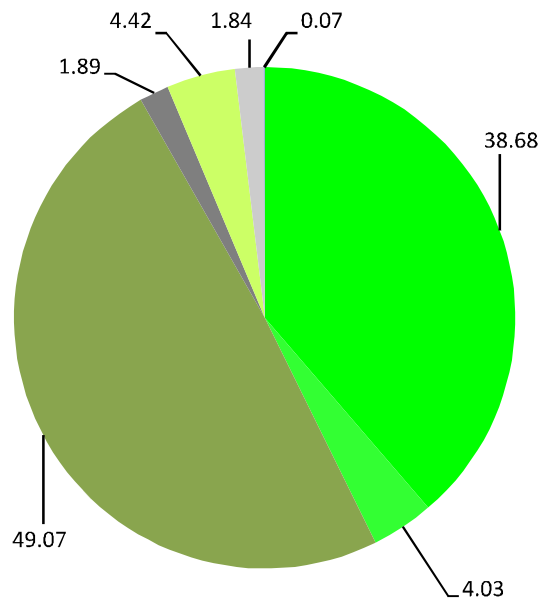
As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

(j) Distribution of Shareholding as on March 31, 2019

Holding	Shareholders		Shares	
	Number	%	Number	%
1-100	4782	56.98	353079	3.95
101-200	1125	13.41	204473	2.29
201-300	481	5.73	132496	1.48
301-400	261	3.11	99370	1.11
401-500	606	7.22	299567	3.35
501-1000	512	6.10	426266	4.76
1001 and above	625	7.45	7431749	83.06
Total	8392	100.00	8947000	100.00

(k) Categories of Shareholders as on March 31, 2019

Category	No. of Folios	No. of Shares	%
Promoter and Promoter Group	22	3460317	38.68
Insurance Companies	1	360425	4.03
Individuals	7944	4390406	49.07
NRI& OCB's	279	168691	1.89
Bodies Corporate	126	395881	4.42
IEPF	1	165065	1.84
Clearing Member	19	6215	0.07
Total	8392	8947000	100.00



(l) Dematerialization of Shares

As on March 31, 2019, 86,76,290, equity shares representing 96.97% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

The ISIN number allotted to the company's equity shares under the depository system is INE925C01016.

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2019, is given below:

Particulars	No. of Equity Shares	Percentage
Physical Segment:	270710	3.03
Demat Segment:		
NSDL	6851664	76.58
CDSL	1824626	20.39
Total	8947000	100.00

(m) Unclaimed Dividend

Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) ("IEPF Rules"), mandates the transfer of dividend amount that remains unclaimed or unpaid for a period of seven years, from the date of transfer of such amount to Unpaid dividend to the Investor Education and Protection Fund ("IEPF") Shareholders who have not yet claimed their Dividend for the financial year 2011-12 and/or for any subsequent financial year are requested to immediately claim and write to the Company or its Registrar and Share transfer Agents. Unclaimed Dividend for the financial year 2011-12 is due for transfer to the IEPF in the month of October, 2019.

(n) Shares in respect of which Dividend remains Unclaimed

Section 124(6) of the Act, read with IEPF Rules, mandates transfer of shares in respect of which the dividend has not been claimed for seven consecutive years or more, in the name of IEPF Authority by way of credit to the demat account established for the said purpose by the Authority. The equity shares in respect of which the dividend has not been claimed for seven consecutive financial years from the year 2011-2012 are due to be transferred in the name of IEPF Authority in the month of October 2019.

(o) Transfer of Dividend/Shares to IEPF/IEPF Authority during the year

During the year under review, in compliance with the aforesaid provisions the Company has transferred an amount of Rs. 6,90,283/-being unclaimed dividend for the financial year 2010-2011 to the Investor Education and Protection Fund("IEPF")

The Company also transferred 19781 equity shares to the IEPF Authority on October 15, 2018. The aggregate number of Shares transferred to IEPF Authority are 165065 equity shares.

(p) Plant Locations

Granite and Stone 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

(q) Address for Correspondence

With the Company:	With Registrar and Share Transfer Agents
<p>Ms. Priyanka Manawat, Company Secretary & Compliance Officer First Floor, "Mumal Towers" 16, Saheli Marg Udaipur – 313001 (Raj.) Phone: 0294 2981666 E-mail: investor.relations@madhavmarbles.com</p>	<p>M/s Ankit Consultancy Pvt. Limited, Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) – 452 010 Phone: (0731) 2551745-46 E-mail: ankit_4321@yahoo.com</p>

Disclosures and Affirmations

Particulars	Regulation	Description	Website Link
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	<p>During the financial year 2018-19 there are no materially significant Related Party Transactions which have potential conflict with the interests of the Company at large.</p> <p>The required statements / disclosures, with respect to the related party transactions, are placed before the Audit Committee and the Board of Directors, on quarterly basis for approval / information. Prior Omnibus approval is obtained for Related Party Transactions which are of repetitive nature.</p>	https://madhavmarbles.com/wp-content/uploads/investor/Policy-on-Related-Party-Transactions.pdf
Details of remuneration paid to the employees of the Company, who are relatives of directors, as on March 31, 2019		Total remuneration paid during 2018-19 to Mrs. Riddhima Doshi, Spouse of CEO and Managing Director is Rs. 34.38 Lakhs	-
Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.	Schedule V (C) 10(b) to the SEBI Listing Regulations	There were no penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years	-

Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has established a vigil mechanism/whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud etc. and the same has been disclosed on the website of the Company. Further no personnel has been denied access to the Audit Committee.	https://madhavmarbles.com/wp-content/uploads/investor/Policy-on-Vigil-Mechanism.pdf
Non-mandatory requirements	Schedule II Part E of the SEBI Listing Regulations	The Company complies with the following non-mandatory requirements: <ul style="list-style-type: none"> I The Board has Non-executive Independent Chairman. The expenses incurred by him in the performance of his duties are reimbursed. I The Chairman of the Board is a Non-Executive Director Independent and his position is separate from that of the CEO & Managing Director. The Statutory Auditors of the Company have issued an unqualified Audit Report on the financial statements of the Company for the financial year ended March 31, 2019 I The Internal Auditor reports to the CEO and has direct access to the Audit Committee. 	-
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The Company has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance to the said Code of Conduct. A declaration to this effect forms part of this Report.	https://madhavmarbles.com/wp-content/uploads/2019/04/Code-of-Conduct-Insider-Trading.pdf
Subsidiary Companies	Regulation 24 of the SEBI Listing Regulations	The Company has a policy for determining "materialSubsidiaries" which is disclosed on its website.	https://madhavmarbles.com/wp-content/uploads/2019/04/Policy-for-determining-Material-Subsidiary.pdf
Details of utilization of funds raised through preferential allotment or qualified institutions placement (QIP)	Regulation 32 (7A)	Not applicable	-

Disclosure of Commodity price risk and Commodity hedging activities	Schedule V (C) 10(g) to the SEBI Listing Regulations	Not Applicable	-
CEO and CFO Certification	Regulation 17 (8) of SEBI Listing Regulations	The CEO and (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.	-
Certificate from Practicing Company Secretary	Schedule V (C)10(i) to the SEBI Listing Regulations	The Company has obtained a certificate from Mr. Ronak Jhuthawat, Practicing Company Secretary, Membership no. FCS 9738 and COP No.12094, that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.	-
Disclosure of non-acceptance of recommendation of any committee of the Board	Schedule V (C) 10(j) to the SEBI Listing Regulations	There was no such instance during financial year 2018-19 when the board had not accepted any recommendation of any committee of the board.	-
Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.		Details related to fees paid to Statutory Auditors are given in Note No. 31 to the standalone & consolidated financial statements.	-
Disclosure of Accounting treatment:	Schedule V (B) (2) to the SEBI Listing Regulations	In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.	-

Particulars	Regulation	Description	Website Link
Disclosure with respect to demat suspense account/unclaimed suspense account:	Schedule V para (F) to the SEBI Listing Regulations	Not Applicable	-

Declaration

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for the year ended March 31, 2019.

Udaipur, May 28, 2019

Madhav Doshi
CEO and Managing Director
DIN: 07815416

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of the material contracts or arrangements or transactions at arm's length basis:

1	Name(s) of the Related Party	Madhav Natural Stone Surfaces Private Limited			
2	Nature of Relationship	Subsidiary of the Company			
3	Nature of contracts/arrangements/ transactions	Capital Subscription	Loans and Advances	Rent Received	Reimbursement of Expenses
4	Duration of Transactions	October 01, 2018 to March 31, 2019			
5	Salient terms of the contracts or arrangements or transactions including the value, if any:	Investment in Share Capital through Subscription of Equity Shares amounting to Rs. 30.51 Lakhs	Inter Corporate Loans and advances given of Rs. 391.00 Lakhs	Rent amounting to Rs.0.69 Lakhs received against sharing of office space	Reimbursement of expenditure incurred on behalf of Subsidiary amounting to Rs. 4.72 Lakhs
6	Date(s) of approval by the Board, if any:	September 17, 2018	September 26, 2018	November 05, 2018	N.A.
7	Amount paid as advances, if any:	Nil			

Independent Auditor's Certificate on Corporate Governance

To the Members

1. This certificate is issued in accordance with the terms of our engagement letter dated May 30, 2018.
2. We have examined the compliance of conditions of corporate governance by Madhav Marbles and Granites Limited (the 'Company') for the year ended March 31, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2019. We 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

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **L.S. Kothari & Co.**
Chartered Accountants
Firm Registration No. 001450C

Lalit Kothari
Partner

Membership No.: 081407

Camp: Udaipur, May 28, 2019

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Madhav Marbles and Granites Limited

First Floor, "Mumal Towers"

16, Saheli Marg,

Udaipur-313001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Madhav Marbles and Granites Limited (CIN: L14101RJ1989PLC004903) (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the financial year ended on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ronak Jhuthawat & Co**
(Company Secretaries)

Place: Udaipur
Date: 24.05.2019

Ronak Jhuthawat
Proprietor
FCS: 9738 CP: 12094

Independent Auditors' Report

To,
The Members of
Madhav Marbles and Granites Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Madhav Marbles & Granites Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows & the Statement of Changes in Equity for the year, and notes to financial statements including summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

Key Audit Matters	How the matter was addressed in our audit
REVENUE RECOGNITION	
<p>Recognition of the company's revenue is complex due to several types of Export sales contracts, including generation and captive consumption of power.</p> <ul style="list-style-type: none"> • We focused on this area as recognition of revenue involves significant judgement and estimates made by Management including, whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations, assessing whether performance obligations under export sales contracts are satisfied at a point in time or over time. Further, it comprises the point in time when transfer of control has occurred regarding generation and sale of electricity which are accounted for over time. • The Company has followed Ind AS-115 for recognizing revenue in the financial statements for the financial year 2018-19. • We reviewed the Company's implementation of Ind AS 115, including changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the group accounting policy, & disclosures with Management, including the key accounting estimates and judgements made by Management. 	<ul style="list-style-type: none"> • We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised, including controls over the generation and captive consumption of power at year-end. • We read some sample of Export Sale contracts, also the contract between Madhav Marbles & Granites Limited and Tamil Nadu Electricity Board to assess whether the method for recognition of revenue was relevant and consistent with Ind AS-115, and had been applied consistently. Where a contract contained multiple elements, we considered Management's judgements as to whether they comprised performance obligations that should be accounted for separately, and, in such cases, challenged the judgements made in the allocation of the consideration to each performance obligation. • We evaluated the significant judgements and estimates made by Management in applying company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, shipping bills, purchase orders, etc. For the contracts selected, we inspected original signed contracts and reconciled the revenue recognised to the underlying accounting records. We obtained a sample of Management's calculations for the recognition of revenue related to generation and captive consumption of power during the year as well as at the year-end.
DUES OF INCOME TAX AND INDIRECT TAX	
<p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer to Note. no. (vii) of the ANNEXURE B of the Audit report on the Standalone Financial Statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • We had obtained understanding of key uncertain tax positions by obtaining details of completed tax assessments and demands for the year ended March 31, 2019 from the management. • We along with our internal tax experts and appropriate senior management <ul style="list-style-type: none"> ā Discussed and evaluated the Management's underlying key assumptions in estimating the tax provision. ā assessed management's estimate of the possible outcome of the disputed cases; and formed an opinion that we do not require any legal opinion from the expert in that field.

INVESTMENT

Investment in Mutual Funds:

The Company has invested in various Quoted Mutual funds which is a financial asset for the company. Also, the company has followed Ind AS-109 and the investment in mutual funds has been recognized at market value as on March, 31 2019 and remeasurement gain/loss has been recognizes in profit & loss account.

Our procedures included, but were not limited to the following:

- Scrutiny of documents related to investment in mutual funds
- Obtained an understanding of management's process of recording of investments, profit/loss on sale of such investments, expenses etc. and evaluated it on the basis statements received from the intermediary
- Assessed the reasonableness & correct recording of the transactions based on statements available with the Company.

Investment in Subsidiary:

During the financial year 2018-19, the Company has subscribed 305100 shares of **MADHAV NATURAL STONE SURFACES PRIVATE LIMITED** viz 66.33% of the total shares issued by the said company and thus, Madhav Natural Stone Surfaces Private Limited is a subsidiary of **MADHAV MARBLES & GRANITES LIMITED**. The company has followed Ind AS-109 and the said investment has been recognized at Amortizing cost as on March, 31 2019 as the shares of the subsidiary company are unquoted. The company does not have any other subsidiary other than **MADHAV NATURAL STONE SURFACES PRIVATE LIMITED**.

Our procedures included, but were not limited to the following:

- Obtained an understanding of management's process & methodology of investment in shares. We also tested whether any Loss allowance is required to be made and formed an opinion that there is no such requirement.
- Assessed the appropriateness of the methodology and valuation model used by the management.
- Assessed the reasonableness of the assumptions made by the management regarding the value of underlying shares.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

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

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the company are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

Communication with those charged with governance

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Standalone financial statements disclose the impact of pending litigations on the Standalone financial position of the company;
 - 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **L. S. KOTHARI & CO**
Chartered Accountants
ICAI Firm Registration No.001450C

Lalit Kothari
Partner
Membership No.: 081407

Camp: Udaipur, May 28, 2019

Annexure “A” to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Madhav Marbles & Granites Limited of even date)

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

We have audited the internal financial controls over financial reporting of **MADHAV MARBLES & GRANITES LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **L. S. KOTHARI & CO**
Chartered Accountants
ICAI Firm Registration No.001450C

Lalit Kothari
Partner
Membership No.: 081407

Camp: Udaipur, May 28, 2019

Annexure 'B' To The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Madhav Marbles & Granites Limited of even date)

- (i) In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. 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) According to the information and explanations given to us, the Company has granted unsecured loan to one body corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (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) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, of dispute are Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account given below:

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	25.49	A.Y. 2015-16	CIT (A)
Central Excise Duty	Disallowing Exemption/concession towards DTA sale under Notification No.23/2003 dated 31.3.2003	89.81	1st April 2008-30th November 2015	Central Excise & Service Tax Appellate Tribunal , Commissioner (Appeals)

Departmental Appeal

Income Tax Act, 1961	Disallowance of claim of deduction u/s 80IA and personal expenses.	28.37	A.Y. 2013-14	ITAT
Income Tax Act, 1961	Relief granted by Commissioner of Income Tax (Appeals) for deduction u/s 80IA, 36(1)(iii) and contribution towards PF/ESI	35.67	A.Y. 2012-13	ITAT
Income Tax Act, 1961	Relief granted by Commissioner of Income Tax (Appeals) for deduction u/s 80IA, 36(1)(iii) and contribution towards PF/ESI	52.12	A.Y. 2011-12	ITAT
Income Tax Act, 1961	Relief granted by Commissioner of Income Tax (Appeals) for deduction u/s 80IA ,10B and allowance of expenses	36.14	A.Y. 2010-11	ITAT
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 36(1)(vii).	57.75	A.Y. 2004-05	Rajasthan High Court
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 36(1)(vii), 10B and 40(a)(ia).	27.32	A.Y. 2005-06	Rajasthan High Court
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 32 and 40(a)(ia).	07.44	A.Y. 2006-07	Rajasthan High Court
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 40(a)(ia) and allowance of expenses.	03.17	A.Y. 2007-08	Rajasthan High Court
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 40(a)(ia).	92.81	A.Y. 2008-09	Rajasthan High Court
Income Tax Act, 1961	Relief granted by ITAT for deduction u/s 40(a)(ia).	03.69	A.Y. 2009-10	Rajasthan High Court

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or due to debenture holders as at balance sheet date.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **L. S. KOTHARI & CO**
Chartered Accountants
ICAI Firm Registration No.001450C

Lalit Kothari
Partner
Membership No.: 081407

Camp: Udaipur, May 28, 2019

Madhav Marbles and Granites Limited

Balance Sheet as at March 31, 2019

(₹ in thousands)

Particulars	Note No.	As at 31/03/2019	As at 31/03/2018
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2A	413378.23	300285.67
(b) Capital work-in-progress	2B	3013.75	134247.01
(c) Investment Property	-	-	-
(d) Goodwill	-	-	-
(e) Other Intangible assets	-	-	-
(f) Intangible assets under development	2C	268.38	268.38
(g) Biological Assets other than bearer plants	-	-	-
(h) Financial Assets	3	25463.87	19457.75
(i) Investments	4(i)	44231.25	49864.61
(ii) Trade receivables	5(i)	184620.22	133407.05
(iii) Loans	6(i)	186648.89	110649.98
(iv) Other financial assets	19	-	-
(i) Other non-current assets	7(i)	68493.71	68801.30
Current assets			
(a) Inventories			
(b) Financial Assets	8	271916.98	275039.59
(i) Investments	-	-	-
(ii) Trade receivables	4(ii)	267772.30	258074.60
(iii) Cash and cash equivalents	9	14418.91	21795.44
(iv) Other Bank balances	10	2694.90	91333.53
(v) Loans	5(ii)	420.47	286.51
(vi) Other financial asset	6(ii)	855.77	23799.66
(c) Current Tax Assets (Net)	11	19214.74	19192.77
(d) Other current assets	7(ii)	118829.23	111049.21
Total Assets		1622241.60	1617553.06

Madhav Marbles and Granites Limited

(₹ in thousands)

Particulars	Note No.	As at 31/03/2019	As at 31/03/2018
(2) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	89470.00	89470.00
(b) Other Equity	13	1196103.03	1151912.58
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14(i)	50758.58	69966.72
(ii) Trade payables	15(i)	900.46	757.77
(iii) Other financial liabilities	-	-	-
(b) Provisions	17(i)	2886.10	7128.88
(c) Deferred tax liabilities (Net)	19	44995.94	39946.66
(d) Other non-current liabilities	18(i)	6723.05	6640.38
Current liabilities			
Financial Liabilities			
(a) (i) Borrowings	14(ii)	127444.03	131344.25
(ii) Trade payables	15(ii)	80912.40	95688.04
(iii) Other financial liabilities	16	2694.90	3188.53
(b) Other current liabilities	18(ii)	19066.50	19838.82
(c) Provisions	17(ii)	286.61	1670.43
Total Equity and Liabilities		1622241.60	1617553.06
Notes forming part of the financial statements	1-49		

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Lalit Kothari
Partner
Membership No. 081407

Sudhir Doshi
Whole Time Director
DIN: 00862707

Camp: Udaipur, May 28, 2019

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Statement of Profit and Loss for the year ended March 31, 2019

(₹ in thousands)

	Particulars	Note No.	For the year ended 31/03/2019	For the year ended 31/03/2018
I	Revenue From Operations	20	769570.12	700486.42
II	Other Income and Other gains\losses)	21	48884.54	53990.08
III	Total Income (I + II)		818454.66	754476.50
IV	EXPENSES			
	Cost of materials consumed	22	290478.35	317055.23
	Purchases of Stock-in-Trade	23	89073.71	55106.38
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	(24484.31)	(10227.34)
	Cost of Sales (Realty)	25	-	2013.60
	GST/Excise duty expenses		(1806.44)	3953.09
	Employee benefits expense	26	100240.28	99273.37
	Finance costs	27	12988.24	10780.95
	Depreciation and amortization expense	2A	47598.75	24236.49
	Other expenses	28	244216.57	230666.13
	Total expenses (IV)		758305.15	732857.90
V	Profit/(loss) before exceptional items and tax (III- IV)		60149.51	21618.60
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		60149.51	21618.60
VIII	Income Tax expense:			
	(1) Current tax	29(i)	8981.76	2572.23
	(2) Deferred tax	29(ii)	5049.29	1056.62
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		46118.45	17989.75
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX + XII)		46118.45	17989.75

Madhav Marbles and Granites Limited

(₹ in thousands)

	Particulars	Note No.	For the year ended 31/03/2019	For the year ended 31/03/2018
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII + XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		46118.45	17989.75
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		5.15	2.01
	(2) Diluted		5.15	2.01
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		5.15	2.01
	(2) Diluted		5.15	2.01
	Notes forming part of the financial statements	1-49		

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

For and on behalf of the Board of Directors

Lalit Kothari
Partner
Membership No. 081407

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

Camp: Udaipur, May 28, 2019

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

(₹ in thousands)

Balance at the beginning of the reporting period i.e. April 01, 2017	Changes in equity during the year 2017-18	Balance at the end of the reporting period i.e. March 31, 2018	Changes in equity during the year 2018-19	Balance at the end of the reporting period March 31, 2019
89470.00	-	89470.00	-	89470.00

B. Other Equity

(₹ in thousands)

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 01, 2017	889755.30	255410.59	1145165.89
Changes in accounting policy or prior period errors	-	(474.66)	(474.66)
Restated balance at the beginning of the reporting period	889755.30	254935.93	1144691.23
Total Comprehensive Income for the year	-	17989.75	17989.75
Dividends	-	(8947.00)	(10768.40)
Dividend Distribution tax	-	(1821.40)	(1821.40)
Transfer to retained earnings	-	-	-
Any other change	-	-	-
Balance as at March 31, 2018	889755.30	262157.28	1151912.58
Changes in accounting policy or prior period errors	-	768.52	768.52
Restated balance at the beginning of the reporting period	889755.30	262925.80	1152681.10
Total Comprehensive Income for the year	-	46118.45	46118.45
Dividends	-	(2236.75)	(2236.75)
Dividend Distribution tax	-	(459.77)	(459.77)
Transfer to general reserve	100000.00	(100000.00)	-
Any other change	-	-	-
Balance as at March 31, 2019	989755.30	206347.73	1196103.03

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

For and on behalf of the Board of Directors

Lalit Kothari
Partner
Membership No. 081407

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

Camp: Udaipur, May 28, 2018

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Cash flow statement for the year ended March 31, 2019

(₹ in thousands)

PARTICULARS	As at 31/03/2019	As at 31/03/2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income Before Tax and after exceptional items adjusted for:	60149.51	21618.60
Net Loss on investment carried at fair value through profit and loss	1244.86	(902.92)
Prior period expenses/income not given effect in P&L	768.52	(474.66)
Depreciation and Ammortization	47598.78	24236.49
(Profit) / Loss on sale of Fixed Assets	-	(2875.45)
Interest Expense	12988.24	10780.95
Bad Debts written off	14190.86	26670.01
Provision for CSR expense	-	1670.43
Provision for Gratuity	3110.95	1527.61
Interest Income	(28029.90)	(29155.88)
Provision for Misc. Exp	500.00	-
Misc Balance Written Back	(2781.62)	-
Provision No Longer Required Written Back	(262.21)	-
Foreign Exchange loss/(gain) (Net)	(17621.59)	(21055.00)
Operating Profit Before Working Capital Changes	91856.37	32040.20
Adjustments for (Increase)/ Decrease in Operating Assets:		
Inventories	3122.61	(21412.29)
Trade and other receivables *	(56909.42)	(106130.82)
Trade and other payables *	(24553.67)	24331.14
Cash Generated from Operation	13515.91	(71171.70)
Direct Taxes Paid / Tax Deducted at Source	(9003.79)	(8818.47)
Net Cash Flow From Operating Activities (A)	4512.12	(79990.24)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets & Capital W.I.P.	(29458.04)	(179321.11)
Proceed from Sale of Fixed Assets	-	3750.00
Proceeds/(Purchase) of investment	(4200.00)	(12250.00)
Investment in subsidiary	(3051.00)	-
Interest Received	72912.32	8060.61
Net Cash Used in Investing Activities (B)	36203.28	(179760.50)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Long Term Borrowings / Repayments	(19208.14)	91928.42
Repayment to / Proceeds from Banks	(3900.22)	69385.85
Interest Expense	(12988.24)	(10780.95)
Dividend Payout	(2236.75)	(8947.00)
Tax on Dividend	(459.77)	(1821.40)
Net Cash Flow from/ (Used in) Financing Activities (C)	(38793.12)	139764.92
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	1922.28	(119985.82)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	198773.47	318759.29
CASH AND CASH EQUIVALENTS - CLOSING BALANCE **	200695.75	198773.47

* Includes current and non-current

Notes :

- 1 Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (IND AS-7) "Cash Flow Statements" as specified in the Companies (Indian Accounting Standard) (Amendment) Rules, 2017.
- 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.6 of notes forming part of the financial statement.
- 4 Cash and Cash equivalent are reflected in the Balance Sheet as follows:

Particulars	2018-19	2017-18
a) Cash and Cash Equivalents disclosed under current assets [Note No.9 & 10]	17113.81	113128.97
b) Cash and Cash Equivalents disclosed under non-current assets [Note No.6]	183581.94	85644.50
** Total cash and cash equivalents as per cash flow statement	200695.75	198773.47

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

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

Lalit Kothari
Partner
Membership No. 081407

Camp: Udaipur, May 28, 2019

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

NOTES forming part of the financial statements for the year ended March 31, 2019

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, windmill power generation and realty business. The Granite division and windmill power generation units are situated in Tamil Nadu and Marble / Realty business is carried at Udaipur.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The accounts have been prepared in accordance with the provisions of Companies Act 2013 and Indian Accounting Standards (Ind AS) and Disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

“The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016”

All the 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 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 equivalent, the Company has ascertained its operating cycle to be 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 Ind AS enjoins 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 Property, Plants and Equipments, Depreciation/Amortization

A. Property, Plants and Equipments

- i) The Property, Plants and Equipments are held for use in production, supply of goods or services or for administrative purposes. They are stated at their original cost net of tax/duty, credits availed, if any, including incidental expenditure related to acquisition and installation less accumulated depreciation. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended and includes borrowing cost capitalized in accordance with the Company's Accounting Policy.

- ii) The Property, Plants and Equipments not ready for the intended use on the date of balance sheet including expenditure incurred pending for allocation is shown as “capital work-in-progress”.

B. Depreciation

Depreciation is provided on straight line method other than on freehold land and properties under construction less their residual values over their useful lives specified in Schedule II to the Companies Act 2013. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. There is no deviation in useful life as specified 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.

C. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development”.

2.5 Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net of direct issue cost.

2.6 Borrowing Cost

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 or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

2.7 Inventories

- 1) Finished goods, Raw material, stores and spares, packing material, rejects and waste are valued at cost or net realizable value whichever is lower. 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) Realty stock is valued at lower of Cost or Net Realizable Value.

2.8 Cash and Bank Balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which are unrestricted for withdrawal and usage. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.9 Revenue Recognition

a) Sales

- i) Sales of goods are recognized on dispatch and in accordance with the terms and conditions of the sale. Sale includes indirect taxes. Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer. Export sales are recognised on the date of the mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of the transaction.
- ii) Sale from Realty 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. 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.

b) Other Income

The Company recognizes income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

2.10 Impairment of Assets

At the end of each accounting year the carrying amount of property, plant and equipment intangible assets and financial 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 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.

2.11 Taxes 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 provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

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 plant and equipment) 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.

2.13 Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Contingent liabilities are disclosed when there is a present obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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.

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 Total Comprehensive Income. 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.

Notes forming part of the financial statements
2.A. Property, Plant and Equipment

(₹ in thousands)

A-1	Land Free hold	Land lease hold	Buildings	Plant and Equipment	Electrical Installation	Factory Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Mis. Fixed Assets	Site Development	Wind Mill - I	Wind Mill - II	Total
Cost as at 1st April, 2018	11408.25	-	144528.35	424621.88	33377.11	15141.16	7982.25	16532.75	7587.32	2445.58	486.85	2882.28	153962.43	55222.61	876178.82
Additions	10379.00	-	37545.55	10774.96	3060.21	4954.71	1119.04	5187.01	926.23	201.26	-	-	-	-	160716.51
Disposals	-	-	-	(25.20)	-	-	-	-	-	-	-	-	-	-	(25.20)
Cost as at 31 March, 2019	21787.25	-	182073.90	532371.64	36437.32	20095.87	9101.29	21719.76	8513.55	2646.84	486.85	2882.28	153962.43	55222.61	1036870.13
Accumulated Depreciation as at 1st April, 2018	-	-	57987.91	367517.37	29318.75	9402.86	5442.08	12276.65	7014.99	2272.20	207.77	534.13	48639.33	35279.11	575893.15
Additions	-	-	5566.30	28896.64	771.56	956.89	500.35	2062.55	373.29	145.39	43.32	45.44	6247.33	1989.69	47598.75
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31 March, 2019	-	-	63554.21	396414.01	30090.31	10359.75	5942.43	14339.20	7388.28	2417.59	251.09	579.57	54886.66	37268.80	623491.90
Net Carrying amount as at 1st April, 2018	11408.25	-	86540.44	57104.51	4058.36	5738.30	2540.17	4256.10	572.33	173.38	279.08	2348.15	105323.10	19943.50	300285.67
as at 31st March, 2019	21787.25	-	118519.70	135957.63	6347.00	9736.12	3158.86	7380.56	1125.27	229.25	235.76	2302.71	99075.77	17953.81	413378.23

Notes forming part of the financial statements

(₹ in thousands)

A-2	Land Free hold	Land lease hold	Buildings	Plant and Equipment	Electrical Installation	Factory Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Mis. Fixed Assets	Site Development	Wind Mill - I	Wind Mill - II	Total
Cost as at 1st April, 2017	11408.25	-	135839.23	398106.47	33355.56	14955.61	6732.81	15533.05	7398.28	2384.77	486.85	2882.28	153962.43	55222.61	838268.20
Additions	-	-	8689.12	44006.44	21.55	185.55	1249.44	999.70	189.04	60.81	-	-	-	-	55401.65
Disposals	-	-	-	17491.03	-	-	-	-	-	-	-	-	-	-	17491.03
Cost as at 31st March, 2018	11408.25	-	144528.35	424621.88	33377.11	15141.16	7982.25	16532.75	7587.32	2445.58	486.85	2882.28	153962.43	55222.61	876178.82
Accumulated Depreciation as at 1st April, 2017	-	-	53687.22	377373.50	28523.58	8447.24	4962.94	10508.27	6292.50	2141.04	166.73	488.69	42392.00	33289.42	568273.13
Additions	-	-	4300.68	6760.34	795.18	955.62	479.14	1768.38	722.49	131.16	41.04	45.44	6247.33	1989.69	24236.49
Disposals	-	-	-	16616.47	-	-	-	-	-	-	-	-	-	-	16616.47
Accumulated Depreciation as at 31st March, 2018	-	-	57987.90	367517.37	29318.76	9402.86	5442.08	12276.65	7014.99	2272.20	207.77	534.13	48639.33	35279.11	575893.15
Net Carrying amount as at 1st April, 2017	11408.25	-	82152.00	20732.97	4831.98	6508.37	1769.87	5024.78	1105.78	243.73	320.12	2393.59	111570.43	21933.19	269995.07
as at 31st March, 2018	11408.25	-	86540.45	57104.55	4058.35	5738.30	2540.13	4256.10	572.33	173.38	279.08	2348.15	105323.10	19943.50	300285.67

Notes forming part of the financial statements

(₹ in thousands)

2.B. Capital work-in-progress

	As at 31/03/2019	As at 31/03/2018
Building Construction	2021.17	28581.88
Factory Equipment	-	192.05
Plant and Machinery	764.84	96675.75
Electrical installation	49.23	2818.52
Preoperative Expenses	178.51	5978.81
Total	3013.75	134247.01

2.C. Intangible asset under development comprises of software for the purpose of inventory control

	As at 31/03/2019	As at 31/03/2018
Computer Software	268.38	268.38
Total	268.38	268.38

3. Investments

	As at 31/03/2019	As at 31/03/2018
Investments- Non- current		
(A) Investments in Subsidiary Company		
Investment in Equity Share Capital of Madhav Natural Stone Surfaces Private Limited (305100 Shares of Rs.10/- each)	3051.00	-
(B) Investments carried at fair value through profit or loss Mutual Funds (quoted)		
NAME OF THE MUTUAL FUND		
SBI Blue Chip Fund- Regular Plan Growth (Units as on 31.03.2019 - 137016.6020 , as on 31.03.2018- 111006)	5392.23	4131.94
Birla Sun Life Pure Value Fund Growth (Units as on 31.03.2019 - 102602.0490 , as on 31.03.2018- 85853)	5383.63	5171.70
Sundaram Rural India Fund Regular Growth (Units as on 31.03.2019 - 146440.8350 , as on 31.03.2018- 122857)	6148.30	5044.87
Sundaram S.M.I.L.E. Fund Regular Plan Growth (Units as on 31.03.2019 - 64584.766 , as on 31.03.2018- 51867)	5488.71	5109.24
Total	22412.87	19457.75
TOTAL (A + B)	25463.87	19457.75

4. Trade receivables

	As at 31/03/2019	As at 31/03/2018
(i) Trade receivables- Non- current		
Unsecured		
Considered good	44231.25	49864.61
	44231.25	49864.61
(ii) Trade receivables- Current		
Unsecured		
Considered good	267772.30	258074.60
	267772.30	258074.60
Total	312003.55	307939.21

Notes forming part of the financial statements

(₹ in thousands)

5. Loans (Unsecured, Considered Good Unless Otherwise Stated):

	As at 31/03/2019	As at 31/03/2018
(i) Non- current		
(a) Security deposits	10925.72	11043.55
(b) Loans to related parties	39100.00	-
(c) Others	134594.50	122363.50
	<u>184620.22</u>	<u>133407.05</u>
(ii) Current		
(a) Security deposits	-	-
(b) Loans to related parties	-	-
(c) Others	-	-
Other branches/divisions	420.47	286.51
Others	<u>420.47</u>	<u>286.51</u>
Total	185040.69	133693.56

6. Other financial assets

	As at 31/03/2019	As at 31/03/2018
(i) Non- current		
Balances with banks		
(i) In Margin Money	5893.71	5552.01
(ii) Other Bank balances		
Fixed deposits having maturity more than 12 months	177688.22	80092.48
Interest accrued on fixed deposit/ Interest receivable	3066.96	25005.49
	<u>186648.89</u>	<u>110649.98</u>
(ii) Current		
Interest accrued on fixed deposit/ Interest receivable	855.77	23799.66
	<u>855.77</u>	<u>23799.66</u>
Total	187504.66	134449.64

Notes forming part of the financial statements

(₹ in thousands)

7. Other assets

	As at 31/03/2019	As at 31/03/2018
(i) Non- current		
Advance to suppliers	10375.43	10683.02
Project advances	58118.28	58118.28
	68493.71	68801.30
(ii) Current		
Advance to suppliers	31376.50	32477.36
Prepaid Expenses	3443.18	3426.09
Balances with government authorities		
VAT/ CST Receivable	6702.29	6702.29
Service Tax credit receivable	10049.31	10049.31
Excise Duty Refundable	3131.74	2763.82
GST input tax credit	64124.29	55477.77
Others	1.92	152.57
	118829.23	111049.21
Total	187322.94	179850.51

8. Inventories

	As at 31/03/2019	As at 31/03/2018
Raw Material	47728.15	79665.11
Work-in-progress	14069.49	24415.86
Finished Goods	124827.48	90419.12
Stock in Trade		
Real Estate	31602.80	31602.80
Goods	471.82	49.50
Stores & Spares	50112.85	46807.50
Others	3104.39	2079.70
Total	271916.98	275039.59

Notes forming part of the financial statements

(₹ in thousands)

9. Cash and cash equivalents

	As at 31/03/2019	As at 31/03/2018
Cash in hand	245.76	334.13
Balances with banks:		
In Current Accounts	11427.29	12709.81
In EEFC account	2745.86	7501.50
In Fixed Deposit (Less than 3 months Maturity)	-	1250.00
Total	14418.91	21795.44

10. Other bank balances

	As at 31/03/2019	As at 31/03/2018
Term Deposit with original maturity more than 3 months but less than 12 months	-	88145.00
Earmarked balances with banks-Unpaid Dividend	2694.90	3188.53
Total	2694.90	91333.53

11. Current tax assets

	As at 31/03/2019	As at 31/03/2018
Advance tax	49067.62	39849.90
Tax deducted at source	5770.54	5984.05
Minimum Alternative Tax credit entitlement	13559.31	10158.21
Less: current tax payable	(12382.86)	(4407.79)
Less: current tax provision	(36799.85)	(32391.64)
Total	19214.74	19192.77

Notes forming part of the financial statements

(₹ in thousands)

12. Equity Share Capital

	As at 31/03/2019	As at 31/03/2018
(a) Authorised :		
172,50,000 (Previous Year 172,50,000) Equity Shares of Rs.10/- each	172500.00	172500.00
75,000 (Previous Year 75,000) Cumulative Convertible Preference Shares of Rs.100/- each	7500.00	7500.00
	180000.00	180000.00
(b) Issued, Subscribed and Paid Up:		
89,47,000 (Previous Year 89,47,000) Equity Shares of Rs.10/- each fully paid up	89470.00	89470.00
	89470.00	89470.00
(c) Reconciliation of number of Shares outstanding at the beginning and end of the year :		
Equity Shares :		
Outstanding at the beginning of the year	8947.00	8947.00
Issued during the year	-	-
Outstanding at the end of the year	8947.00	8947.00

(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:-

(In Thousands)

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of Shares held in the company	% of shares Held	No. of Shares held in the company	% of shares Held
Mumal Marketing (P) Ltd. (formerly known as Mumal Finance (P) Ltd.)	782.60	8.75	782.60	8.75
Aruna Doshi	633.44	7.08	586.45	6.55
Madhav Doshi	713.80	7.98	133.40	1.49
Subramanian P	740.47	8.28	740.47	8.28
Ashok Doshi (now deceased)	-	-	578.90	6.47

Notes forming part of the financial statements

(₹ in thousands)

13. Other equity

	As at 31/03/2019	As at 31/03/2018
Other equity consists of following		
(a) General reserve		
(i) Opening balance	889755.30	889755.30
(ii) Transfer from surplus in Statement of Profit & Loss	100000.00	-
Total (A)	989755.30	889755.30
(b) Retained earnings		
(i) Opening balance	262157.28	255410.59
Total comprehensive income	46118.45	17989.75
Changes in accounting policy or prior period errors	768.52	(474.66)
(ii) Less: Appropriations		
Dividend On Equity Shares	(2236.75)	(8947.00)
Dividend Distribution tax	(459.77)	(1821.40)
Transfer To General Reserve	100000.00	-
Total (B)	206347.73	262157.28
Closing balance of other equity (A + B)	1196103.03	1151912.58

14. Borrowings

	As at 31/03/2019	As at 31/03/2018
(i) Non-Current borrowings		
Term Loans (Secured) :		
From banks	69966.72	91928.42
Less: Current Maturities of Long Term debt {refer Note 13 (b)}	(19208.14)	(21961.70)
	50758.58	69966.72
(ii) Current borrowings		
Loans repayable on demand (Secured) :		
Bank Overdrafts*	108235.89	109382.55
Current Maturities of long term Debt	19208.14	21961.70
	127444.03	131344.25
Total	178202.61	201310.97

The Term Loan comprises of Foreign Currency loan from HDFC Bank Ltd. which is secured against:

- (i) Equitable mortgage of the land and building situated at, Thoppur Village, Dharmapuri Taluk, Salem as collateral security,
- (ii) Hypothecation by way of first and exclusive charges on all present and future current assets inclusive of Stocks & book debts.

The loan is repayable in equated monthly instalments commencing from December 2017 till December 2022 and carrying interest rate @ LIBOR + 2.5%. The Loan is further secured by personal guarantee of Mr.Sudhir Doshi (Whole Time Director).

* Note: The Bank Overdraft facility is availed from IDBI Bank Limited and HDFC Bank. The Bank Overdraft facility availed from IDBI Bank Limited is secured by pledge of fixed deposits. The Bank Overdraft facility availed from HDFC Bank is secured by mortgage of assets.

Notes forming part of the financial statements

(₹ in thousands)

15. Trade payables

	As at 31/03/2019	As at 31/03/2018
(i) Non- current		
Due to Micro and Small Enterprises *	-	-
Other than dues to Micro and Small Enterprises	900.46	757.77
Acceptances	-	-
	900.46	757.77
(ii) Current		
Due to Micro and Small Enterprises *	6166.41	-
Other than dues to Micro and Small Enterprises	74750.99	95688.04
Acceptances	-	-
	80912.40	95688.04
Total	81812.86	96445.81

* Considering the Company has been extended credit period up to 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 basis of intimation received, on request made by the Company, with regards to vendors registration under the said act.

* Refer Note No.46

16. Other financial liability

	As at 31/03/2019	As at 31/03/2018
Current		
Unpaid/ unclaimed dividend	2694.90	3188.53
Total	2694.90	3188.53

17. Provisions

	As at 31/03/2019	As at 31/03/2018
(i) Non- current		
Provisions for employee benefits		
- Provision for Gratuity	2886.10	7128.88
	2886.10	7128.88
(ii) Current		
Provisions for employee benefits		
- Provision for Gratuity	286.61	-
- Provision for CSR Expenses	-	1670.43
	286.61	1670.43
Total	3172.71	8799.31

Notes forming part of the financial statements

(₹ in thousands)

18. Other liabilities

	As at 31/03/2019	As at 31/03/2018
(i) Other Non- current liabilities		
(a) Advance from customers	6723.05	6640.38
	6723.05	6640.38
(ii) Other Current liabilities		
(a) Advance from customers	7233.86	7066.78
(b) Employees Benefit expenses payable	4790.10	4234.94
(c) Others		
(a) Statutory dues including PF and TDS	3930.04	5768.23
(b) others	3112.50	2768.87
	19066.50	19838.82
Total	25789.55	26479.20

19. Deferred tax assets/ liabilities

	As at 31/03/2019	As at 31/03/2018
Deferred Tax Liabilities		
On account of timing difference in:		
Depreciation	47346.73	43488.14
Others	-	-
Gross deferred Tax Liability	47346.73	43488.14
Deferred Tax Asset		
On account of timing difference in:		
Depreciation	-	-
Expenses	1309.74	1138.59
Others	1041.05	2402.89
Gross deferred Tax Assets	2350.79	3541.48
Net Deferred Tax (Assets)/Liabilities	44995.94	39946.66

20. Revenue from operations

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
(a) Sale of Products (Refer Note 2.9)	798057.19	739730.36
Less:- Inter divisional transfers	36793.15	40025.82
	761264.04	699704.54
(b) Other operating revenues	8306.08	781.88
Total revenue from operations	769570.12	700486.42

Notes forming part of the financial statements

(₹ in thousands)

21. Other income & other gains/(losses)

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
(a) Other income		
Interest income	28029.90	29155.88
Profit on sale of asset	-	2875.45
Misc Balance Written Back	2781.62	0.83
Rental Income	69.20	-
Bad Debts Recovered	108.30	-
Provision No Longer Required Written Back	262.21	-
Miscellaneous Income	11.72	-
	31262.95	32032.16
(b) Other gains\ (losses)		
Net Gain on Foreign Currency Transactions & Translations	17621.59	21055.00
Net gain on investment carried at fair value through profit and loss	-	902.92
	17621.59	21957.92
Total	48884.54	53990.08

22. Cost of material consumed

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Opening Stock		
Raw material	79665.11	75399.32
Packing material	2079.70	2276.39
Purchases & expenses	259566.08	321124.33
	341310.89	398800.04
Less : Closing Stock		
Raw material	47728.15	79665.11
Packing Material	3104.39	2079.70
	50832.54	81744.81
Total raw material and packing material consumed	290478.35	317055.23

23. Purchase of stock in trade

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Marble/Stone - Tiles / Slabs/ Block	29988.50	39223.90
Granite - Tiles / Slabs / Block	26052.75	14168.60
Quartz slabs	33032.46	1713.88
Total	89073.71	55106.38

Notes forming part of the financial statements

(₹ in thousands)

24. Changes in inventories of Finished Goods, WIP & Stock-in-trade

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Opening balances		
Finished Goods	90419.12	89895.29
Work-in-progress	24415.86	12661.49
Goods for Trade	49.50	1636.00
Power	-	464.36
Total Opening balances	<u>114884.48</u>	<u>104657.14</u>
Closing balances		
Finished Goods	124827.48	90419.12
Work-in-progress	14069.49	24415.86
Goods for Trade	471.82	49.50
Power	-	-
Total Closing balances	<u>139368.79</u>	<u>114884.48</u>
Total changes in inventories of finished goods, WIP, Stock-in-trade	(24484.31)	(10227.34)

25. Cost of sales (Realty)

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Purchases Land Value	-	-
Add : Cost of conversion, labour, material and other charges	-	358.57
Total Cost	-	358.57
Add : Opening Work in progress :	31602.80	33257.83
Less : Closing Work in progress :	31602.80	31602.80
Cost of sales	-	2013.60

26. Employee benefit expenses

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Salary, Wages & Allowances	84069.57	84704.86
Welfare expenses	6856.02	6537.47
Contribution to Provident and other fund	9314.69	8031.04
Total	100240.28	99273.37

Notes forming part of the financial statements

(₹ in thousands)

27. Finance cost

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Interest expenses	9375.05	8085.60
Other financial charges	3613.19	2695.35
Total	12988.24	10780.95

28. Other expenses

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Stores & Spares Consumed	94156.34	90713.47
Power & Fuel	29555.96	23038.74
Repairs & Maintenance		
-Building	5984.06	1124.59
-Plant & Machinery	23557.26	18598.74
-Others	1122.46	232.51
Other Manufacturing Expenses	7491.23	4380.80
Printing & Stationary	772.74	544.42
Postage, telegram, telephone	1424.08	1508.31
Conveyance & vehicle running and maintenance	3114.72	3104.38
Donation	5.00	5.00
Travelling	6870.04	7119.28
Legal, Professional & Consultancy	2121.87	982.12
General Insurance	433.78	661.67
Selling expenses	41776.23	39176.85
Rent Expenses	612.00	98.30
Electricity Expenses	112.34	98.39
Subscription to Association	38.35	37.38
Annual Maintenance Charges	5403.89	4968.26
Security expenses	718.70	672.00
Office Maintenance	498.69	519.58
Bad debts written off	14190.86	26670.01
Rates & taxes	2008.24	2618.25
Net Loss on Investment carried at fair value through profit and loss	1244.86	-
CSR Expense	-	1670.43
Payment to auditors	135.00	135.00
Miscellaneous expenses	867.87	1987.65
Total	244216.57	230666.13

Notes forming part of the financial statements

(₹ in thousands)

29. Income tax expenses

	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
(i) Current tax		
Tax on the profits of current year	12382.86	4407.79
Adjustments for tax of prior period	-	-
Less: MAT credit entitlement	3401.10	1835.56
	8981.76	2572.23
(ii) Deferred tax		
Decrease\Increase in deferred tax asset	1190.72	1055.85
(Decrease)\Increase in deferred tax liability	3858.57	0.77
	5049.29	1056.62

30. Contingent liabilities not provided for in respect of

Sr. No.	Particulars	As at 31/03/2019	As at 31/03/2018
1.	"Bank Guarantees/Letter of Credit issued by bank (Net of fixed deposit pledged)"	4075.00	4075.00
2.	Income Tax Liability (including penalty) that may arise in respect of matters which are pending in appeal	49132.00	34978.00
3.	Central Excise Liability (including penalty) that may arise of matters which are pending in appeal	25400.00	25400.00
4.	Bond executed in favour of customs, excise and DGFT authorities (Net of bank guarantee given)	81500.00	81500.00

31. Payment to Auditors

Sr. No.	Particulars	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
1.	As Auditor- Statutory Audit	135.00	135.00
2.	For Tax Audit	-	-
3.	For Taxation matters	-	-
4.	Other matters/ certification	10.00	-
5.	Reimbursement of out-of-pocket expenses	25.34	17.20
	Total	170.34	152.20

32. Earning Per Share

Particular	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Total Comprehensive Income (Rs.)	46118.43	17989.77
Weighted average number of equity shares outstanding (in thousands)	8947.00	8947.00
Nominal value of the shares (Rs.)	10	10
Basic & Diluted Earning per share (Rs.)	5.15	2.01

Notes forming part of the financial statements

(₹ in thousands)

33. Related party disclosures:

Related party disclosures, as required by IND AS - 24 "Related Party Disclosures" 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

Individual exercising control or significant influence.

Directors : Mr. Ravi Kumar Krishnamurthi (Chairman)

; Mr. Prakash Kumar Verdia

; Mr. Roshan Lal Nagar

Managing Director and relatives : Mr. Madhav Doshi, Managing Director (w.e.f. 01.05.2018)

: Mrs. Riddhima Doshi, Wife of Madhav Doshi

: Late Mr. Ashok Doshi, Managing Director (till 24.02.2018)

Whole-time Director : Mr. Sudhir Doshi

(ii) In respect of the outstanding balance recoverable as at March 31, 2019, 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

(₹ in thousands)

Sr. No.	Name of the transacting related party	Nature of Relationship	Nature of Transaction	Volume of Transaction	Amount outstanding as on 31.03.2019
1.	Late Ashok doshi	Ex-Managing Director	Remuneration and Perquisites	- (5208.94)	Nil
2.	Sudhir Doshi	Whole Time Director	Remuneration and Perquisites	3554.14 (3525.36)	Nil
3.	Madhav Doshi	Managing Director and CEO	Remuneration and Perquisites	5573.71 (4685.80)	Nil
4.	Riddhima Doshi	Wife of Madhav Doshi	Remuneration and Perquisites	3438.60 (2512.79)	Nil
5	S.S.Janakarajan	CFO (01-04-17 to 25-08-17)	Remuneration and Perquisites	- (551.34)	Nil
6	S.Panneerselvam	CFO (26-08-17 to 31-03-19)	Remuneration and Perquisites	817.14 (630.96)	Nil
7	Madhav Natural Stone Surfaces Private Limited	Subsidiary	Investment made in Subsidiary	3051.00	3051.00
8	Madhav Natural Stone Surfaces Private Limited	Subsidiary	Reimbursement of Expenses	471.88	471.88
9	Madhav Natural Stone Surfaces Private Limited	Subsidiary	Rent received	69.20	15.00
10	Madhav Natural Stone Surfaces Private Limited	Subsidiary	Loan provided to subsidiary company	39100.00	39100.00

Note : Previous year figures are given in brackets.

Notes forming part of the financial statements

(₹ in thousands)

34. Employee Benefits

a) Defined benefit plan - As per Actuarial Valuation on March 31, 2019

Particulars	31/03/2019	31/03/2018
I Amount recognized in the Statement of Profit and Loss		
Current Service Cost	1094.63	1040.07
Interest Cost	1148.06	1001.77
Expected Return on Plan Assets	83.31	(1026.39)
Actuarial (gain)/Loss on obligation	2570.74	242.06
Expense/(Income) recognized in the Statement of Profit and Loss	4896.75	1257.50
II Actual return on plan assets		
Expected Return on Plan Assets	(83.31)	1026.39
Actuarial gain/(loss) on Obligation	NIL	NIL
Actual Return on plan assets	(83.31)	1859.08
III Amount recognized in the Balance Sheet		
Present Value of Funded Obligation	18623.36	14350.79
Fair Value of Plan Assets	18490.10	15194.90
Net asset/(Liability) recognized in Balance Sheet (Included under provision for employee benefits Refer Note '17')	(133.26)	844.10
IV Change in the present value of obligation		
Opening balance of present value of obligation	14350.79	12522.09
Interest Cost	1148.06	1001.77
Current Service Cost	1094.63	1040.07
Benefits Paid	(540.87)	(455.19)
Actuarial (gain)/loss on Obligation	2570.74	242.06
Closing Balance of present value of obligation	18623.36	14350.79
V Change in fair value of plan assets		
Opening Balance of fair value of plan assets	15194.90	13443.44
Expected return on plan assets	(83.31)	1026.39
Contributions	3919.38	1180.25
Benefits Paid	(540.87)	(455.19)
Actuarial Gain/(loss) on plan assets	NIL	NIL
Closing balance of fair value of plan assets	18490.10	15194.90

(b) Actuarial Assumption

Particulars	% per annum	
	31.03.2019	31.03.2018
Discount Rate	8.00%	8.00%
Salary Escalation	8.00%	8.00%
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.

Notes forming part of the financial statements

35. Segment reporting for the year ended 31/03/2019

(a) Information about Primary Business Segments

1) Segment revenue : (₹ in thousands)

Particular	2018-19	2017-18
(a) Granite & Stone Division	769570.12	693892.25
(b) Realty Division	-	6171.25
(c) Power Generation Unit	36793.15	40448.75
(d) Unallocated	-	-
Total	806363.27	740512.25
Less: Inter segment revenue	36793.15	40025.82
Net Sales / Income from operations	769570.12	700486.43

2) Segment Results (Profit/ Loss)

Particular	2018-19	2017-18
(a) Granite & Stone Division	36179.17	(10194.87)
(b) Realty Division	-	4207.15
(c) Power Generation Unit	22935.02	26354.74
(d) Unallocated	14023.55	12032.55
Total	73137.74	32399.57
Less: (I)Interest	12988.24	10780.95
(II)Other un allocable expenditure Net of unallocable income	-	-
Total Profit before Tax	60149.50	21618.62

3) Capital Employed (Segment assets less segment liabilities)

Segment Assets	2018-19	2017-18
(a) Granite & Stone Division	1367881.22	1401216.93
(b) Realty Division	31602.80	31602.80
(c) Power Generation Unit	191394.89	182562.54
(d) Unallocated	173743.73	122412.73
Sub-Total	1764623.64	1737796.00

Segment Liabilities	2018-19	2017-18
(a) Granite & Stone Division	324652.96	291345.20
(b) Realty Division	350.00	-
(c) Power Generation Unit	47782.48	57163.05
(d) Unallocated	-	-
Sub-Total	372785.44	348509.25

Capital Employed	2018-19	2017-18
(a) Granite & Stone Division	1043228.26	1109871.73
(b) Realty Division	31252.80	31602.80
(c) Power Generation Unit	143612.41	125399.49
(d) Unallocated	173743.73	122412.73
Sub-Total	1391837.20	1389286.75

Notes forming part of the financial statements

(₹ in thousands)

(b) Information about Secondary Business Segments

Revenue by Geographical Segment

i) Segment-wise Revenue

Particulars	2018-19			2017-18		
	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	747133.60	22436.51	769570.12	679856.10	14036.14	693892.25
(b) Realty Division	-	-	-	-	6171.25	6171.25
(c) Power Generation Unit	-	36793.15	36793.15	-	40448.75	40448.74
(d) Unallocated	-	-	-	-	-	-
Total Revenue	747133.60	59229.66	806363.27	679856.10	60656.14	740512.25
Less: Inter segment revenue			36793.15			40025.82
Net Sales / Income from operations			769570.12			700486.43

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.

36. Sales (Including Exports):

Particulars	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
(A) Sale of Product (Manufactured)		
Granite Tiles	196855.34	205716.91
Granite Slabs	442861.46	411478.01
(B) Goods Traded In:		
Rough Block	-	1229.18
Marble Slabs	91558.71	52697.67
Marble Tiles	-	778.75
Granite Tile	1352.36	41.15
Granite Slabs	24264.26	18805.02
Quartz	4371.91	2363.68
Property development and other	-	6171.25
(C) Sale of Power :	-	422.93
Total	761264.04	699704.54

37. Closing inventory

1) Finished Goods

Particulars	31/03/2019	31/03/2018
Granite Tiles	57224.98	29281.57
Granite Slabs	67602.51	61137.54
Real Estate	31602.80	31602.80
Total	156430.29	122021.91

Notes forming part of the financial statements

(₹ in thousands)

2) Traded Goods

Particulars	31/03/2019	31/03/2018
Marble /Granite Tiles / slabs	471.82	49.50
Total	471.82	49.50

3) Work in progress:

Particulars	31/03/2019	31/03/2018
Granites Tiles	5811.54	9025.32
Granites Slabs	8257.95	15390.55
Total	14069.49	24415.87

38. Disclosures of Derivatives:

(a) The particulars of derivative contracts entered into for hedging purposes outstanding as at March 31, 2019 are as under:

Foreign Currency	31/03/2019 Forward USD	31/03/2018 Forward EURO
For Hedging outstanding receivables:	Nil	200.00
	Nil	Nil

Note : Previous year figures are given in brackets.

(b) Un-hedged foreign currency exposures as at March 31, 2019 are as under:

Foreign Currency	31/03/2019 Forward USD	31/03/2019 Forward EURO	31/03/2019 Forward CAD
For uncovered risks: Receivables	Nil	Nil	Nil
	Nil	Nil	Nil

Note : Previous year figures are given in brackets.

39. Value of Imported / Indigenous Materials Consumed:

Particulars	For the Year Ended 31/03/2019		For the Year Ended 31/03/2018		
	%	Amount	%	Amount	
Raw Materials	-Imported	5.65%	14888.88	5.15%	14888.88
	-Indigenous	94.35%	248747.91	94.85%	274082.28
		100.00%	263636.79	100.00%	288971.16
Stores & spares	-Imported	42.08%	39625.69	43.68%	39625.69
	-Indigenous	57.92%	54530.66	56.32%	51087.79
		100.00%	94156.35	100.00%	90713.48

40. Value of import on CIF basis:

Particulars	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Raw material	1391.23	18196.97
Consumables & Stores & spares	47688.44	49280.28
Material purchased from Supplier's warehouse at ICD, Bangalore	8660.80	-
Capital goods	-	124608.87
Total	57740.47	192086.12

Notes forming part of the financial statements

(₹ in thousands)

41. Expenditure in Foreign Currency:

Particulars	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
Travelling	4084.02	3967.12
Selling commission	161.26	577.95
Other expenses:	1834.79	1851.98
Total	6080.07	6397.05

42. Earning in Foreign exchange:

Particulars	31/03/2019	31/03/2018
On account of export calculated at FOB value (including third party exports Rs. 7173.81 previous year Rs. 4250.43)	649085.71	621303.43

43. Remittance of Foreign Currency on account of dividends:

Particulars	31/03/2019	31/03/2018
No. of Share Holders	91	95
No. of Share	895	37100
Gross Amount (Rs.)	8.95	37.10
Related to Year	2017-18	2016-17

44. Prior period adjustment represent:

Sr. No.	Particulars	For the Year ended 31/03/2019	For the Year ended 31/03/2018
1	Debit relating to earlier year	-	(474.66)
2	Credit relating to earlier year	768.52	-
	Total	768.52	(474.66)

45. Financial Instruments - Accounting classifications and fair value measurements

Particulars	Carrying Amount As at 31/03/2018	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
Investments in equity instruments	19457.74	19457.74	-	-

Particulars	Carrying Amount As at 31/03/2019	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
Investments in equity instruments	22412.88	22412.88	-	-

Notes forming part of the financial statements

(₹ in thousands)

46. The Group has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2019. The disclosure pursuant to the said Act is as under:

Particulars	2018-19	2017-18
Principal amount due to suppliers under MSMED Act	6,166.41	-
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-
Amount of further interest remaining due and payable even in the succeeding years	-	-
Total	6,166.41	-

47. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.
48. Previous year figures have been regrouped wherever necessary.
49. Figures have been rounded off to nearest Rupees.

SIGNATURES TO THE NOTES '1' TO '49'

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

Lalit Kothari
Partner
Membership No. 081407

Camp: Udaipur, May 28, 2019

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Independent Auditors' Report

To,
The Members of
Madhav Marbles and Granites Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Madhav Marbles & Granites Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows & the Statement of Changes in Equity for the year, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2019, its consolidated profit including consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

Key Audit Matters	How the matter was addressed in our audit
REVENUE RECOGNITION	
<p>Recognition of the company's revenue is complex due to several types of Export sales contracts, including generation and captive consumption of power.</p> <ul style="list-style-type: none"> We focused on this area as recognition of revenue involves significant judgement and estimates made by Management including, whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations, assessing whether performance obligations under export sales contracts are satisfied at a point in time or over time. Further, it comprises the point in time when transfer of control has occurred regarding generation and sale of electricity which are accounted for overtime. The Company has followed Ind AS-115 for recognizing revenue in the financial statements for the financial year 2018-19. We reviewed the Company's implementation of Ind AS 115, including changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the group accounting policy, & disclosures with Management, including the key accounting estimates and judgements made by Management. 	<ul style="list-style-type: none"> We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised, including controls over the generation and captive consumption of power at year-end. We read some sample of Export Sale contracts, also the contract between Madhav Marbles & Granites Limited and Tamil Nadu Electricity Board to assess whether the method for recognition of revenue was relevant and consistent with Ind AS-115, and had been applied consistently. Where a contract contained multiple elements, we considered Management's judgements as to whether they comprised performance obligations that should be accounted for separately, and, in such cases, challenged the judgements made in the allocation of the consideration to each performance obligation. We evaluated the significant judgements and estimates made by Management in applying company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, shipping bills, purchase orders, etc. For the contracts selected, we inspected original signed contracts and reconciled the revenue recognised to the underlying accounting records. We obtained a sample of Management's calculations for the recognition of revenue related to generation and captive consumption of power during the year as well as at the year-end.
DUES OF INCOME TAX AND INDIRECT TAX	
<p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer to Note. no. (vii) of the ANNEXURE B of the Audit report on the Consolidated Financial Statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> We had obtained understanding of key uncertain tax positions by obtaining details of completed tax assessments and demands for the year ended March 31, 2019 from the management. We along with our internal tax experts and appropriate senior management : <ul style="list-style-type: none"> Discussed and evaluated the Management's underlying key assumptions in estimating the tax provision. Assessed management's estimate of the possible outcome of the disputed cases; and formed an opinion that we do not require any legal opinion from the expert in that field.

INVESTMENT

Investment in Mutual Funds:

The Company has invested in various Quoted Mutual funds which is a financial asset for the company. Also, the company has followed Ind AS-109 and the investment in mutual funds has been recognized at market value as on March, 31 2019 and remeasurement gain/loss has been recognizes in profit & loss account.

Our procedures included, but were not limited to the following:

- Scrutiny of documents related to investment in mutual funds
- Obtained an understanding of management's process of recording of investments, profit/loss on sale of such investments, expenses etc. and evaluated it on the basis statements received from the intermediary
- Assessed the reasonableness & correct recording of the transactions based on statements available with the Company.

Investment in Subsidiary:

During the financial year 2018-19, the Company has subscribed 305100 shares of **MADHAV NATURAL STONE SURFACES PRIVATE LIMITED** viz 66.33% of the total shares issued by the said company and thus, Madhav Natural Stone Surfaces Private Limited is a subsidiary of **MADHAV MARBLES & GRANITES LIMITED**. The company has followed Ind AS-109 and the said investment has been recognized at Amortizing cost as on March, 31 2019 as the shares of the subsidiary company are unquoted. The company does not have any other subsidiary other than **MADHAV NATURAL STONE SURFACES PRIVATE LIMITED**.

Our procedures included, but were not limited to the following:

- Obtained an understanding of management's process & methodology of investment in shares. We also tested whether any Loss allowance is required to be made and formed an opinion that there is no such requirement.
- Assessed the appropriateness of the methodology and valuation model used by the management.
- Assessed the reasonableness of the assumptions made by the management regarding the value of underlying shares.

Information Other than the Consolidated Financial Statements and Auditor's Report

The Company's Board of Directors is responsible for the preparation of other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the other information of the subsidiaries, audited by other auditors to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent'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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent, subsidiary companies, incorporated in India, have adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

Communication with those charged with governance

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

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

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

Other Matters

The consolidated financial statement includes the financial information of 1 subsidiary whose financial information reflect total assets of Rs. 7,01,84,292 as at March 31, 2019, and net cash inflows amounting to Rs.32,097 for the year ended on that date, as considered in the consolidated financial statements. The financial Information of the subsidiary, have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of such other auditor. Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2019 taken on record by the Board of Directors of the Parent, and the reports of the statutory auditors of subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's reports of the Parent and its subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for reasons stated therein.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of information and according to the explanations given to us, the remunerations paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - The Company did not have any long-term contracts including derivative contracts hence; the question of any material foreseeable losses does not arise;
 - There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and applicable subsidiary companies, to the extent incorporated in India.

For **L. S. KOTHARI & CO**
Chartered Accountants
ICAI Firm Registration No.001450C

Lalit Kothari
Partner
Membership No.: 081407

Camp: Udaipur, May 28, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph “1(f)” under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of MADHAV MARBLES & GRANITES LIMITED (hereinafter referred to as “Parent”) and its subsidiary companies (the parent and its subsidiaries together referred to as the “Group”), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, which are applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of thereports of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 subsidiary company, which is company incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 subsidiary company, which is company incorporated in India, whose financial information is unaudited and whose efficacy of internal financial controls over financial reporting is based solely on the Management's certification provided to us and our opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Group is not affected as the financial information of such entities is not material to the Group.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors and the financial information certified by the Management.

For **L. S. KOTHARI & CO**
Chartered Accountants
ICAI Firm Registration No.001450C

Lalit Kothari
Partner
Membership No.: 081407

Camp: Udaipur, May 28, 2019

Madhav Marbles and Granites Limited

Consolidated Balance Sheet as at March 31, 2019

(₹ in thousands)

Particulars	Note No.	As at 31/03/2019
(1) ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	2A	423809.69
(b) Capital work-in-progress	2B	8403.23
(c) Investment Property	-	-
(d) Goodwill	-	-
(e) Other Intangible assets	-	-
(f) Intangible assets under development	2C	268.38
(g) Biological Assets other than bearer plants	-	-
(h) Financial Assets		
(i) Investments	3	22412.87
(ii) Trade receivables	4(i)	44231.07
(iii) Loans	5(i)	145520.22
(iv) Other financial assets	6(i)	186648.89
(i) Deferred Tax Assets (Net)	19	-
(j) Other non-current assets	7(i)	70933.65
Current assets		
(a) Inventories	8	271916.98
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	4(ii)	267282.72
(iii) Cash and cash equivalents	9	14430.00
(iv) Other Bank balances	10	2715.90
(v) Loans	5(ii)	1761.47
(vi) Other financial asset	6(ii)	855.77
(c) Current Tax Assets (Net)	11	19214.76
(d) Other current assets	7(ii)	169379.57
Total Assets		1649785.17

Madhav Marbles and Granites Limited

(₹ in thousands)

Particulars	Note No.	As at 31/03/2019
(2) EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	12	89470.00
(b) Other Equity	13(i)	1196103.03
(c) Equity attributable to owners of the company		
Non Controlling Interest		
LIABILITIES	13(ii)	1549.00
(a) Non-current liabilities		
Financial Liabilities		
(i) Borrowings	14(i)	50758.58
(ii) Trade payables	15(i)	900.46
(b) (iii) Other financial liabilities		-
(c) Provisions	17(i)	2886.10
(d) Deferred tax liabilities (Net)	19	44995.94
Other non-current liabilities	18(i)	6723.05
(a) Current liabilities		
Financial Liabilities		
(i) Borrowings	14(ii)	140137.03
(ii) Trade payables	15(ii)	80951.74
(b) (iii) Other financial liabilities	16	2694.90
(c) Other current liabilities	18(ii)	32328.73
Provisions	17(ii)	286.61
Total Equity and Liabilities		1649785.17

Notes forming part of the financial statements

1-48

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

For and on behalf of the Board of Directors

Lalit Kothari
Partner
Membership No. 081407

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

Camp: Udaipur, May 28, 2019

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

	Particulars	Note No.	For the year ended 31/03/2019
I	Revenue From Operations	20	769570.12
II	Other Income and Other gains\ (losses)	21	48884.54
III	Total Income (I + II)		818454.66
IV	EXPENSES		
	Cost of materials consumed	22	290478.35
	Purchases of Stock-in-Trade	23	89073.71
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	(24484.31)
	Cost of Sales (Realty)	25	-
	GST/Excise duty expenses		(1806.44)
	Employee benefits expense	26	100240.28
	Finance costs	27	12988.24
	Depreciation and amortization expense	2A	47598.75
	Other expenses	28	244216.57
	Total expenses (IV)		758305.15
V	Profit/(loss) before exceptional items and tax (III- IV)		60149.51
VI	Exceptional Items		-
VII	Profit/(loss) before tax including Non Controlling interest (V-VI)		-
Less	Net Income attributable to non-controlling interest		-
	Net income excluding non-controlling interest		60149.51
VIII	Income Tax expense:		
	(1) Current tax	29(i)	8981.76
	(2) Deferred tax	29(ii)	5049.29
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		46118.45
X	Profit/(loss) from discontinued operations		-
XI	Tax expense of discontinued operations		-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		
XIII	Profit/(loss) for the period (IX + XII)		46118.45

Madhav Marbles and Granites Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2019 (cont.)

	Particulars	Note No.	For the year ended 31/03/2019
XIV	Other Comprehensive Income		
	A (i) Items that will not be reclassified to profit or loss		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-
	B (i) Items that will be reclassified to profit or loss		-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-
XV	Total Comprehensive Income for the period (XIII + XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		46118.45
XVI	Earnings per equity share (for continuing operation):		
	(1) Basic		5.15
	(2) Diluted		5.15
XVII	Earnings per equity share (for discontinued operation):		
	(1) Basic		-
	(2) Diluted		-
XVIII	Earnings per equity share (for discontinued & continuing operations)		
	(1) Basic		5.15
	(2) Diluted		5.15
	Notes forming part of the financial statements	1-48	

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

Lalit Kothari
Partner
Membership No. 081407

Camp: Udaipur, May 28, 2019

S. Panneerselvam
Chief Financial Officer

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital (₹ in thousands)

Balance at the beginning of the reporting period i.e. April 01, 2017	Changes in equity during the year 2017-18	Balance at the end of the reporting period i.e. March 31, 2018	Changes in equity during the year 2018-19	Balance at the end of the reporting period March 31, 2019
89470.00	-	89470.00	-	89470.00

B. Other Equity (₹ in thousands)

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 01, 2017	889755.30	255410.59	1145165.89
Changes in accounting policy or prior period errors	-	(474.66)	(474.66)
Restated balance at the beginning of the reporting period	889755.30	254935.93	1144691.23
Total Comprehensive Income for the year	-	17989.75	17989.77
Dividends	-	(8947.00)	(8947.00)
Dividend Distribution tax	-	(1821.40)	(1821.40)
Transfer to retained earnings	-	-	-
Any other change	-	-	-
Balance as at March 31, 2018	889755.30	262157.28	1151912.58
Changes in accounting policy or prior period errors	-	768.52	768.52
Restated balance at the beginning of the reporting period	889755.30	262925.80	1152681.10
Total Comprehensive Income for the year	-	46118.45	46118.45
Dividends	-	(2236.75)	(2236.75)
Dividend Distribution tax	-	(459.77)	(459.77)
Transfer to general reserve	100000.00	(100000.00)	-
Any other change	-	-	-
Balance as at March 31, 2019	989755.30	206347.73	1196103.03

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

For and on behalf of the Board of Directors

Lalit Kothari
Partner
Membership No. 081407

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

Camp: Udaipur, May 28, 2018

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Madhav Marbles and Granites Limited

Cash flow statement for the year ended March 31, 2019

PARTICULARS	As at 31/03/2019
A. CASH FLOW FROM OPERATING ACTIVITIES	
Total Comprehensive Income Before Tax and after exceptional items adjusted for:	60149.51
Net Loss on investment carried at fair value through profit and loss	1244.86
Prior period expenses/income not given effect in P&L	768.52
Depreciation and Ammortization	47598.75
(Profit) / Loss on sale of Fixed Assets	-
Interest Expense	12988.24
Bad Debts written off	14190.86
Provision for CSR expense	-
Provision for Gratuity	3110.95
Interest Income	28029.90
Provision for Misc. Exp	500.00
Misc Balance Written Back	(2781.62)
Provision No Longer Required Written Back	(262.21)
Foreign Exchange loss/(gain) (Net)	(17621.59)
Operating Profit Before Working Capital Changes	91856.37
Adjustments for (Increase)/ Decrease in Operating Assets:	
Inventories	3122.61
Trade and other receivables *	(111210.69)
Trade and other payables *	(10792.38)
Cash Generated from Operation	(27024.09)
Direct Taxes Paid / Tax Deducted at Source	(9003.76)
Net Cash Flow From Operating Activities (A)	(36027.85)
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets & Capital W.I.P.	(45278.97)
Proceed from Sale of Fixed Assets	-
Proceeds/(Purchase) of investment	(4200.00)
Interest Received	72912.32
Net Cash Used in Investing Activities (B)	23433.35
C. CASH FLOW FROM FINANCING ACTIVITIES	
Issue of share capital	1549.00
Long Term Borrowings / Repayments	32584.86
Repayment to / Proceeds from Banks	(3900.22)
Interest Expense	(12988.24)
Dividend Payout	(2236.75)
Tax on Dividend	(459.77)
Net Cash Flow from/ (Used in) Financing Activities (C)	14548.88
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	1954.38
CASH AND CASH EQUIVALENTS - OPENING BALANCE	198773.47
CASH AND CASH EQUIVALENTS - CLOSING BALANCE **	200727.85

* Includes current and non-current

Notes :

- 1 Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (IND AS-7) "Cash Flow Statements" as specified in the Companies (Indian Accounting Standard) (Amendment) Rules, 2017.
- 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.6 of notes forming part of the financial statement.
- 4 Cash and Cash equivalent are reflected in the Balance Sheet as follows:

Particulars	2018-19
a) Cash and Cash Equivalents disclosed under current assets [Note No.9 & 10]	17145.91
b) Cash and Cash Equivalents disclosed under non-current assets [Note No.6]	183581.94
** Total cash and cash equivalents as per cash flow statement	<u>200727.85</u>

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

Lalit Kothari
Partner
Membership No. 081407

Camp: Udaipur, May 28, 2019

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

NOTES forming part of the financial statements for the year ended March 31, 2019

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, windmill power generation and realty business. The Granite division and windmill power generation units are situated in Tamil Nadu and Marble / Realty business is carried at Udaipur.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The accounts have been prepared in accordance with the provisions of Companies Act 2013 and Indian Accounting Standards (Ind AS) and Disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

“The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016”

All the 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 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 equivalent, the Company has ascertained its operating cycle to be 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 Ind AS enjoins 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 Property, Plants and Equipments, Depreciation/Amortization

A. Property, Plants and Equipments

- i) The Property, Plants and Equipments are held for use in production, supply of goods or services or for administrative purposes. They are stated at their original cost net of tax/duty, credits availed, if any, including incidental expenditure related to acquisition and installation less accumulated depreciation. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended and includes borrowing cost capitalized in accordance with the Company's Accounting Policy.

- ii) The Property, Plants and Equipments not ready for the intended use on the date of balance sheet including expenditure incurred pending for allocation is shown as “capital work-in-progress”.

B. Depreciation

Depreciation is provided on straight line method other than on freehold land and properties under construction less their residual values over their useful lives specified in Schedule II to the Companies Act 2013. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. There is no deviation in useful life as specified 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.

C. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development”.

2.5 Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net of direct issue cost.

2.6 Borrowing Cost

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 or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

2.7 Inventories

- 1) Finished goods, Raw material, stores and spares, packing material, rejects and waste are valued at cost or net realizable value whichever is lower. 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) Realty stock is valued at lower of Cost or Net Realizable Value.

2.8 Cash and Bank Balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which are unrestricted for withdrawal and usage. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.9 Revenue Recognition

a) Sales

- i) Sales of goods are recognized on dispatch and in accordance with the terms and conditions of the sale. Sale includes indirect taxes. Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer. Export sales are recognised on the date of the mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of the transaction.
- ii) Sale from Realty 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. 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.

b) Other Income

The Company recognizes income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

2.10 Impairment of Assets

At the end of each accounting year the carrying amount of property, plant and equipment intangible assets and financial 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 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.

2.11 Taxes 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 provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

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 plant and equipment) 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.

2.13 Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Contingent liabilities are disclosed when there is a present obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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.

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 Total Comprehensive Income. 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.

Notes forming part of the financial statements

2A. Property, Plant and Equipment

(₹ in thousands)

A-1	Land Free hold	Land lease hold	Buildings	Plant and Equipment	Electrical Installation	Factory Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Mis. Fixed Assets	Site Development	Wind Mill - I	Wind Mill - II	Total
Cost as at 1st April, 2018	11408.25	-	144528.35	424621.88	33377.11	15141.16	7982.25	16532.75	7587.32	2445.58	486.85	2882.28	153962.43	55222.61	876178.82
Additions	10379.00	-	37545.55	107774.96	3060.21	4954.71	1119.04	5187.01	926.23	201.26	-	-	-	-	171147.97
Disposals	-	-	-	(25.20)	-	-	-	-	-	-	-	-	-	-	(25.20)
Cost as at 31 March, 2019	21787.25	-	182073.90	532371.64	36437.32	20095.87	9101.29	21719.76	8513.55	2646.84	486.85	2882.28	153962.43	55222.61	1047301.59
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
as at 1st April, 2018	-	-	57987.91	367517.37	29318.75	9402.86	5442.08	12276.65	7014.99	2272.20	207.77	534.13	48639.33	35279.11	575893.15
Additions	-	-	5566.30	28896.64	771.56	956.89	500.35	2062.55	373.29	145.39	43.32	45.44	6247.33	1989.69	47598.75
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31 March, 2019	-	-	63554.21	396414.01	30090.31	10359.75	5942.43	14339.20	7388.28	2417.59	251.09	579.57	54886.66	37268.80	623491.90
Net Carrying amount	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
as at 1st April, 2018	11408.25	-	86540.44	57104.51	4058.36	5738.30	2540.17	4256.10	572.33	173.38	279.08	2348.15	105323.10	19943.50	300285.67
as at 31st March, 2019	21787.25	-	118519.69	135957.63	6347.01	9736.12	3158.86	7380.56	1125.27	229.25	235.76	2302.71	99075.77	17953.81	423809.69

Notes forming part of the financial statements (cont.)

(₹ in thousands)

2B. Capital work-in-progress

	As at 31/03/2019
Building Construction	7335.93
Furniture	3.32
Factory Equipment	-
Plant and Machinery	836.24
Electrical installation	49.23
Preoperative Expenses	178.51
Total	8403.23

2C. Intangible asset under development comprises of software for the purpose of inventory control

	As at 31/03/2019
Computer Software	268.38
Total	268.38

3. Investments

	As at 31/03/2019
Investments- Non- current	
(A) Investments carried at fair value through profit or loss	
Mutual Funds (quoted)	
NAME OF THE MUTUAL FUND	
SBI Blue Chip Fund- Regular Plan Growth (Units as on 31.03.2019 - 137016.6020 , as on 31.03.2018- 111006)	5392.23
Birla Sun Life Pure Value Fund Growth (Units as on 31.03.2019 - 102602.0490 , as on 31.03.2018- 85853)	5383.63
Sundaram Rural India Fund Regular Growth (Units as on 31.03.2019 - 146440.8350 , as on 31.03.2018- 122857)	6148.30
Sundaram S.M.I.L.E. Fund Regular Plan Growth (Units as on 31.03.2019 - 64584.766 , as on 31.03.2018- 51867)	5488.71
Total	22412.87

4. Trade receivables

	As at 31/03/2019
(i) Trade receivables- Non- current	
Unsecured	
Considered good	44231.07
	44231.07
(ii) Trade receivables- Current	
Unsecured	
Considered good	267782.72
	267782.72
Total	312013.79

Notes forming part of the financial statements (cont.)

(₹ in thousands)

5. Loans (Unsecured, Considered Good Unless Otherwise Stated):

	As at 31/03/2019
(i) Non- current	
(a) Security deposits	10925.72
(b) Others	134594.50
	145520.22
(ii) Current	
(a) Security deposits	1341.00
(b) Others	420.47
	1761.47
Total	147281.69

6. Other financial assets

	As at 31/03/2019
(i) Non- current	
Balances with banks	
(i) In Margin Money	5893.71
(ii) Other Bank balances	
- Fixed deposits having maturity more than 12 months	177688.22
- Interest accrued on fixed deposit/ Interest receivable	3066.96
	186648.89
(ii) Current	
Interest accrued on fixed deposit/ Interest receivable	855.77
	855.77
Total	187504.66

Notes forming part of the financial statements (cont.)

(₹ in thousands)

7. Other assets

	As at 31/03/2019
(i) Non- current	
Advance to suppliers	10375.43
Project advances	58118.28
Preoperative Expenses	2439.94
	70933.65
(ii) Current	
Advance to suppliers	81863.49
Prepaid Expenses	3443.18
Balances with government authorities	
VAT/ CST Receivable	6702.29
Service Tax credit receivable	10049.31
Excise Duty Refundable	3131.74
GST input tax credit	64179.51
Others	10.05
	169379.57
Total	240313.22

8. Inventories

	As at 31/03/2019
Raw Material	47728.15
Work-in-progress	14069.49
Finished Goods	124827.48
Stock in Trade	
Real Estate	31602.80
Goods	471.82
Stores & Spares	50112.85
Others	3104.39
Total	271916.98

Notes forming part of the financial statements (cont.)

(₹ in thousands)

9. Cash and cash equivalents

	As at 31/03/2019
Cash in hand	255.12
Balances with banks:	
In Current Accounts	11429.02
In EEFC account	2745.86
In Fixed Deposit (Less than 3 months to Maturity)	-
Total	14430.00

10. Other bank balances

	As at 31/03/2019
Term Deposit with original maturity more than 3 months but less than 12 months	21.00
Earmarked balances with banks-Unpaid Dividend	2694.90
Total	2715.90

11. Current tax assets

	As at 31/03/2019
Advance tax	49067.61
Tax deducted at source	5770.53
Minimum Alternative Tax credit entitlement	13559.31
Less: current tax payable	(12382.86)
Less: current tax provision	(36799.85)
Total	19214.76

Notes forming part of the financial statements (cont.)

(₹ in thousands)

12. Equity Share Capital

	As at 31/03/2019
(a) Authorised :	
172,50,000 (Previous Year 172,50,000) Equity Shares of Rs.10/- each	172500.00
75,000 (Previous Year 75,000) Cumulative Convertible Preference Shares of Rs.100/- each	7500.00
	<u>180000.00</u>
(b) Issued, Subscribed and Paid Up:	
89,47,000 (Previous Year 89,47,000) Equity Shares of Rs.10/- each fully paid up	89470.00
	<u>89470.00</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	8947.00
Issued during the year	-
Outstanding at the end of the year	<u>8947.00</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:-

(in thousands)

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of Shares held in the company	% of shares Held	No. of Shares held in the company	% of shares Held
Mumal Marketing (P) Ltd. (formerly known as Mumal Finance (P) Ltd.)	782.60	8.75	782.60	8.75
Aruna Doshi	633.44	7.08	586.45	6.55
Madhav Doshi	713.80	7.98	133.40	1.49
Subramanian P	740.47	8.28	740.47	8.28
Ashok Doshi (now deceased)	-	-	578.90	6.47

Notes forming part of the financial statements (cont.)

(₹ in thousands)

13.(i) Other equity

	As at 31/03/2019
Other equity consists of following	
(a) General reserve	
(i) Opening balance	889755.30
(ii) Transfer from surplus in Statement of Profit & Loss	100000.00
Total (A)	<u>989755.30</u>
(b) Retained earnings	
(i) Opening balance	262157.28
Total comprehensive income	46118.45
Changes in accounting policy or prior period errors	768.52
(ii) Less: Appropriations	
Dividend On Equity Shares	(2236.75)
Dividend Distribution tax	(459.77)
Transfer To General Reserve	100000.00
Total (B)	<u>206347.73</u>
Closing balance of other equity Total (A+ B)	<u>1196103.03</u>

13.(ii) Non-controlling Interest

	As at 31/03/2019
Share capital	1549.00
Add: Reserve & Surplus	-
Closing balance of other equity	<u>1549.00</u>

Notes forming part of the financial statements (cont.)

(₹ in thousands)

14. Borrowings

	As at 31/03/2019
(i) Non-Current borrowings	
Term Loans (Secured)	
From banks	69966.72
Less: Current Maturities of Long Term debt {refer Note 13 (b)}	(19208.14)
	<u>50758.58</u>
(ii) Current borrowings	
Loans (Secured)	
Bank Overdrafts*	108235.89
Current Maturities of long term Debt	19208.14
From Directors	12693.00
	<u>140137.03</u>
Total	190895.61

* Note: The Bank Overdraft facility is availed from IDBI Bank Limited and HDFC Bank. The Bank Overdraft facility availed from IDBI Bank Limited is secured by pledge of fixed deposits. The Bank Overdraft facility availed from HDFC Bank is secured by mortgage of assets.

The Term Loan comprises of Foreign Currency loan from HDFC Bank Ltd. which is secured against:

- (i) Equitable mortgage of the land and building situated at, Thoppur Village, Dharmapuri Taluk, Salem as collateral security,
 - (ii) Hypothecation by way of first and exclusive charges on all present and future current assets inclusive of Stocks & book debts.
- The loan is repayable in equated monthly instalments commencing from December 2017 till December 2022 and carrying interest rate @ LIBOR + 2.5%. The Loan is further secured by personal guarantee of Mr.Sudhir Doshi (Whole Time Director).

15. Trade payables

	As at 31/03/2019
(i) Non- current	
Due to Micro and Small Enterprises *	-
Other than dues to Micro and Small Enterprises	900.46
Acceptances	-
	<u>900.46</u>
(ii) Current	
Due to Micro and Small Enterprises *	6166.41
Other than dues to Micro and Small Enterprises	74785.33
Acceptances	-
	<u>80951.74</u>
Total	81851.96

* Considering the Company has been extended credit period up to 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 basis of intimation received, on request made by the Company, with regards to vendors registration under the said act.

* Refer Note No. 46

Notes forming part of the financial statements (cont.)

(₹ in thousands)

16. Other financial liability

	As at 31/03/2019
Current	
Unpaid/ unclaimed dividend	2694.90
Total	2694.90

17. Provisions

	As at 31/03/2019
(i) Non- current	
Provisions for employee benefits	
(i) Provision for Gratuity	2886.10
	<u>2886.10</u>
(ii) Current	
Provisions for employee benefits	
(i) Provision for Gratuity	286.61
(ii) Provision for CSR Expenses	-
	<u>286.61</u>

18. Other liabilities

	As at 31/03/2019
(i) Other Non- current liabilities	
(a) Advance from customers	6723.05
	<u>6723.05</u>
(ii) Other Current liabilities	
(a) Advance from customers	7233.89
(b) Employees Benefit expenses payable	4950.04
(c) Others	
- Statutory dues including PF and TDS	3958.70
- Others	16186.10
	<u>32328.73</u>
Total	39051.78

Notes forming part of the financial statements (cont.)

(₹ in thousands)

19. Deferred tax assets/ liabilities

	As at 31/03/2019
Deferred Tax Liabilities	
On account of timing difference in:	
Depreciation	47346.73
Others	-
Gross deferred Tax Liability	47346.73
Deferred Tax Asset	
On account of timing difference in:	
Depreciation	-
Expenses	1309.74
Others	1041.05
Gross deferred Tax Assets	2350.79
Net Deferred Tax (Assets)/Liabilities	44995.94

20. Revenue from operations

	For the Year Ended 31/03/2019
(a) Sale of Products (Refer Note 2.9)	798057.19
Less:- Inter divisional transfers	36793.15
	<u>761264.04</u>
(b) Other operating revenues	8306.08
Total revenue from operations	769570.12

21. Other income & other gains\ (losses)

	For the Year Ended 31/03/2019
(a) Other income	
Interest income	28029.90
Profit on sale of asset	-
Balance written off	-
Misc Balance Written Back	2781.62
Rental Income	69.20
Bad Debts Recovered	108.30
Provision No Longer Required Written Back	262.21
Miscellaneous Income	11.72
	<u>31262.95</u>
(b) Other gains\ (losses)	
Net Gain on Foreign Currency Transactions & Translations	17621.59
Provision no longer Required written back	-
Net gain on investment carried at fair value through profit and loss	-
	<u>17621.59</u>
Total	48884.54

Notes forming part of the financial statements (cont.)

(₹ in thousands)

22. Cost of material consumed

	For the Year Ended 31/03/2019
Opening Stock	
Raw material	79665.11
Packing material	2079.70
Purchases & expenses	259566.08
	<u>341310.89</u>
Less : Closing Stock	
Raw material	47728.15
Packing Material	3104.39
	<u>50832.54</u>
Total raw material and packing material consumed	290478.35

23. Purchase of stock in trade

	For the Year Ended 31/03/2019
Marble/Stone - Tiles / Slabs/ Block	29988.50
Granite - Tiles / Slabs / Block	26052.75
Quartz slabs	33032.46
Total	89073.71

24. Changes in inventories of Finished Goods, WIP & Stock in Trade

	For the Year Ended 31/03/2019
Opening balances	
Finished Goods	90419.12
Work-in-progress	24415.86
Goods for Trade	49.50
Power	-
Total Opening balances	<u>114884.48</u>
Closing balances	
Finished Goods	124827.48
Work-in-progress	14069.49
Goods for Trade	471.82
Power	-
Total Closing balances	<u>139368.79</u>
Total changes in inventories of finished goods, WIP, Stock-in-trade	(24484.31)

Notes forming part of the financial statements (cont.)

(₹ in thousands)

25. Cost of sales (Realty)

	For the Year Ended 31/03/2019
Purchases Land Value	-
Add : Cost of conversion, labour, material and other charges	-
Total Cost	-
Add : Opening Work in progress :	31602.80
Less : Closing Work in progress :	31602.80
Cost of sales	-

26. Employee benefit expenses

	For the Year Ended 31/03/2019
Salary, Wages & Allowances	84069.57
Welfare expenses	6856.02
Contribution to Provident and other fund	9314.69
Total	100240.28

27. Finance cost

	For the Year Ended 31/03/2019
Interest expenses	9375.05
Other financial charges	3613.19
Total	12988.24

Notes forming part of the financial statements (cont.)

(₹ in thousands)

28. Other expenses

	For the Year Ended 31/03/2019
Stores & Spares Consumed	94156.34
Power & Fuel	29555.96
Repairs & Maintenance	
-Building	5984.06
-Plant & Machinery	23557.26
-Others	1122.46
Other Manufacturing Expenses	7491.23
Printing & Stationary	772.74
Postage, telegram, telephone	1424.08
Conveyance & vehicle running and maintenance	3114.72
Donation	5.00
Travelling	6870.04
Legal, Professional & Consultancy	2121.87
General Insurance	433.78
Selling expenses	41776.23
Rent Expenses	612.00
Electricity Expenses	112.34
Subscription to Association	38.35
Annual Maintenance Charges	5403.89
Security expenses	718.70
Office Maintenance	498.69
Bad debts written off	14190.86
Rates & taxes	2008.24
Net Loss on Investment carried at fair value through profit and loss	1244.86
CSR Expense	-
Payment to auditors	135.00
Miscellaneous expenses	867.87
Total	244216.57

Notes forming part of the financial statements (cont.)

(₹ in thousands)

29. Income tax expenses

	For the Year Ended 31/03/2019
(i) Current tax	
Tax on the profits of current year	12382.86
Adjustments for tax of prior period	-
Less: MAT credit entitlement	3401.10
	8981.76
(ii) Deferred tax	
Decrease/(Increase) in deferred tax asset	1190.72
(Decrease)/Increase in deferred tax liability	3858.57
	5049.29

30. Contingent liabilities not provided for in respect of

Sr. No.	Particulars	As at 31/03/2019
1.	"Bank Guarantees/Letter of Credit issued by bank (Net of fixed deposit pledged)"	4075.00
2.	Income Tax Liability (including penalty) that may arise in respect of matters which are pending in appeal	49132.00
3.	Central Excise Liability (including penalty) that may arise of matters which are pending in appeal	25400.00
4.	Bond executed in favour of customs, excise and DGFT authorities (Net of bank guarantee given)	81500.00

31. Payment to Auditors

Sr. No.	Particulars	For the Year Ended 31/03/2019
1.	As Auditor- Statutory Audit	135.00
2.	For Tax Audit	-
3.	For Taxation matters	-
4.	Other matters/ certification	10.00
5.	Reimbursement of out-of-pocket expenses	25.34
	Total	170.34

32. Earning Per Share

Particular	For the Year Ended 31.03.2019
Total Comprehensive Income (Rs.)	46118.45
Weighted average number of equity shares outstanding (in thousands)	8947.00
Nominal value of the shares (Rs.)	10
Basic & Diluted Earning per share (Rs.)	5.15

Notes forming part of the financial statements (cont.)

(₹ in thousands)

33. Related party disclosures:

Related party disclosures, as required by IND AS - 24 "Related Party Disclosures" 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

Individual exercising control or significant influence.

Directors : Mr. Ravi Kumar Krishnamurthi (Chairman)

; Mr. Prakash Kumar Verdia

; Mr. Roshan Lal Nagar

Managing Director and relatives : Mr. Madhav Doshi, Managing Director (w.e.f. 01.05.2018)

: Mrs. Riddhima Doshi, Wife of Madhav Doshi

: Late Mr. Ashok Doshi, Managing Director (till 24.02.2018)

Whole-time Director : Mr. Sudhir Doshi

(ii) In respect of the outstanding balance recoverable as at March 31, 2019, 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

(₹ in thousands)

Sr. No.	Name of the transacting related party	Nature of Relationship	Nature of Transaction	Volume of Transaction	Amount outstanding as on 31.03.2019
1.	Late Ashok doshi	Ex-Managing Director	Remuneration and Perquisites	0 (5208.94)	Nil
2.	Sudhir Doshi	Whole Time Director	Remuneration and Perquisites	3554.14 (3525.36)	Nil
3.	Madhav Doshi	Managing Director and CEO	Remuneration and Perquisites	5573.71 (4685.80)	Nil
4.	Riddhima Doshi	Wife of Madhav Doshi	Remuneration and Perquisites	3438.60 (2512.79)	Nil
5.	S.S.Janakarajan	CFO (01-04-17 to 25-08-17)	Remuneration and Perquisites	- (551.34)	Nil
6.	S.Panneerselvam	CFO (26-08-17 to 31-03-19)	Remuneration and Perquisites	817.14 (630.96)	Nil
				-	

Note : Previous year figures are given in brackets.

Notes forming part of the financial statements (cont.)

(₹ in thousands)

34. Employee Benefits

a) Defined benefit plan - As per Actuarial Valuation on March 31, 2019

Particulars	For the Year Ended 31/03/2019
I Amount recognized in the Statement of Profit and Loss	
Current Service Cost	1094.63
Interest Cost	1148.06
Expected Return on Plan Assets	83.31
Actuarial (gain)/Loss on obligation	2570.74
Expense/(Income) recognized in the Statement of Profit and Loss	4896.75
II Actual return on plan assets	
Expected Return on Plan Assets	(83.31)
Actuarial gain/(loss) on Obligation	NIL
Actual Return on plan assets	(83.31)
III Amount recognized in the Balance Sheet	
Present Value of Funded Obligation	18623.36
Fair Value of Plan Assets	18490.10
Net asset/(Liability) recognized in Balance Sheet (Included under provision for employee benefits Refer Note '17')	(133.26)
IV Change in the present value of obligation	
Opening balance of present value of obligation	14350.79
Interest Cost	1148.06
Current Service Cost	1094.63
Benefits Paid	(540.87)
Actuarial (gain)/loss on Obligation	2570.74
Closing Balance of present value of obligation	18623.36
V Change in fair value of plan assets	
Opening Balance of fair value of plan assets	15194.90
Expected return on plan assets	(83.31)
Contributions	3919.38
Benefits Paid	(540.87)
Actuarial Gain/(loss) on plan assets	NIL
Closing balance of fair value of plan assets	18490.10

(b) Actuarial Assumption

Particulars	% per annum 31.03.2019
Discount Rate	8.00%
Salary Escalation	8.00%
Rate of return on plan assets	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.

Notes forming part of the financial statements (cont.)

35. Segment reporting for the year ended 31/03/2019

(a) Information about Primary Business Segments

1) Segment revenue : (₹ in thousands)

Particular	For the Year Ended 2018-19
(a) Granite & Stone Division	769570.12
(b) Realty Division	-
(c) Power Generation Unit	36793.15
(d) Unallocated	-
Total	806363.27
Less: Inter segment revenue	36793.15
Net Sales / Income from operations	769570.12

2) Segment Results (Profit/ Loss)

Particular	2018-19
(a) Granite & Stone Division	36179.17
(b) Realty Division	-
(c) Power Generation Unit	22935.02
(d) Unallocated	14023.55
Total	73137.74
Less: (I) Interest	12988.24
(II) Other un allocable expenditure Net of unallocable income	-
Total Profit before Tax	60149.50

3) Capital Employed (Segment assets less segment liabilities)

Segment Assets	2018-19
(a) Granite & Stone Division	1434984.51
(b) Realty Division	31602.80
(c) Power Generation Unit	191394.89
(d) Unallocated	173743.73
Sub-Total	1831725.93

Segment Liabilities	2018-19
(a) Granite & Stone Division	390207.25
(b) Realty Division	350.00
(c) Power Generation Unit	47782.48
(d) Unallocated	-
Sub-Total	438339.74

Capital Employed	2018-19
(a) Granite & Stone Division	104477.26
(b) Realty Division	31252.80
(c) Power Generation Unit	143612.41
(d) Unallocated	173743.73
Sub-Total	1393385.95

Notes forming part of the financial statements (cont.)

(₹ in thousands)

(b) Information about Secondary Business Segments

Revenue by Geographical Segment

i) Segment-wise Revenue

Particulars	For the Year Ended 2018-19		
	Revenue from customers Outside India	Revenue from customers within India	Total Revenue
(a) Granite & Stone Division	747133.60	22436.51	769570.12
(b) Realty Division	-	-	-
(c) Power Generation Unit	-	36793.15	36793.15
(d) Unallocated	-	0.00	-
Total Revenue	747133.60	59229.66	806363.27
Less: Inter segment revenue			36793.15
Net Sales / Income from operations			769570.12

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.

36. Sales (Including Exports):

Particulars	For the Year Ended 31/03/2019
(A) Sale of Product (Manufactured)	
Granite Tiles	196855.34
Granite Slabs	442861.46
(B) Goods Traded In:	
Rough Block	-
Marble Slabs	91558.71
Marble Tiles	-
Granite Tile	1352.36
Granite Slabs	24264.26
Quartz	4371.91
Property development and other	-
(C) Sale of Power :	-
Total	761264.04

37. Closing inventory

1) Finished Goods

Particulars	For the Year Ended 31/03/2019
Granite Tiles	57224.98
Granite Slabs	67602.51
Real Estate	31602.80
Total	156430.29

Notes forming part of the financial statements (cont.)

(₹ in thousands)

2) Traded Goods

Particulars	For the Year Ended 31/03/2019
Marble /Granite Tiles / slabs	471.82
Total	471.82

3) Work in progress:

Particulars	For the Year Ended 31/03/2019
Granites Tiles	5811.54
Granites Slabs	8257.95
Total	14069.49

38. Disclosures of Derivatives:

(a) The particulars of derivative contracts entered into for hedging purposes outstanding as at March 31, 2019 are as under:

Foreign Currency	31/03/2019 Forward USD
For Hedging outstanding receivables:	Nil
	Nil

Note : Previous year figures are given in brackets.

(b) Un-hedged foreign currency exposures as at March 31,2019 are as under :

Foreign Currency	31/03/2019 Forward USD	31/03/2019 Forward EURO	31/03/2019 Forward CAD
For Uncovered risks : Receivables	Nil	Nil	Nil
	Nil	Nil	Nil

Note : Previous year figures are given in brackets.

39. Value of Imported / Indigenous Materials Consumed:

Particulars	For the Year Ended 31/03/2019	
	%	Amount
Raw Materials	-Imported	5.65%
	-Indigenous	94.35%
		100.00%
Stores & spares	-Imported	42.08%
	-Indigenous	57.92%
		100.00%
		263636.79
		94156.35

40. Value of import on CIF basis:

Particulars	For the Year Ended 31/03/2018
Raw material	1391.23
Consumables & Stores & spares	47688.44
Material purchased from Supplier's warehouse at ICD, Bangalore	8660.80
Capital goods	-
Total	57740.47

Notes forming part of the financial statements (cont.)

(₹ in thousands)

41. Expenditure in Foreign Currency:

Particulars	For the Year Ended 31/03/2019
Travelling	4084.02
Selling commission	161.26
Other expenses:	1834.79
Total	6080.07

42. Earning in Foreign exchange:

Particulars	For the Year Ended 31/03/2019
On account of export calculated at FOB value (including third party exports Rs. 7173.81 previous year Rs. 4250.43)	649085.71

43. Remittance of Foreign Currency on account of dividends:

Particulars	For the Year Ended 31/03/2019	For the Year Ended 31/03/2018
No. of Share Holders	91	95
No. of Share	895	37100
Gross Amount (Rs.)	8.95	37.10
Related to Year	2017-18	2016-17

44. Prior period adjustment represent:

Sr. No.	Particulars	For the Year ended 31/03/2019
1	Debit relating to earlier year	-
2	Credit relating to earlier year	768.52
	Total	768.52

45. Financial Instruments - (Accounting classifications and fair value measurements)

Particulars	Carrying Amount	Fair value		
	As at 31/03/2019	Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
Investments in equity instruments	22412.88	22412.88	-	-

Notes forming part of the financial statements (cont.)

(₹ in thousands)

46. The Group has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2019. The disclosure pursuant to the said Act is as under:

Particulars	For the Year Ended 2018-19
Principal amount due to suppliers under MSMED Act	6,166.41
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-
Interest paid to suppliers under MSMED Act (Section 16)	-
Interest due and payable to suppliers under MSMED Act for payments already made	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-
Amount of further interest remaining due and payable even in the succeeding years	-
Total	6,166.41

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

48. The Company named "Madhav Natural Stone Surfaces Private Limited" was incorporated on 12/10/2018 as a subsidiary of the company. Hence yearly consolidated figures for 2018-19 has been provided. This being the first year, accordingly no corresponding consolidated figure for 2017-18 has been provided.

49. Figures have been rounded off to nearest Rupees.

SIGNATURES TO THE NOTES '1' TO '49'

In terms of our Audit Report attached
For **L. S. KOTHARI & CO.**
Chartered Accountants
ICAI Firm Registration No. 001450C

Lalit Kothari
Partner
Membership No. 081407

Camp: Udaipur, May 28, 2019

For and on behalf of the Board of Directors

Madhav Doshi
Managing Director
DIN: 07815416

Sudhir Doshi
Whole Time Director
DIN: 00862707

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Form AOC - 1

Pursuant to the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 and Companies (Accounts) Amendment Rules, 2016.

Statement containing salient features of the financial statements of subsidiaries, associate companies and joint ventures

Part A: Subsidiaries

(Rs. In million)

Sr. No.	Name of the Subsidiary	Madhav Natural Stone Surfaces Private Limited
1	The date since when subsidiary was acquired	Incorporated on October 12, 2018
2	Reporting period for the subsidiary concerned, if different from the Holding company's reporting period	Same as reporting period of Madhav Marbles and Granites Limited
3	Reporting currency	Indian Rupee
4	Share Capital	4.60
5	Reserves and Surplus	Nil
6	Total Assets	70.18
7	Total Liabilities	70.18
8	Investments	Nil
9	Turnover	Nil
10	Profit before Taxation	-
11	Provision for Taxation	-
12	Profit after Taxation	-
13	Proposed dividend (including tax thereon)	Nil
14	Extent of shareholding (in percentage)	66.33%

Notes:

Madhav Natural Stone Surfaces Private Limited is yet to commence commercial operations.

Part B: Associate Companies and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors

Madhav Doshi
CEO and Managing Director
DIN: 07815416

S. Panneerselvam
Chief Financial Officer

Priyanka Manawat
Company Secretary

Sudhir Doshi
Whole Time Director
DIN: 00862707

Madhav Marbles and Granites Limited

CIN: L14101RJ1989PLC004903

Regd. Office: First Floor, "Mumal Towers" 16, Saheli Marg, Udaipur- 313 001 (Raj.)

Web: www.madhavmarbles.com, Email: investor.relations@madhavmarbles.com

Tel: 0294-2981666

Attendance Slip for 30th Annual General Meeting

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

I/We hereby record my/our presence at the Thirtieth Annual General Meeting of the Company on Monday, September 30, 2019 at 04:30 p.m. at Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur- 313001, (Raj.)

Folio No./ DPID & Client ID	
Name	
Address	
Joint Name 1	
Joint Name 2	

Signature of Member/Proxy

Madhav Marbles and Granites Limited

CIN: L14101RJ1989PLC004903

Regd. Office: First Floor, "Mumal Towers" 16, Saheli Marg, Udaipur- 313 001 (Raj.)

Web: www.madhavmarbles.com, Email: investor.relations@madhavmarbles.com Tel: 0294-2981666

PROXY FORM (FORM No. MGT-11)

Folio No./Client Id/ DP Id : _____

Name of the Member: _____

Registered Address: _____

Email ID: _____

I/We, being the member(s) of _____ shares of the above named Company hereby appoint

1. Name	2. Name	3. Name
Address	Address	Address
Email ID:	Email ID:	Email ID:
Signature _____ or failing him	Signature _____ or failing him	Signature _____

as my / our proxy to attend and vote for me/us and on my/our behalf at the 30th Annual General Meeting of the Company to be held on Monday, September 30, 2019 at 04:30 p.m. at Hotel Rajdarshan, 18, Pannadhai Marg, Udaipur-313001 and at any adjournment thereof in respect of such resolutions, as are indicated below:

S. No.	Resolutions:
Ordinary Business	
1.	To receive, consider and adopt: (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the report of Auditors thereon.
2.	To declare a dividend on equity shares for the financial year ended March 31, 2019
3.	To appoint a Director in the place of Mr. Madhav Doshi (DIN: 07815416) who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
4.	Re-appointment of Mr. Ravi Kumar Krishnamurthi (DIN: 00464622) as an Independent Director
5.	Re-appointment of Ms. Swati Yadav (DIN: 06572438) as an Independent Director of the Company
6.	To approve continuation of payment of remuneration to Executive Directors who are Promoters/members of the promoter group in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018
7.	To seek approval of Shareholders, pursuant to applicable provisions of the Companies Act, 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for authorizing the Board to enter into related party transaction by giving loans to; and/or making investments in; and/or providing security / guarantee to secure obligations of, present and/or future Subsidiary and/or Associate of the Company upto an aggregate financial limit of Rs. 100 Crores.

Signed this _____ day of _____ 2019

Signature of the Shareholder: _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Glimpse of CSR activities.



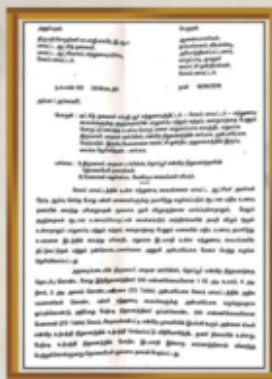
Barricades supplied to Local Police at Thoppur for managing Traffic



Company had provided desks and benches for serving Food to Children at Government Schools located at Thoppur, Dharmapuri District, Tamilnadu



Acknowledgment received from schools for benches delivered



Sl. No.	name of school/college	quantity	date of delivery
1
2
3
4
5
6
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8
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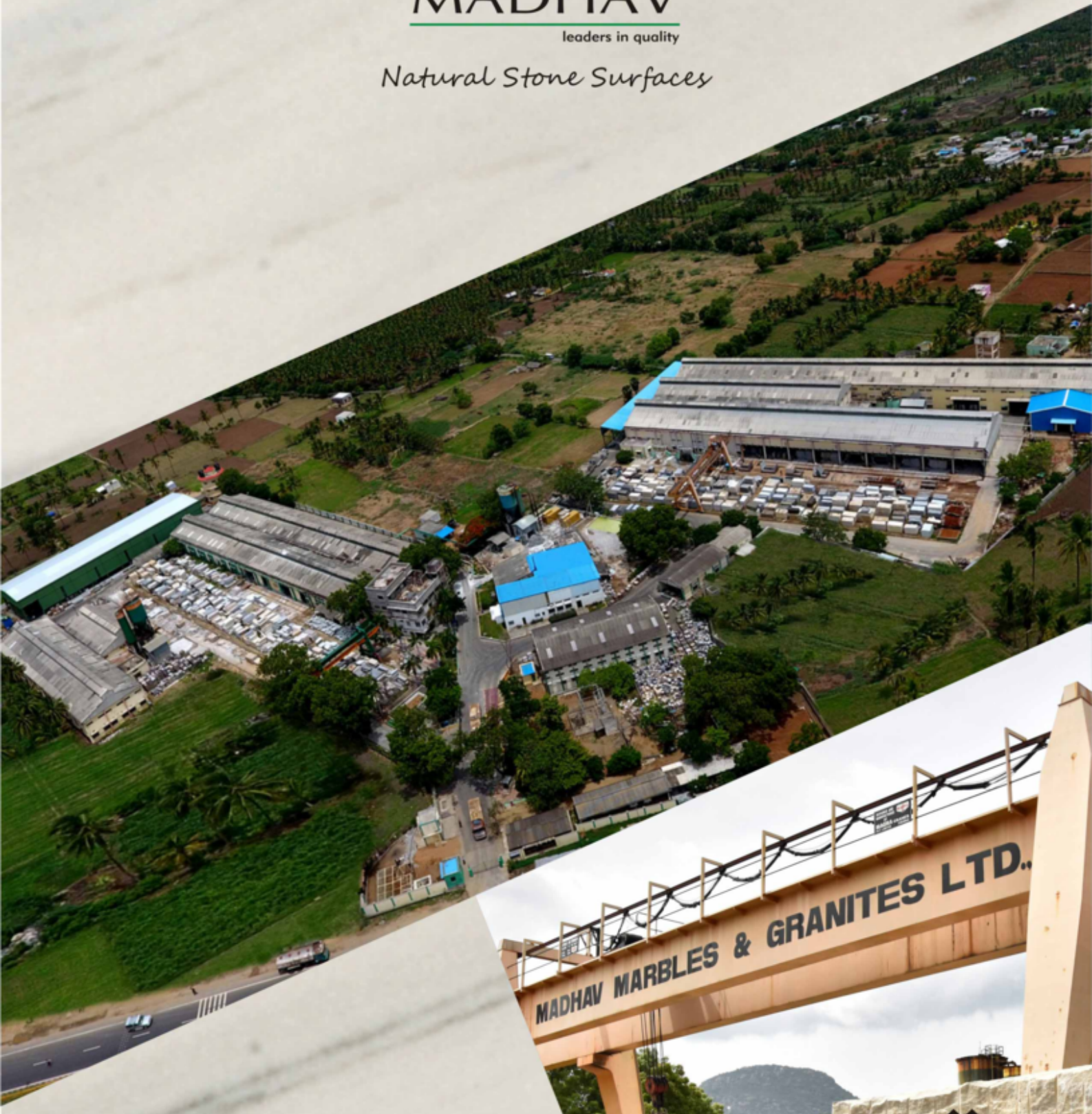




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