

ANNUAL REPORT 2013 -14

Board of Directors

Shri Nand Lal Inani, Chairman
Capt. Suresh Kumar Inani, Managing Director
Shri Dinesh Kumar Inani, Whole time Director
Shri Harish Kumar Inani, Director
Shri Rajesh Kumar Inani, Director
Shri Prem Narayan Sharma, Director
Shri Ravi Birla, Director

Auditors

M/s. Nyati Mundra & Co.
Chittorgarh (Raj.), and
M/s. Mahesh C. Solanki & Co.
Indore (M.P)

Company Secretary

CS Anil Kumar Jain

Bankers

State bank of Bikaner & Jaipur
Chittorgarh (Raj.)

Registrar & Share Transfer Agents

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardesipura,
Indore - 452001(M.P)

Registered Office

F-17 & 58, RIICO Industrial Area,
Chittorgarh (Raj.)-312001
Tel. No: 01472-256711-716
Email id: inanimarble@gmail.com
Website: www.inanimarbles.com

Administrative Office

501-E "Green Woods"
Mathuradas Vasanji Road
Andheri Kurla Road,
Andheri (E)
Mumbai – 400093 (Maharashtra)

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of Inani Marbles & Industries Ltd. will be held on Monday, 29th September, 2014 at 10.00 A.M. at Inani Marble & Granites ARAJI No. 1312, Mataji Ki Pandoli, Chittorgarh (Rajasthan)-312001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and Statement of Profit & Loss Account of the Company for the year ended on the same date together with the Report of Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2014.
3. To appoint a Director in place of Shri Harish Inani(DIN: 00219679) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Rajesh Inani(DIN: 00410591) who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT subject to the provisions of section 139, 142 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Nyati Mundra & Co. Chartered Accountants vide ICAI Firm Reg. No. 008153C and M/s Mahesh C. Solanki & Co., Chartered Accountants vide ICAI Firm Reg. No. **06228C** in place of Jagdish Rathi & Associates, Chartered Accountants (firm merged with M/s Mahesh C. Solanki & Co w.e.f 31st December, 2013), for which the company has received special notice, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

6. To appoint Mr. Ravi Birla (DIN: 01110766) as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014 , and the clause 49 of the listing agreement as may be amended from time to time, Mr. Ravi Birla (DIN: 01110766), Director of the Company, who was holding position of the independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment , be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and he shall not be liable to retire by rotation."

7. To appoint Mr. Prem Narayan Sharma (DIN: 01179163) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014 , and the clause 49 of the listing agreement as may be amended from time to time, Mr. Prem Narayan Sharma (DIN: 01179163), Director of the Company, who was holding position of the independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment , be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31st March, 2019 and he shall not be liable to retire by rotation."

8. De-listing of Equity Shares from Stock Exchanges

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

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 (hereinafter referred to as the "Delisting Guidelines") and subject to the provision of the Companies Act, 2013, (including any statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulation) Act, 1956, and the Rules made there under, Listing agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modification(s) as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by the Resolution), the consent of the Company be and is hereby accorded to the Board for de-listing of Equity Shares of the Company from Madhya Pradesh Stock Exchange, Indore; Ahmedabad Stock Exchange, Ahmedabad; Jaipur Stock Exchange Ltd, Jaipur; and Saurashtra & Kutch Stock Exchange, Rajkot."

"RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

9. Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the company U/s 180 (1) (a) of the Companies Act, 2013

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

"RESOLVED THAT in supersession of the earlier resolution passed under Section 293(1)(a) of the Companies Act, 1956 and pursuant to the provision of Section 180(1)(a) and the other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof,, the consent of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of Directors which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by the resolution) to mortgage and/or charge/hypothecation/pledge/create security in any form or manner on all or any of the immovable and movable properties of the Company, wherever situated, both present and future or the whole or substantially the whole of the undertaking or undertakings for securing any loan(s) or facility(ies) including Rupee Loans, foreign currency loan, debentures, bonds, or other instrument or fund based non fund based working capital facilities availed or as may be availed from time to time from any

financial Institutions / banks / insurance companies or person or persons or entities together with interest, costs, charges, commitment charges expenses and any other money payable by the company to the concerned lenders up to value not exceeding limit approved by shareholders under Section 180(1)(c) of the Companies Act, 2013 from time to time.

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu/ subservient with/ to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

10. Authority to obtain loan/borrowings under Section 180 (1)(c) and (2) of the Companies Act, 2013

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

"RESOLVED THAT supersession of the earlier resolution passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013, as may be applicable (including any statutory modification(s), amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as " the Board" which term shall be deemed to include any committee of Directors which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by the resolution) for borrowing any sum or sums of monies from time to time for the purpose of the Company's business on such terms and conditions and with or without security from any bank, financial institutions or any other lending institutions, firms, bodies corporate or persons, of India or otherwise from the foreign parties/entities subject to the provisions of the FDI and/or FEMA, as may be considered appropriate and suitable by the Board notwithstanding that the sum or sums of monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free-reserves, provided that the total amount so borrowed by the Board shall not at any time

exceed the limit of Rs. 100 Crores (Rupees One Hundred Crores) over and above the paid up capital of the Company and its free reserves.”

“RESOLVED FURTHER THAT Board of Directors be and is hereby further authorized to create mortgages and/or charges on such properties of the Company as it may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution.”

By Order of the Board of Directors
For INANI MARBLES & INDUSTRIES LIMITED

Place : Chittorgarh
Date : 14/08/2014

(ANIL KUMAR JAIN)
Company Secretary

INANI MARBLES & INDUSTRIES LIMITED

CIN: L14101RJ1994PLC008930

Registered Office: F-17 & 58,
RIICO Ind. Area, Chittorgarh(Raj)-312001.

WEB: www.inanimarbles.com

EMAIL: inanimarble@gmail.com

Phone: 01472-256711 to 256714

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXY REPRESENTATION MUST BE REGISTERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.** The Instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office of the Company not less than 48 hours before the commencement of Meeting.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member. A proxy form for the Annual General Meeting is enclosed.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Members are requested to:
 - a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio/DPID number in all their correspondence.
 - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - e) Send their Email address to us for prompt communication and update the same with their Depository Participants to receive softcopy of the Annual Report of the Company.
5. The Register of Members and share transfer book of the Company will remain closed during the period from Friday 26th Day of September, 2014 to Monday 29th Day of September, 2014 (both days inclusive) for the purpose of payment of dividend to those members whose name stand on the Register of Members as on Thursday, 25th September, 2014. The Dividend in respect of equity shares held in electronic form will be payable to the beneficial owner of the equity shares as at the end of business hours on Thursday, 25th September, 2014, as per the details furnished by the depositories for this purpose.

6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Members may also note that Notice of this Annual General Meeting and the Annual Report for financial year 2013-14 will also be available for the Company's website i.e. www.inanimarbles.com
9. The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
10. Subject to the provision of the Companies Act, 2013, dividend as recommended by the Board of Director, if declared at the meeting, will be paid on or after Monday, 29th September, 2014 to those members whose names appear on the Register of Members as on Thursday, 25th September, 2014.
11. Members are requested to send their queries, if any at least 7 days in advance so that information can be made available at the meeting.
12. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Anil Kumar Jain, Company Secretary & Compliance officer, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund.
13. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.

14. Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore (M.P)-452010.
15. The Company has designated an exclusive email ID inanimarble@gmail.com which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
17. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Annual Report. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
18. Copy of Annual Report 2013-2014 is being sent by electronic mode to all the members whose email ids are registered with the company / depository participant(s) for communication purpose unless any member has requested for a hard copy of the same. Members who have not registered their e-mail addresses so far are requested to register the same with the Company (if shares are held in physical form) or Depository participant (if shares are held in demate mode). Members are also requested to intimate to the Company the changes, if any in their e-mail address.
19. The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Company proposes to send the documents to its Members like notices, annual report, etc. in electronic form. Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filed form to our Registrar Ankit Consultancy Private Limited, 60, Electronics Complex, Pardeshipura Indore-452010 M.P. for sending the document in electronic form.

20. The businesses as set out in the Notice may be transacted through electronic voting system and the Company shall provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the companies (Management and Administration) Rules, 2014, the company is pleased to offer the facility of the voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the meeting. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through electronic mode shall prevail and voting done by physical ballot shall be treated as invalid. For E-voting facility, the Company has entered into an agreement with the CDSL for facilitating E-voting. The Procedure and instructions for E-voting given below:

Instructions for shareholders voting through electronic means:

- (i) The e-voting period begins on Wednesday, 24th September, 2014 from 9.30 A.M. and ends on Thursday, September, 25th 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically in proportion to their shares in the paid up equity share capital of the company. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) 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 folio sequence number in the PAN Field. • In case the foilo 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.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If 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 (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <INANI MARBLES & INDUSTRIES LTD> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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
- Mr. Bhushan Tambe , Practicing Company Secretary (Membership No. A35353) has been appointed as the scrutinizer to receive and scrutinize the completed ballot forms and votes casted electronically by the members in a fair and transparent manner.
- The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the company and make a scrutinizer's report of the votes cast in favor or against , if any , forthwith to the chairman of the Company.
- The Results, shall be declared on or after the AGM of the Company. The results declared along with the scrutinizer's Report shall be placed on the Company's website www.inanimarbles.com and website of CDSL and will be communicated to the stock exchange.

Relevant documents referred to in this Notice are open for inspection at the Registered office of the Company on all working days (except Saturdays) between 11.00 a.m. to 1.00 p.m. up to the date of ensuing annual general meeting.

Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 6 & 7

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Shri Ravi Birla and Shri Prem Narayan Sharma Independent Directors at various times, in compliance with the requirement of the said Clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), which came into effect from April 1, 2014, every listed public company is required to have at least one half of the total number of directors as independent directors, who are not liable to retire by rotation if chairman is executive.

The Board of directors of the Company comprises seven directors out of which, two are Non-Executive Independent Directors of the Company.

Keeping in view of the experience and expertise of the above referred directors and the contribution made by them to the Company, the Board of Directors considers it desirable that their continued association would be of immense benefit to the company and hence the company should continue to avail their services and accordingly recommends the Resolutions as set out in Item No. 6 & 7 for approval of the members.

Shri Ravi Birla and Shri Prem Narayan Sharma, Directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being recommended for a term of 5 (five) consecutive years up to 31st March 2019 and placed before the Members for approval.

In the opinion of the Board, Shri Ravi Birla and Shri Prem Narayan Sharma fulfil the conditions specified in the Act and rules made there under the Equity Listing Agreement and they are independent of the management.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Ravi Birla and Shri Prem Narayan Sharma are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The brief profile of the directors who are proposed to appointed as independent directors are annexed herewith separately with this notice.

The Board commends the Ordinary Resolutions as set out at Item Nos. 6 to 7 of the Notice for approval by the members.

Item No. 8-

Presently, the equity shares of the company are listed at Mumbai, Jaipur, Indore, Ahmedabad & Rajkot. The equity shares of the company are actively traded in Mumbai Stock Exchange whereas practically there are no transactions on the remaining stock exchange. Computerization of the stock exchange has offered opportunities to the shareholders to have better accessibility to the exchange where share are actively traded. It is therefore, proposed to delist the Company's Equity Share from stock exchange at Madhya Pradesh Stock Exchange, Indore; Ahmedabad Stock Exchange, Ahmedabad; Jaipur Stock Exchange Ltd, Jaipur; and Saurashtra & Kutch Stock Exchange, Rajkot to save cost and compliance requirement.

The Board recommends the adoption of the resolution proposed under this item.

None of the directors of the company is concerned or interested in the proposed resolution

Item No. 9-

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of directors of company shall not, without the approval of shareholders in general meeting by way of special resolution, mortgage, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The Company has earlier passed an ordinary resolution as per provisions of section 293(1)(a) of the Companies Act, 1956, and now it is required to pass a special resolution.

As the financial assistances from the institutions/banks provided/agreed to be provided to the Company have to be secured by the mortgage and charge of the assets of the Company, both present and future and the whole of the undertaking of the Company and the aforesaid institutions would like to retain a power to take over the management of the business and concern of the Company in certain events, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013. Hence, the Board of Directors of the Company needs to authorize to create charge on the movable and immovable assets and properties of the company in favor of the lenders.

The Board recommends this resolution for approval of the members as a Special Resolution.

Pursuant to applicable provisions of the Companies Act, 2013, none of the directors & Key managerial Personal and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

Item No. 10-

Due to the increasing business operations and future growth plans of the Company would necessitate borrowing from any bank, financial institutions or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board. However as per the provisions of section 180(1)(C) of the Companies Act, 2013, the Board of Directors of the Company cannot, apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business except with the permission of the Shareholders in General Meeting by way of special resolution, borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company. The Company has earlier passed an ordinary resolution as per provisions of section 293(1)(d) of the Companies Act, 1956, and now it is required to pass a special resolution.

Hence The Board of Directors of the Company needs to authorize to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), from time to time on behalf of the company not

exceeding Rs. 100 Crores (Rupees Hundred Crores) over and above the paid up capital and free reserves of the Company only with the consent of shareholders by a special resolution.

The Board accordingly recommends the Special Resolution as mentioned at item no. 10 of this Notice for your approval.

Pursuant to applicable provisions of the Companies Act, 2013, none of the directors & Key Managerial Personal and their relatives is either directly or indirectly concerned or interested, in the proposed resolution. However the directors may be considered as financially interested to the extent of the interest as may be received by them on the unsecured loan if any as may be provided by the Directors.

**By Order of the Board of Directors
For INANI MARBLES & INDUSTRIES LIMITED**

**Place : Chittorgarh
Date : 14/08/2014**

**(ANIL KUMAR JAIN)
Company Secretary**

INANI MARBLES & INDUSTRIES LIMITED

CIN: L14101RJ1994PLC008930

Registered Office: F-17 & 58,
RIICO Ind. Area, Chittorgarh(Raj)-312001.

WEB: www.inanimarbles.com

EMAIL: inanimarble@gmail.com

Phone: 01472-256711 to 256714

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT
IN THE ENSUING ANNUAL GENERAL MEETING**

Name of Directors	Shri Rajesh Inani	Shri Harish Inani	Shri Prem Narayan Sharma	Shri Ravi Birla
DIN No.	00410591	00219679	01179163	01110766
Date of Birth	21.11.1965	02.02.1969	16.01.1963	30.07.1974
Date of Appointment	28.09.2002	18.10.1994	30.09.2003	30.09.2005
Expertise / Experience in specific functional areas	Marbles & Granite	finance and taxation matter	Marbles & Granite	Marbles & Granite
Qualification	B.Com	Chartered Account	B.Com	M.A
No. & % of Equity Shares held	6600	84900	Nil	Nil
List of outside Company's Directorship held	Nil	Nil	Nil	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Audit Committee	1. Chairman of Stakeholder Relationship Committee 2. Member of Audit Committee 3. Nomination and Remuneratio n Committee	1. Chairman of Audit Committee 2. Nomination and Remuneration Committee 3. Member of Stakeholder's Relationship Committee	1. Member of Nomination and Remuneration Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	Nil	Nil	Nil	Nil
Relationship between directors inter-se	Brother of Mr. Dinesh Inani	No relations with any other Director	No relations with any other Director	No relations with any other Director

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 20th Annual Report and the Audited Accounts for the Financial Year ended 31st March 2014.

Financial Result	(Rupees in Lacs)	
	2013-2014	2012-2013
Sales & Income from operations	7434.38	7734.74
Profit from operations	1433.51	1612.08
Other Income	57.56	112.49
Profit before Interest, Dep. & Taxes	1491.07	1724.57
Interest	311.67	288.75
Depreciation	315.20	302.20
Profit Before Tax	864.20	1133.62
Provision for Taxation	244.43	325.83
Provision for Deferred Tax	75.62	86.39
Profit After Tax	544.15	721.40
Balance of Profit brought forward	2439.67	1817.50
Balance Available For Appropriations	2983.83	2489.47
Proposed Dividend on Equity Shares	32.52	32.52
Corporate Tax on Dividend Distribution	5.53	5.28
Amount Transferred to General Reserve	12.00	12.00
Balance carried forward to Balance Sheet	2933.78	2439.67

DIVIDEND & TRANSFER TO GENERAL RESERVE

Your directors have recommended a dividend of Rs. 1.00/- per equity share (Previous year Rs. 1.00/- per equity share) which amounts to Rs. 32.53 Lacs i.e. 10% of the paid-up capital for the year ended 31st March, 2014, Subject to approval of the shareholders at the ensuing Annual General Meeting of the Company. The total outflow due to dividend payment for the current year will be Rs. 38.05 Lacs which includes dividend distribution tax of Rs. 5.52 Lacs.

The dividend will be paid to members whose names appear in the Register of Members as on 25th September 2014; in respect of share held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository and Central Depository Services (India) Limited, as beneficial owners as on that date

OPERATIONS & FUTURE OUT LOOK

The Performance of the company remains subdued during the year under review due to sluggish demand of its product from Republic of China & Europe. Despite of sluggish demand sales and income from operations were remain almost same level as compare to last year however profit before tax was declined by 23.76 % due to sluggish demand and enhanced cost of production. Your directors are hope full for better position in the year 2014-15 as compare to the year under review due to better realization and capacity utilization.

DEPOSITS

The Company has not accepted any deposits from the Public during the year under review.

FINANCE

The Company has taken Loan of Rs.45.90 Lacs from ICICI Bank Ltd, Rs.132.91 Lacs from Tata Capital Ltd . during the year. Company is regular in payment of Installment and Interest on Loan Taken earlier from State bank of Bikaner & Jaipur , HDFC Bank Ltd ,Tata Capital Ltd and ICICI Bank Ltd.

DIRECTORS

In accordance with the provision of the Companies Act, 2013 Shri Harish Inani and Shri Rajesh Inani, retire from the Board of Directors by rotation and being eligible offer themselves for reappointment in ensuing Annual General Meeting.

Further Shri Ravi Birla and Shri Prem Narayan Sharma the existing independent directors are proposed to be appointed as Independent Directors for a term of five years as per requirement of Section 149 of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement to hold the office till 31st March, 2019.

The Independent Directors has submitted a declaration confirming that they meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment as Independent Directors of the Company.

In the opinion of the Board the above said two directors fulfills the conditions specified in the Act and the Rules made there under as the Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act , 1956 in relation to financial statements for the year under review, the Directors State that :

- a) the annual accounts have been prepared by following the applicable accounting standards together with proper explanation relating to material departures, if any;
- b) the Directors 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 at the end of the financial year 2012-13 and of the profit and loss of the Company for that period :
- c) the Directors took proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- d) the annual accounts are prepared on a going concern basis

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Director) Rules, 1988 regarding Conservation of Energy, Technology Absorption, Research & Development and Foreign Exchange earning & outgo are given in Annexure-A which forms part of Directors' Report.

PARTICULARS OF EMPLOYEES

There were no employees covered under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended. Hence no particulars are given herewith.

CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreements entered into with the Stock Exchanges the Management Discussion and Analysis, Report on Corporate Governance along with the Compliance Certificate of the auditors are annexed and forming part of this report.

DEPOSITORY SYSTEM

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories as aforesaid.

AUDITORS

M/s Nyati Mundra & Co., Chartered Accountants and M/s Mahesh C. Solanki & Co, Chartered Accountants, the Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for appointment. Subject to rectification of their appointment at every annual general meeting. M/s Mahesh C. Solanki & Co. and M/s Nyati Mundra & Co., Chartered Accountants has, under section 141 of the Act furnished a certificate of its eligibility for re-appointment.

During the year Company had received intimation From M/s Jagdish Rathi & Associates (Firm reg. no. 004623C), Statutory Auditor, stating that the M/s Jagdish Rathi & Associates is merged with M/s Mahesh C. Solanki & Co. Chartered Accountant, with effect from 31st December, 2013. Now M/s Mahesh C. Solanki & Co. will deem to be the auditor of your Company. Accordingly the audit of the company, for the financial year 2013-14 was conducted by M/s Mahesh C. Solanki & Co. The Board of Directors of Company have taken due note of this change

AUDITORS' REPORT

As regards the Auditors Report, the points raised therein have been explained in the Notes to the Accounts and elsewhere in the Annual Report, as such Directors have no further comments to offer.

ACKNOWLEDGMENT

Your Directors would like to place on record their appreciation for co-operation and support extended by, State Bank of Bikaner & Jaipur, HDFC bank Ltd, ICICI Bank Ltd, Tata capital Ltd and Share holders. They also record their appreciation of the devoted services rendered by Staff members and Workman of the company.

For and on behalf of the Board

Place: Chittorgarh
Date : 14.08.2014

Capt. S.K.Inani Nand Lal Inani
(Managing Director) (Chairman)

ANNEXURE- A TO DIRECTORS' REPORT

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF
BOARDS OF DIRECTORS) RULES, 1988

FORM - B

Sr. No.	Particulars	Action taken
1.	Research & Development (R&D)	
A.	Specific areas in which R&D carried out by the company	Product improvement and cost controlling
B.	Benefits derived as a result of the above R&D	Enhanced capacity and improved performance of the production capacity
C.	Future plan of action	Cost effective production and product development
D.	Expenditure on R&D a) Capital b) Recurring c) Total d) Total R&D expenditure as a percentage of total turnover	Nil Nil Nil Nil
2.	Technology absorption, adaptation and innovation	
A.	Efforts, in brief, made towards technology absorption, adaptation and innovation	N.A.
B.	Benefits derived as a result of the above efforts	N.A.
C.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: a) Technology imported b) year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this not taken place, reasons therefore and future plans of action	N.A. N.A. N.A. N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Inflow:

- Exports on FOB basis Rs. 431672020

Total Rs. 431672020

Foreign Exchange Outgo:

- On Foreign Travel Rs. 510522
- Fair & Exhibition Rs. 2315034
- Purchase of Raw Materials Rs. 47597421
- Purchase of Stores & Spares Rs. 25759473
- Purchase of Machinery Rs. 10281625

Total Rs. 84149041

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined to the compliance of conditions of Corporate Governance by **INANI MARBLES AND INDUSTRIES LTD**, for the year ended 31st March, 2014, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of 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.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2014, the Registrars of the Company have certified that as at 31st March, 2014, there were no investor grievances remaining unattended/pending for more than 30 days.

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

For: Nyati Mundra & Company
Chartered Accountants
(Reg.No. 008153C)

For: Mahesh C. Solanki & Co
Chartered Accountants
(Reg.No. 06228C)

CA R. K. Nyati
Partner
M.N. 070692

CA Jagdish Rathi
Partner
M.N. 039303

Place: Chittorgarh
Date: 30.05.2014

REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st March, 2014 on the compliance by the company with the corporate governance requirement under Clause 49 of the Listing agreement, is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Inani Marbles and Industries Ltd recognises the ideals and importance of corporate governance and acknowledges its responsibilities towards all its shareholders, employees, customers and regulatory authorities. The Company believes that a good corporate governance process aims to achieve a balance between the shareholders' interest and corporate goals of the Company. It aims to attain the highest levels of transparency, accountability and integrity to all its shareholders by implementing transparent corporate governance, thereby enhancing the value of the shareholders and their Company.

A. BOARD OF DIRECTORS

- (i) The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of Seven directors, is given in the table below and is in conformity with clause 49 of the listing agreement and with stock exchange.

As will be seen from the following table, none of the directors hold directorship in more than 15 public limited company, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

The last Annual General meeting was held on 30th September 2013.

Name of Director	Category	No. of Board Meeting Attended	Other Directorship		Committee Position other than Company		Whether attended last AGM held on 30.09.2013
			Chairman	Member	Chairman	Member	
Shri Nand Lal Inani (00322889)	Chairman Non Executive Director	6	NIL	NIL	NIL	NIL	Yes

Shri Suresh Kumar Inani (00219702)	Managing Director Promoter	6	NIL	NIL	NIL	NIL	Yes
Shri Dinesh Kumar Inani (00410688)	Whole Time Director	6	NIL	1	NIL	NIL	Yes
Shri Rajesh Kumar Inani (00410591)	Non Executive Director	4	NIL	NIL	NIL	NIL	Yes
Shri Harish Kumar Inani (00219679)	Non Executive Director	5	NIL	1	NIL	NIL	Yes
Shri Prem Narayan. Sharma (01179163)	Non Executive Independent Director	5	NIL	NIL	NIL	NIL	Yes
Shri Ravi Birla (01110766)	Non Executive Independent Director	4	NIL	NIL	NIL	NIL	Yes

Note: This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in Private Limited Companies, overseas companies, companies under section 25 of the Companies Act, 1956 and alternate directorship.

Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The necessary quorum remained present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective Board Meeting. In financial year 2013-14 Six Board Meetings were held and the gap between two meetings did not exceed four months.

The dates on which the said Meetings were held are as follows: 30th May,2013, 14th August,2013, 12th November,2013, 14th December, 2013, 14th February, 2014 and 11th March, 2014.

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company whis is prejudicial to the interst of the company.

ii) Inter-se relationship among directors

Mr Suresh Kumar Inani is brother of Mr Nand Lal Inani and Mr Dinesh Inani is brother of Mr Rajesh Inani other than this there is no inter-se relationship among the any of the directors of the Company.

iii) Role of Independent Director

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, public policy, finance, financial services and other allied fields. The Company benefits immensely from their inputs in achieving its strategic direction.

iv) Shareholding of Non-executive Director

The Number of equity shares held by Non-Executive Directors as on 31.3.2014 were as under:

Name of Director	No. of shares
Harish Kumar Inani (Din No. 00219679)	84900
Nand Lal Inani (Din No. 00322889)	1100
Rajesh Kumar Inani (Din No. 00410591)	6600
Ravi Birla (Din No. 01110766)	Nil
Prem Narayan Sharma (Din No. 01179163)	Nil

v) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1)(A) of the Listing Agreement. Notes on Directors appointment/ re-appointment .

Brief resume(s) of the Directors proposed to be appointed/re-appointed are given in the Notice convening the Annual General Meeting in separate annexure.

B. Board Procedure

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Executive

Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

Committees of the Board

(I) Audit Committee (Mandatory Committee)

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. The Audit Committee consisting of Shri Prem Narayan Sharma, Shri Nand Lal Inani, Shri Harish Kumar Inani and Shri Rajesh Kumar Inani, all of above Directors are non-executive directors and Shri Prem Narayan Sharma, an independent director and chairman of the committee. All the members of the committee are financially literate.

(i) Meeting and Composition

The Composition of Audit Committee as on 31.3.2014 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings	
			Held during tenure	Attended
Shri Nand Lal Inani (DIN No. 00322889)	Non executive Director	Member	4	3
Shri Rajesh Kumar Inani (DIN No. 00410591)	Non executive Director	Member	4	4
Shri Harish Kumar Inani (DIN No. 00219679)	Non executive Director	Member	4	4
Shri Prem Narayan Sharma (DIN No. 01179163)	Non executive Independent Director	Chairman	4	4

During the year the committee met on four occasions during the year on following dates namely:

24/05/2013	10/08/2013	08/11/2013	07/02/2014
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As mandated by clause 49 of the Listing agreement

1. The representative of statutory of the company are also invited in the audit committee meetings.
2. The gap between two audit committee meetings was not more than four months.

Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors responsibility statement to be included in the board's report as per Section 217(2AA) of the Companies Act, 1956.
 - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
 - c. Compliance with listing and other legal requirements relating to financial statements.
 - d. Disclosure of any related party transactions.
 - e. Qualifications in the draft audit report if any.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,
- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;
- Undertake such other functions as may be entrusted to it by the Board from time to time.

(II) Stakeholders' Relationship Committee

The Board of Directors of the Company in its meeting held on 30th May, 2014 changed the nomenclature of "Shareholders'/Investor' Grievances Committee" to "Stakeholders' Relationship Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.

(i) Meeting and Composition

The Composition of Committee as on 31.3.2014 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Shri Nand Lal Inani (DIN No. 00322889)	Non executive Director	Member	4	3
Shri Rajesh Kumar Inani (DIN No. 00410591)	Non executive Director	Member	4	4
Shri Harish Kumar Inani (DIN No. 00219679)	Non executive Director	Member	4	4
Shri Prem Narayan Sharma (DIN No. 01179163)	Non executive Independent Director	Chairman	4	4

During the year the committee met on four occasions during the year on following dates namely:

24/05/2013	10/08/2013	08/11/2013	07/02/2014
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- (ii) During the year under review four complaint was received from shareholders and all were disposed off, there were no complaints pending unresolved as at the end of the year.
- (iii) Share transfer in physical form are registered by the Company and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Company are clear in all respects.
- (iv) Name, designation and address of Compliance Officer:-

Mr Anil Kumar Jain Company Secretary & Compliance Officer
F-17 & 58, RIICO Industrial Area,
Chittorgarh (Raj.)-312001
Tel. No: 01472 256711 to 256714
Email id: inanimarble@gmail.com
Website: www.inanimarbles.com

Terms of Reference:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

(III) Nomination and Remuneration Committee

The Board of Directors of the Company in its meeting held on 30th May, 2014, changed the nomenclature of the Remuneration Committee of the Company to "Nomination and Remuneration Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All the members of the committee are Non Executive independent directors.

a) Terms of reference

The terms of reference of remuneration committee is to deal with, decide and recommended to the Board of the Directors on all matters relating to appointment and remuneration to managing director and whole time director .

b) Meeting and Composition

The composition of committee as on 31.3.2014 and attendance record of the members at the meeting held during the year are as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Shri Rajesh Kumar Inani (DIN No. 00410591)	Non executive Director	Member	1	1
Shri Harish Kumar Inani (DIN No. 00219679)	Non executive Director	Member	1	1
Shri Prem Narayan Sharma (DIN No. 01179163)	Non executive Independent Director	Chairman	1	1

c) Remuneration policy Executive Directors

The remuneration of executive directors is reviewed by the remuneration committee and thereafter recommended to the Board of the directors of the Company for subject to approval of the members at general meeting and such other authorities as may be required. While recommending remuneration , the committee considers various factors such as practices prevalent in the industry for the time being, qualification, expertise of the appointee and financial position of the company.

d) Remuneration of directors

The details of remuneration paid to Executive Directors during the Financial Year 2013-14 are as under (excluding Company's contribution towards P.F.)

S.No.	Name of Director	Particulars	Amount Rs
1.	Capt. S. K. Inani	Salary & Managerial Commission	17,45,000/-
2.	Dinesh Kumar Inani	Salary & Managerial Commission	9,00,000/-

The Company doesn't pay any remuneration to its Non - Executive Directors except sitting fee for attending the meetings of the Board. The company pays sitting fee to its non executive directors of Rs. 4000 for attending each meeting of the Board of Directors. The details of sitting fee paid during the financial year 2013-14 are as follows:

S.No.	Name of Director	Particulars	Amount Rs
1.	Nand Lal Inani	Sitting Fee	24000
2.	Rajesh Kumar Inani	Sitting Fee	16000
3.	Harish Kumar Inani	Sitting Fee	20000
4.	Prem Narayan Sharma	Sitting Fee	20000
5.	Ravi Birla	Sitting Fee	16000

- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.
- During the year the committee met on one occasions during the year.

MANAGEMENT

A. The Management discussion and analysis report

The Annual Report has a detailed chapter on Management Discussion and Analysis.

B. Disclosure by Management to the Board

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

Compliance with Mandatory / Non Mandatory requirements.

- The Company has complied with all the applicable mandatory requirement of clause 49 of the listing agreement.
- The Company has also adopted the non mandatory requirement as specified in Annexure 1D to clause 49 of the listing agreement regarding constitution of remuneration committee, the details of which already been provided in this report and audit qualification. There is no audit qualification in the financial statement.

DISCLOSURES

- A. There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company
- D. The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- E. There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- F. During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- G. The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- H. As per clause 5AII of the listing agreement there is no unclaimed shares in the company.

SHAREHOLDER'S INFORMATION

Means of Communication

Presently, the quarterly/half yearly financial result are not sent individually to the shareholders. However as required under the listing agreement, the same are published in the news paper.

The Company's website www.inanimarbles.com contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately put on the website for the benefit of the shareholders and the public at large. The secretarial department's e-mail address is inanimarble@gmail.com

General body meetings

The last three Annual General Meetings of the Company were held as detailed below:

Meeting	Date	Time	Venue
17 th Annual General Meeting 2010-11	30 th Sept., 2011	03.00 P.M.	Hotel Padmini, Near Sainik School Chittorgarh (Raj.)
18 th Annual General Meeting 2011-2012	29 th Sept., 2012	03.00 P.M.	Hotel Padmini, Near Sainik School Chittorgarh (Raj.)
19 th Annual General Meeting 2012-13	30 th Sept., 2013	03.00 P.M.	Hotel Padmini, Near Sainik School Chittorgarh (Raj.)

POSTAL BALLOT & SPECIAL RESOLUTION :

No resolutions were passed by postal ballot in last three years. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

No Extra Ordinary General meeting was held during the financial year.

No Special Resolution was passed in last three Annual General Meeting.

General shareholder information

❖ **Address of Registered office of the Company:**

F-17 & 58, RIICO Industrial Area, Chittorgarh (Raj.)-312001

❖ **Forthcoming Annual General Meeting:**

Date & time of meeting: Monday, 29th September, 2014 at 10.00 A.M.

Venue of the meeting: Inani Marble & Granites, ARAJI No. 1312, Mataji Ki Pandoli, Chittorgarh (Rajasthan)-312001

Last date for receipt of proxy forms: 27th September, 2014

Financial Calendar:	1 st April to 31 st March
Annual General Meeting	29 th September, 2014
Results for the quarter ended	
1 st Quarter ending 30 th June, 2014 (First quarter)	Before 14 th Aug. 2014
2 nd Quarter ending 30 th Sept, 2014 (Second quarter)	Before 14 th Nov. 2014
3 rd Quarter ending 31 st Dec, 2014 (Third quarter)	Before 14 th Feb. 2015
4 th Quarter ending 31 st Mar, 2015 (Fourth quarter and Annual)	Before 30 th May 2015

❖ **Book Closure:**

The book closure period is from Friday 26th September, 2014 to Monday 29th September, 2014 (both days inclusive).

❖ **Dividend Payment:**

Dividend, if any, declared in the forthcoming Annual general Meeting will be paid after 29th September, 2014.

❖ **Listing on Stock Exchange & ISIN No.**

The Company's equity shares are listed on following exchange:

Bombay Stock Exchange Ltd, Mumbai
Jaipur Stock Exchange Limited, Jaipur
Ahmedabad Stock Exchange, Ahmedabad,
Rajkot Stock Exchange
Madhya Pradesh Stock Exchange, Indore

The Company has paid listing fees for the financial year 2014-15.

ISIN Number: INE635D01019

Bombay Stock Exchange, Mumbai Script Code: 531129

❖ **Registrar and Transfer Agents**

Ankit Consultancy Pvt. Ltd.
60, Electronics complex
Paardeshipura
Indore 452010. (M.P.)
Ph.0731-3198601-601 Fax: 0731-4065798

❖ **Share Transfer System**

All the transfer received is processed by the Registrar and Transfer Agent.

❖ **Outstanding GDRs/ADRs/Warrants or any convertible instruments , Conversion date and likely impact on equity:- Not issued**

❖ **Administrative Office of the Company** (For general assistance)

501-E "Green Woods"
Mathuradas Vasanji Road
Andheri Kurla Road,
Andheri (E)
Mumbai - 400093 (Maharashtra)

❖ **Transfer Unpaid/Unclaimed amount Dividend to Investor Education and Protection fund:**

Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the company for payment thereof as the same will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to section 125 of the Companies Act, 2013, (Section 205C of the erstwhile Companies Act, 1956) on the respective dates mentioned below. Intimation in this regard is being sent to the concerned shareholder periodically. Kindly note that after such dates the members will lose their right to claim such dividend.

Financial Year	Date of Declaration	Due date of transfer unpaid dividend to IEPF
2007-08	30.09.2008	29.10.2015
2008-09	30.09.2009	29.10.2016
2009-10	30.09.2010	29.10.2017
2010-11	30.09.2011	29.10.2018
2011-12	29.09.2012	28.10.2019
2012-13	30.09.2013	29.10.2020

Plant & Mines Locations:

- i.) Registered office & Factory: F-17&58, RIICO Industrial Area,
Chittorgarh (Raj.).
EOU UNIT
Araji No. 1312, Mataji Ki Pandoli
Tehsil & District, Chittorgarh.
- ii.) Mines : Post- Paloda, Teh. Gadhi, Dist. Banswara.
: Post- Masaron Ki Obri, Teh. Kherwada,
Dist. Udaipur.
: Post - Jalera , Tehsil. Bijoliya, Dist Bhilwara

❖ **Market Price data**

April, 2013 to March, 2014 at BSE

Month	BSE Price	
	High	Low
April, 2013	322.00	211.85
May, 2013	233.85	173.50
June, 2013	306.50	193.00
July, 2013	205.00	133.40
August, 2013	139.95	120.45
September, 2013	137.50	115.00
October, 2013	139.40	115.55
November, 2013	128.00	84.90
December, 2013	169.80	77.05
January, 2014	161.90	121.50
February, 2014	134.00	102.05
March, 2014	124.50	95.50

❖ **SHAREHOLDING PATTERN AS AT 31ST MARCH 2014 [SHAREHOLDING PATTERN]**

	Category	No. Of Shares held	Percentage Shareholding
A	Promoters Holding		
1.	Promoters Indian Promoters: Foreign Promoters:	1948650	59.91
2.	Persons acting in concert		
	Sub Total	1948650	59.91
B.	Non-Promoters Holding	-	-
1.	Institutional Investors	-	-
2.	Mutual Funds and UTI	2400	0.07
3.	Banks, Financial Institutions, Insurance Companies [Central/State Govt. Institutions, Non- Government Institutions]	-	-
4.	Flls	-	-

5.	Sub-Total	2400	0.07
6.	Others	-	-
	Private Corporate Bodies	215536	6.63
7.	Individuals	-	-
	Holding up to Rs. 1.00 lacs	452093	13.90%
	Holding excess Rs. 1.00 lacs	632706	19.45%
8.	NRIs/OCBs	469	0.01
9.	Any other [Clearing member]	646	0.02
	Sub-Total	1301450	40.01
	Grand Total	3252500	100.000

Distribution of Shareholding by size as on 31st March 2014:

Share or Debenture holding of nominal value of Rs.	Shares/Debenture holders		Shares/Debentures Amount	
	Number	% of total number	In Rs.	% of Total Amount
UPTO - 1000	893	67.96	546760	1.68
1001 - 2000	109	8.30	185170	0.57
2001 - 3000	40	3.04	107630	0.33
3001 - 4000	28	2.13	103040	0.32
4001 - 5000	29	2.21	141070	0.43
5001 - 10000	56	4.26	415550	1.28
10001 - 20000	33	2.51	490810	1.51
20001 - 30000	26	1.98	641810	1.97
30001 - 40000	11	0.84	378690	1.16
40001 - 50000	20	1.52	971150	2.99
50001 - 100000	27	2.05	1856270	5.71
100000 - ABOVE	42	3.20	26687050	82.05
	1314	100.00	32525000	100.00

Secretarial Audit for Reconciliation of Capital.

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL/CDSL) and total number of shares in physical form. As on 31st March 2014, 94.79% of shares were held in dematerialized form and rest 5.21% in physical form.

CODE OF CONDUCT

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and management personnel have affirmed compliance with the Code of Conduct. The Code of conduct is posted on the website of the Company i.e www.inanimarbles.com.

CODE FOR PREVENTION OF INSIDER TRADING PRACTICES.

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

CEO Certification.

The CEO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE.

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2013-2014. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company. The same is available on website of the Company as www.inanimarbles.com.

As Managing Director of the Inani Marbles And Industries Ltd and as required by clause 49(1)(D)(ii) of the Listing Agreement of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2013-2014.

Place: Chittorgarh
Date: 30.05.2014

Suresh Kumar Inani
Managing Director
DIN No.00219702

Management Discussions and analysis forming part of Directors' Report

The Management of Inani Marbles & Industries Limited is pleased to present the following Management Discussion and Analysis Report which contains a brief write-up on the industry structure, opportunities and concerns, performance of the company with respect to the operations other information. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

Indian Economy And Industry Overview

Recovering from the global meltdown effect of last two years, India is now poised and set to be the second fastest growing economy in the Asia Pacific Region. The productivity growth rate of Indian economy is estimated to be around 8% and it is expected to sustain until 2020. Infrastructure integrated with real estate development has been the backbone of such sustained growth and continue to be the focal point for our economy. High per Capita income resulting in high per capita spending is directly related to the demand of our products and we foresee a bright future ahead.

Economic Overview (2013-14)

For the Indian economy, 2013 has been one of its most disappointing years, with GDP growth plummeting to sub-5% levels even as inflation has remained stubbornly high. It is therefore natural that industry is hoping for better times in 2014. While there are early indications of a revival in the economy, it is by no means certain that a decisive turnaround will take place. The year 2014 has been a watershed for India in political and economic terms. On its part, the Reserve Bank of India (RBI) has been fine-tuning its policies to prop-up growth and curb inflation. We expect growth to revive gradually going into the next fiscal; with an estimate for GDP growth of 5.9% - 6.0% in FY14. This will also be supported by affirmative action by the RBI, though the timing could be more during the second half of the year

Industry Structure and Development

Real Estate sector and consumer confidence witnessed a complete turnaround with signs of economic stabilization and moderate growth in global economic performance in second and third quarter of 2014. Property markets in India began to exhibit signs of revival during this time with the return of liquidity in the real estate sector and firm prices in the recent months, cash flows of realty players improved resulting in renewed construction of stalled projects and a few new launches as well. Clearly we believe that we are entering and exciting new phase of development. We are fully geared to take advantage of the buoyant real estate demand which will generate a huge demand for the company's products.

Emerging out of the world economic crisis with only minor bruises, the industry is poised to enter a growth phase and is on the threshold of a major transformation. In terms of demand, Marble, Granite, Tiles & Stones Industry is fortunately placed and this should spur its growth.

Financial And Operational Performance

The table below gives the Company's financial performance for 2013-14 compared with 2012-13.

The Financial Results of the company for the year under review are summarized below:

	Financial Results	For the Year Ended 31-03-2014 (Rs. In Lacs)	For the Year Ended 31-03-2013 (Rs. In Lacs)
I	Income		
	Revenue from operations	7434.38	7734.74
	Other Income	57.56	112.49
	Total	7491.94	7847.24
II	Expenditure		
	Cost of Raw material consumed	1330.80	1359.83
	Purchase of traded goods	1696.47	1332.27
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(315.46)	54.03
	Employees Benefit Expenses	156.35	291.55
	Finance Cost	311.67	288.75
	Depreciation and amortization expense	315.20	302.19
	Manufacturing & direct expenses	2525.44	2269.33
	Other expenses	607.27	815.67
	Total	6627.74	6713.62
	Profit for the year before taxes	864.20	1133.62
	Tax expenses :		
	Current Tax	244.43	325.83
	Deferred Tax (Net)	75.62	86.39
	Previous Years Income Tax	0	0
	Profit for the Year after taxes	544.15	721.40
	Add : Profit brought forward	2439.67	1768.07
	Profit available for appropriation :	2983.83	2489.47
	Proposed Dividend	32.52	32.52
	Corporate Dividend Tax	5.53	5.28

	Transferred to General Reserve	12.00	12.00
	Total	50.05	49.80
	Surplus carried to balance sheet	2933.78	2439.67

Segment-wise or product-wise performance:

The company manufactures and deals in Marble/Granites/Stone Blocks, Slabs. Tiles and allied products. The segment results and other detail of Marbles and other segment are furnished in the Notes on Accounts.

Opportunities

There are excellent opportunities in Marble & Granite industry due to large scale investment in Infrastructure and construction activity. The constant growth in construction sector has escalated the demand for marbles and granites substantially both in domestic and international markets. Your company has capabilities to quickly adopt to the changing market condition and sustain the projected growth in sales and profits.

Business Outlook

The company is proactively responding to the changing business environment and is confident of sustaining its market share by improving competitive positioning in the market. The overall business outlook for the company is promising with improvement in overall economic environment. Efforts towards higher operational efficiencies shall continue. The company continues to examine the possibilities of expansion and shall make the necessary investments when attractive opportunities arise.

Threats and Risk Management

The nature of company's business is such that various risks have to be confronted with not only to successfully exist in the said business but even to grow at a respectable pace. However, these risks are no different than the ones faced by the industry as a whole. A comprehensive and integrated risk management framework forms the basis of all the de-risking efforts of the company. Formal reporting and control mechanisms ensure timely information availability and facilitate proactive risk management. These mechanisms are designed to cascade down to the level of the managers so that risks at the transactional level are identified and steps are taken towards mitigation in a decentralized fashion.

Internal Control Systems and their adequacy

The company strongly believes that Internal Control Systems are necessary for good Corporate Governance and that the freedom of management should be implemented through the framework of proper checks and balances.

The Company has in place an effective system of internal controls to ensure that all assets are properly safeguarded and protected and used optimally and financial transactions are reported accurately. The Audit committee and the Board of Directors review the adequacy and the effectiveness of the internal controls at periodic intervals. For better governance the company is in the process of introducing internal audit system.

Human Resources

The Company considers the quality of its human resources to be its most important asset and places great emphasis on training and development of employees at all levels. Communication exercises are treated as continues process to keep the employees informed of the challenges being faced by the Company and also motivate them to take up higher responsibilities, in tune with the requirements of the Company. In order to sustain the competitive edge, the Company has been taking various initiatives for improving the human resources strength and creating a conducive work atmosphere.

Cautionary Statement

Statements in this management discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statues, litigations, labour relations and interest costs.

CEO CERTIFICATION

I hereby certify to the Board of Directors of **INANI MARBLES AND INDUSTRIES LTD.** that:

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2014 and that to the best of my knowledge and belief.
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Chittorgarh
Date: 30.05.2014

FOR INANI MARBLES AND INDUSTRIES LTD.

SURESH KUMAR INANI
Managing Director
DIN: 00219702

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
INANI MARBLES & INDUSTRIES LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of **M/S Inani Marbles & Industries Limited**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and cash flow statement for the year the ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the company in accordance with the Accounting Standard referred to in of section 211 (3C) of the Companies Act, 1956 read with the General Circular 15/2003 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances but not for the

purpose of expressing an the effectiveness of the company's internal control.. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- (i) In the case of Balance Sheet of the state of affairs of the company as at March 31, 2014; and
- (ii) In the case of the Profit & Loss A/c of the profit for the year ended on that date
- (iii) In the case of the Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Act, we give in the annexure a statement on matters specified in of paragraph 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of account as required by Law have been kept by the company so far as appears from our examination of those books.
 - (c) The Balance sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of Accounts.
 - (d) In our opinion, the Balance sheet Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in the section 211 (3C) of the Companies Act, 1956

read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

- (e) On the basis of written representation received from the directors as on March 31, 2014 and taken on record by the Board of Director, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of section 274 (1) (g) of companies Act, 1956.

For: Nyati Mundra & CO.
Chartered Accountants
(Reg.No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg.No. 06228C)

CA R. K. NYATI
(Partner)
M.N. 070692

CA Jagdish Rathi
(Partner)
M.N. 039303

Place: Chittorgarh
Date: 30.05.2014

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 1 under the heading of "report on the legal and regulatory requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details & situations of the fixed assets. The situation of the moveable assets used in the mining activity keeps on changing from Mines sites depending upon requirements for a particular contract.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company, the nature of its assets. According to the information given to us and to the best of our knowledge, no material discrepancies were noticed on such physical verification.

(c) The Company has not disposed off a substantial part of the fixed assets during the year.
2. (a) As explained to us the inventory has been physically verified during the year by the management.

(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company is maintaining proper records of inventory. No material discrepancies noticed on physical verification between the physical stock and the book records.
3. (a) The Company has not granted nor taken any loans, secured or unsecured to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub clause (b), (c) and (d) are not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory, Fixed Assets and with regards to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanation given to us such transactions made in pursuance of contracts or arrangements entered in registers maintained under section 301 of the Company Act, 1956 and exceeding value of Rs. 500000/- during the year in respect of each party, have been made at prices which are reasonable having regard to the prevailing market prices at

the relevant time.

6. The Company has not accepted any deposits from the public in terms of Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Company is in the process of preparing cost records in respect of its products for which the maintenance of cost records has been prescribed under clause (d) of sub-section 1 of section 209 of the Act pursuant to The Companies (Cost Accounting Records) Rules, 2011 notified by the Central Government of India vide notification dated June 3, 2011.
9. (a) According to the record of the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material , statutory dues applicable to it.

(b) According to the information & explanation given to us, no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at the last day of the financial year for a period of more than six month from the date they became payable.

(c) As per records produced before us the dues of Income Tax, Sales Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute are stated hereunder:

Name of Statute	Period to which amount relates	Forum Where dispute is pending	Amount (Rs. in Lacs)
Income Tax	F.Y. 2002-03	Income Tax Appellate Tribunal, Mumbai	8.89
Entry Tax	F.Y. 2002-03	Rajasthan High Court Jodhpur	2.57

10. The Company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. The Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. There is no question of maintaining adequate records.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.

14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment, accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order 2003 are not applicable to the company.
15. In our opinion the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has raised new term loans during the year. The terms loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company we report that the no funds raised on short-term basis have been used for long term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
18. According to the information and explanation given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the information and explanations given to us, during the period covered by our audit report, the Company has not created any security in respect of debentures issued.
20. The Company has not raised any money by way of public issues during the year; therefore there is no need for any disclosure required in clause 4(XX).
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For: Nyati Mundra & CO.
Chartered Accountants
(Reg.No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg.No. 06228C)

CA R. K. NYATI
(Partner)
M.N. 070692

CA Jagdish Rathi
(Partner)
M.N. 039303

Place: Chittorgarh
Date: 30.05.2014

INANI MARBLES & INDUSTRIES LTD.
Balance Sheet as at 31st March, 2014

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	32525000	32525000
(b) Reserves and surplus	4	303777665	253167271
		<u>336302665</u>	<u>285692271</u>
2 Non-current liabilities			
(a) Long-term borrowings	5	35106662	60760663
(b) Deferred tax liabilities (Net)		13587347	6026161
(c) Other long-term liabilities		--	--
(c) Long-term provisions		--	--
		<u>48694009</u>	<u>66786824</u>
3 Current liabilities			
(a) Short-term borrowings	6	161973274	105455955
(b) Trade payables	7	101144059	77694380
(c) Other current liabilities	8	105739037	100294480
(d) Short-term provisions	9	18834853	25651598
		<u>387691223</u>	<u>309096413</u>
TOTAL		<u>772687897</u>	<u>661575508</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	270621977	273726064
(ii) Capital work-in-progress		4633095	9942118
(b) Non-current investments	11	5500000	3000000
(c) Long-term loans and advances	12	14429938	15284718
(d) Other non-current assets	13	6352418	6018222
		<u>301537428</u>	<u>307971122</u>
2 Current assets			
(a) Current investments		--	--
(b) Inventories	14	199866430	146986086
(c) Trade receivables	15	217931012	165049011
(d) Cash and cash equivalents	16	13195174	3971589
(e) Short-term loans and advances	17	40157853	37597700
(f) Other current assets		--	--
		<u>471150469</u>	<u>353604386</u>
TOTAL		<u>772687897</u>	<u>661575508</u>
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For: Nyati Mundra & Co.
Chartered Accountants
(Reg. No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg. No. 06228C)

For and on behalf of the Board of Directors

CA R.K.Nyati
Partner
(M.N. 070692)

CA Jagdish Rathi
Partner
(M.N. 039303)

Capt. S.K.Inani
Managing Director

H.K.Inani
Director

Place : Chittorgarh
Date : 30.05.2014

Anil Jain
Company Secretary
(M.N. A22464)

INANI MARBLES & INDUSTRIES LTD.
Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	Year Ended 31 March, 2014	Year Ended 31 March, 2013
1 Revenue from operations	<u>18</u>	743438423	773474742
2 Other Income	<u>19</u>	5755825	11249281
3 Total Revenue (1+2)		<u>749194248</u>	<u>784724023</u>
4 Expenses:			
(a) Cost of materials consumed	<u>20.A</u>	133080523	135982951
(b) Purchases of traded goods	<u>20.B</u>	169847055	133226642
(c) (Increase)/ Decrease in inventories	<u>20.C</u>	(31546456)	5403026
(d) Employee benefits expense	<u>21</u>	15634945	29154696
(e) Finance costs	<u>22</u>	31167746	28875108
(f) Depreciation and amortisation expense	<u>10</u>	31519641	30219563
(g) Other Expenses	<u>23</u>	313271297	308500100
Total Expenses		<u>662774751</u>	<u>671362086</u>
5 Profit before exceptional and extraordinary items and tax		86419497	113361937
6 Exceptional Items		--	--
7 Profit before extraordinary items and tax (5-6)		86419497	113361937
8 Extraordinary Items		--	--
9 Profit before tax (7-8)		<u>86419497</u>	<u>113361937</u>
10 Tax expense:			
(1) Current tax		24442654	32582804
(2) Deferred tax		<u>7561186</u>	<u>8639535</u>
11 Profit/(Loss) from the period from continuing operations		54415657	72139598
12 Profit/(Loss) from discontinuing operations		--	--
13 Tax expense of discontinuing operations		--	--
14 Profit/(Loss) from Discontinuing operations (12-13)		--	--
15 Profit/(Loss) for the period for appropriation (11+14)		<u>54415657</u>	<u>72139598</u>
16 Earning per equity share:(Face Value Rs. 10 each)			
(1) Basic		16.73	22.18
(2) Diluted		16.73	22.18
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For: Nyati Mundra & Co.
Chartered Accountants
(Reg. No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg. No. 06228C)

For and on behalf of the Board of Directors

CA R.K.Nyati
Partner
(M.N. 070692)

CA Jagdish Rathi
Partner
(M.N. 039303)

Capt. S.K.Inani
Managing Director

H.K.Inani
Director

Place : Chittorgarh
Date : 30.05.2014

Anil Jain
Company Secretary
(M.N. A22464)

INANI MARBLES & INDUSTRIES LTD.
Cash Flow Statement For The Year Ended 31st March, 2014

Particulars	As at 31 March, 2014	As at 31 March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extra ordinary items	86419497	113361937
Adjustments for :		
Depreciation	31519641	30219563
Gain on Fixed Assets Sale	0	(347801)
Interest Expenses	31167746	28875108
Interest Income	(530779)	(726118)
Operating profit before working capital changes	148576105	171382689
Movement in Working Capital		
Decrease/(Increase) Inventories	(52880344)	(10251771)
Decrease/(Increase) Trade Receivables	(52882001)	(18146012)
Decrease/(Increase) Short Term Loans & Advances	(2560153)	(4458931)
Increase/ (Decrease) Trade and other payables	23449679	7063151
Increase/ (Decrease) Short term Provisions	2597885	(3483917)
Increase/ (Decrease) Other Current Liabilities	2363109	(4955994)
Cash generated from operations	68664280	137149215
Direct Taxes(paid)/refunded (Net)	(33882410)	(20958495)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	34781870	116190720
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(23106531)	(82019448)
Sale of Fixed Assets	0	390545
Long Term Loans & Advances	854780	(7604046)
Interest Received	530779	726118
Investment	(2500000)	0
NET CASH USED IN INVESTING ACTIVITIES (B)	(24220972)	(88506831)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds /Repayment of Long Term Borrowings	(25654001)	(2308367)
Net Proceeds /Repayment of Short Term Borrowings	59598767	5902030
Dividend paid including Tax thereon	(3780137)	(3252500)
Interest Paid	(31167746)	(28875108)
NET CASH USED IN FINANCING ACTIVITIES (C)	(1003117)	(28533945)
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	9557781	(850056)
CASH AND CASH EQUIVALENTS AS AT 01.04.2013	9989811	10839867
CASH AND CASH EQUIVALENTS AS AT 31.03.2014	19547592	9989811

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the Cash Flow Statement

Notes:

- 1 Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rules, 2006.
- 2 Purchase of Fixed Assets includes movement of capital work-in-progress during the year.
- 3 Previous Year figures have been regrouped / reclassified wherever applicable.

4 Cash & Cash equivalents are reflected in the Balance Sheet as follows:

Particulars	As at 31 March, 2014	As at 31 March, 2013
a) Cash & Cash equivalent disclosed under Current Assets (Note 16)	13195174	3971589
b) Non Current Assets (Note 13)	6352418	6018222
Statement	19547592	9989811

Summary of Significant Accounting Policies

Note-2

As per our report of even date attached

For and on behalf of the Board of Directors

For: Nyati Mundra & Co.
Chartered Accountants
(Reg. No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg. No. 06228C)

CA R.K.Nyati
Partner
(M.N. 070692)

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Partner
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Capt. S.K.Inani
Managing Director

H.K.Inani
Director

Place : Chittorgarh
Date : 30.05.2014

Anil Jain
Company Secretary
(M.N. A22464)

NOTE FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014
NOTE 1: COMPANY OVERVIEW

Inani Marbles & Industries Ltd. (The Company) is a public limited company and listed on Mumbai Stock Exchange Ltd. (BSEL). The company is engaged in manufacturing, processing and trading of Marble, Granite & Stone Blocks, Slabs & Tiles. The company sells its products in the domestic as well as export markets. The company has one manufacturing unit at Chittorgarh and another one 100% Export Oriented unit at Mataji ki Pandoli, Chittorgarh (Raj.).

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standard) Rules, 2006 which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 SYSTEM OF ACCOUNTING:

- 1) The Company follows the mercantile system of accounting and recognizes 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) Estimated and Assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

2.3 USE OF ESTIMATES:

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

2.4 TANGIBLE FIXED ASSETS:

Fixes assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses related to existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets is derecognized.

2.5 DEPRECIATION:

- (a) Depreciation on Fixed assets is provided on straight line method, except Mining Equipments on which depreciation is provided on written down value method. Depreciation is produced in accordance with the provision of Sec 205(2) (b) and at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- (b) Cost of lease hold land is not being amortized over the period of lease.

2.6 INVESTMENTS:

Investments are classified as Non Current & Current as per the AS-13 (Accounting for Investments) issued by the Institute of Chartered Accountants of India. Non Current Investments are stated at Cost less permanent diminution in value, if any, and hence does not call for provision there against.

2.7 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS:

Carrying amount of cash generating units/assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amounts being the higher of net realizable price and value in use. An impairment loss is charged to Profit and Loss Account 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.

There was no impairment loss on fixed assets during the year on the basis of review carried out by the management in accordance with AS-28 issued by the Institute of Chartered Accountants of India.

2.8 VALUATION OF INVENTORIES:

- | | | |
|----------------------------|---|--|
| i. Raw Material | - | At weighted average cost |
| ii. Stores, Spares & Tools | - | At cost |
| iii. Finished Goods | - | At lower of cost or net realizable value |
| iv. Goods in transit | - | At cost on the Basis of Bill |

Cost comprises of cost of acquisition and all other costs attributable in bringing inventories to the condition of their intended use.

2.9 REVENUE RECOGNITION:

- i. Sales are recognized at the time of dispatch. Sales exclude excise duty.
- ii. Job work receipts are recognized on completion of work.
- iii. Interest income is recognized on accrual basis.

2.10 EXCISE DUTY:

Excise Duty payable on production is accounted for only at the time of dispatch of goods from the factory.

2.11

(A) FOREIGN CURRENCY TRANSACTIONS:

- i. Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction.
- ii. Foreign currency denominated assets and liabilities are translated into INR at the rates of exchange prevailing on the date of Balance Sheet.
- iii. Any income or expense on account of exchange differences, either on settlement or on translation is recognized in the Statement of Profit and Loss.

(B) HEDGING OF FOREIGN CURRENCY TRANSACTIONS

- i. Premium or discount on foreign exchange forward and currency option contracts are amortized and recognized in the statement of profit and loss over the period of the contract. Foreign exchange forward and currency option contracts outstanding at the balance sheet date, other than designated cash flow hedges, are stated at fair values and any gains or losses are recognized in the statement of profit and loss..

2.12 TAXES ON INCOME:

- i. Current Tax:
Provision for current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.
- ii. Deferred Tax:
The deferred tax for timing differences between the book profits and tax profits for the year is accounted for, using the tax rates and laws that have been substantially enacted as on the Balance Sheet date.

2.13 BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.14 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

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

2.15 EMPLOYEE BENEFITS:

Contribution made to Provident Fund is charged to Profit and Loss account every month. The Company has taken a policy with Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and premium paid to the LIC is charged to Profit & Loss Account.

2.16 EARNING PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

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 Profit and Loss Account.

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

2.18 PROVISIONS:

A provision is recognized when the Company has a present obligation as a result of 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. Provision are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimated are reviewed at each reporting period and adjusted to reflect the current best estimated.

2.19 CASH AND CASH EQUIVALENTS:

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.20 CONTINGENT LIABILITIES:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it can not be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 3: SHARE CAPITAL		
a) Authorised Shares :		
1,00,00,000 (Previous Year 1,00,00,000) Equity Shares of Rs. 10 each	100000000	100000000
	<u>100000000</u>	<u>100000000</u>
b) Issued, Subscribed and Paid up :		
32,52,500 (Previous Year 32,52,500) Equity Shares of Rs. 10 each, fully paid up (None of the above Shares have been issued for a consideration otherwise than in cash)	32525000	32525000
Total	<u>32525000</u>	<u>32525000</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	3252500	3252500
Issued during the year	---	---
Outstanding at the end of the year	<u>3252500</u>	<u>3252500</u>
d) Terms / Rights attached to Equity Shares		
The Company has only one class of shares having a par value of Rs. 10 per share fully paid up. 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 approval of the shareholders 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) Details of shareholders holding more than 5% shares in the Company		
Name of Shareholder	As at 31st March, 2014	As at 31st March, 2013
	No. of Shares	% Holding
	Shares	% Holding
Inani Securities & Investments Ltd.	432500	13.30
Suresh Kumar Inani	450100	13.83
Dinesh Kumar Inani	201100	6.18
Nishant Kirti Sanghvi	175050	5.38
	169500	5.21
NOTE 4: RESERVES & SURPLUS		
(a) Capital reserve - State Subsidy	2000000	2000000
(b) General reserve		
Balance as per the last Balance Sheet	7200000	6000000
Add: Transferred from surplus in Statement of Profit and Loss	1200000	1200000
	<u>8400000</u>	<u>7200000</u>
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per the last Balance Sheet	243967271	176807728
Add: Profit / (Loss) for the year	54415657	72139598
Amount available for appropriations	<u>298382928</u>	<u>248947326</u>
Less: Appropriations:		
Dividends proposed to be distributed to equity shareholders (Rs. 1.00 per share)	3252500	3252500
Dividend Distribution Tax	552763	527555
Transferred to General Reserve	1200000	1200000
Total Appropriations	<u>5005263</u>	<u>4980055</u>
	<u>293377665</u>	<u>243967271</u>
Total Reserve & Surplus	<u>30377665</u>	<u>253167271</u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 5: LONG TERM BORROWINGS		
(a) Secured		
Term Loan from S.B.B.J., Chittorgarh (Refer Note (i) & (ii) below.)	6868053	16674205
Term Loan from HDFC Bank Ltd (Refer Note (iii) & (iv) below.)	1711366	4957017
Term Loan from ICICI Bank Ltd. (Refer Note (iii) & (v) below.)	5400567	10104315
Term Loan from Tata Capital Ltd. (Refer Note (iii) & (vi) below.)	9363469	9483072
	23343455	41218609
(b) Unsecured		
Inter Corporate Deposits	11763207	19542054
Total	35106662	60760663

(i) Secured by equitable mortgage on factory Land & Building situated at F-17 & 58, RIICO Industrial Area and Arajji No. 1312, Mataji Ki Pandoli, Chittorgarh and hypothecation of Plant & Machinery and floating charge on Stock of Raw Materials, Work in Progress, Finished Goods, Stores & Spares, Book Debts and further personally guaranteed by Directors.

(ii) **Terms of Repayment** State bank of Bikaner & Jaipur

Amount	81000000	20000000
Date of Maturity	Jun-2015	Nov-2014
Rate of Interest	13.00%	13.50%
Balance No. of Quarterly Installments	5	1
Quarterly Installment	3115000	1000000

(iii) Secured by way of Hypothecation of Assets

(iv) **Terms of Repayment** HDFC Bank Ltd.

Sanctioned Loan	4590000	4590000
Date of Maturity	Sep-2015	Sep-2015
Rate of Interest	10.25%	10.25%
Balance Number of Monthly Installments	18	18
Amount of each EMI	145500	145500

(v) **Terms of Repayment** ICICI Bank Ltd.

Sanctioned Loan	4625000	2380000	2168500	9180000	2655000	1960000	4590000
Date of Maturity	Oct-2014	Jan-2015	Feb-2015	Aug-2015	Dec-2015	March-2015	Sep-16
Rate of Interest	9.87%	11.00%	10.91%	7.44%	10.51%	9.75%	10.59%
Balance Number of Monthly Installments	7	10	11	17	21	24	30
Amount of each EMI	138100	79800	65300	292580	88400	63010	153000

(vi) **Terms of Repayment** Tata Capital Ltd.

Sanctioned Loan	7800000	7244000	13291000
Date of Maturity	Dec-2015	Dec-2015	Mar-16
Rate of Interest	11.50%	11.50%	11.78%
Balance Number of Monthly installments	21	21	24
Amount of each EMI	263408	244630	448891

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 6: SHORT TERM BORROWINGS		
(a) Secured		
Cash Credit from SBBJ	141438609	92119347
Straight Line of Credit from SBBJ	20534665	13336608
Total	<u>161973274</u>	<u>10545955</u>
Secured by equitable mortgage on factory Land & Building situated at F-17 & 58, RIICO Industrial Area and Arajji No.1312, Mataji Ki Pandoli, Chittorgarh and hypothecation of Plant & Machinery and floating charge on Stock of Raw Materials, Work in Progress, Finished Goods, Stores & Spares, Book Debts and further personally guaranteed by Directors.		
NOTE 7: TRADE PAYABLES		
Trade payables (Including acceptances)		
Due to Micro & Small enterprises*		
Due to creditors other than Micro & Small enterprises	101144059	77694380
Total	<u>101144059</u>	<u>77694380</u>
*Considering the vendors are granting credit period upto 45 days and payments being released by the Company on a timely basis, there is no liability towards interest on delayed payments under "The Micro, Small & Medium Enterprises Development Act, 2006" during the year.		
There is also no amount of outstanding interest in this regard, brought forward from previous years. The above information is on the basis of intimation received, on request made by the Company, with regards to vendors registration under the said act.		
NOTE 8: OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term borrowing	38182690	35101242
(b) Unpaid dividends	805148	672343
(c) Other payables		
(i) Statutory liabilities.	1109525	1125289
(ii) Creditors for fixed assets	1946808	2036608
(iii) Advances from customers	28745806	14382434
(iv) Advances from Companies under same management	34949060	46976364
Total	<u>66751199</u>	<u>64520895</u>
Total	<u>105739037</u>	<u>100294480</u>
NOTE 9: SHORT TERM PROVISIONS		
(a) Provision for employee benefits:		
(i) salary & wages	471806	2934155
(ii) bonus	744902	665344
	-----	-----
	1216708	3599499
(b) Provision - Others:		
(i) for income tax (Net of advance tax Rs 22213235 (P.Y. Rs.20958496)	3193146	12632819
(ii) for Wealth Tax	4908	4991
(iii) for proposed equity dividend	3252500	3252500
(iv) for tax on proposed dividends	1080048	1054922
(v) for expenses	10087543	5106867
Total	<u>17618145</u>	<u>22052099</u>
Total	<u>18834853</u>	<u>25651598</u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

NOTE 10: TANGIBLE ASSETS											
Particulars	Gross Block			Depreciation			Net Block				
	As On 01.04.2013	Addition	As On 31.03.2014	As On 01.04.2013	For The Year	On Deletion	As On 31.03.2014	As On 31.03.2014	As On 31.03.2013		
LAND:											
Lease hold	4657273		4657273					4657273	4657273	4657273	
Free hold	5466970		5466970					5466970	5466970	5466970	
Building	48962033	2143610	51105643	4355734	1649651		6005385	45100258	44606299	44606299	
Plant & Machinery	187577303	20626348	208203651	38078566	9495732		47574298	160629353	149498737	149498737	
Mining Equipments	192399538	5102000	197501538	130171533	19297416		149468949	48032589	62228005	62228005	
Furniture & Fixtures	3044366	517596	3561962	1398237	209975		1608212	1953750	1646129	1646129	
Vechiles	8608649		8608649	3069461	817822		3887283	4721366	5539188	5539188	
E.D.P. Equipments	873837	26000	899837	790374	49045		839419	60418	83463	83463	
Total	451589969	28415554	48005523	177863905	31519641	0	209383546	270621977	273726064	273726064	
Previous Year	375327075	79928825	451589969	151267529	30219563	3623187	177863905	273726064	224059546	224059546	

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 11: NON CURRENT INVESTMENTS		
Unquoted Fully Paid up		
Action Marble & Granites Pvt. Ltd. 40000 (Previous year 40000) Equity Shares of Rs.10 each fully paid up	2000000	2000000
Aravali Associates Pvt. Ltd. 2000 (Previous year 2000) Equity Shares of Rs.100 each fully paid up	1000000	1000000
Quoted Fully Paid up (Non-Convertible)		
2500 (Previous year NIL) Debenture of ECL Finance Ltd. of Rs.1000 each (Market value Rs.25,50,000 Previous year NIL)	2500000	0
Total	<u>5500000</u>	<u>3000000</u>
NOTE 12: LONG TERM LOANS & ADVANCES (Unsecured, considered good unless otherwise stated.)		
(a) Security deposits	5888116	4430817
(b) Capital Advances	5629585	7941664
(b) Advances Income Tax	2912237	2912237
Total	<u>14429938</u>	<u>15284718</u>
NOTE 13: OTHER NON CURRENT ASSETS		
(i) Term Deposits with Banks (Pledged)	4476150	4504116
(ii) Interest accrued on deposits	1876268	1514106
Total	<u>6352418</u>	<u>6018222</u>
NOTE 14: INVENTORIES (At lower of cost and net realisable value)		
(a) Raw materials	86797408	70842531
(a i) Raw materials in Transit		261035
(b) Stores, Spares & Consumables	18197654	12557608
(c) Finished goods (other than those acquired for trading)	90571601	59868913
(d) Stock-in-trade (acquired for trading)	4299767	3455999
Total	<u>199866430</u>	<u>146986086</u>
NOTE 15: TRADE RECEIVABLES (Unsecured, considered good unless otherwise stated.)		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment	74806650	60773614
(b) Other Trade receivables	143124362	104275397
Total	<u>217931012</u>	<u>165049011</u>
NOTE 16: CASH & BANK BALANCES		
(a) Cash on hand	3917031	975922
(b) Cheques, drafts on hand	4423922	865675
(c) Balances with banks		
(i) In current accounts	4049073	1457649
(ii) In unpaid dividend accounts	805148	672343
Total	<u>4854221</u>	<u>2129992</u>
Total	<u>13195174</u>	<u>3971589</u>
NOTE 17: SHORT TERM LOANS & ADVANCES (Unsecured, considered good unless otherwise stated.)		
(a) Security deposits	710219	3360220
(b) Prepaid expenses	1902220	1720286
(c) Balances with government authorities	12438575	14271310
(d) Others*	25106839	18245884
Total	<u>40157853</u>	<u>37597700</u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 18: REVENUE FROM OPERATIONS		
(a) Sale of products (Refer Note (i) below)	742174187	741126598
(b) Sale of services (Refer Note (ii) below)	0	30195338
(c) Other operating revenues (Refer Note (iii) below)	<u>4718075</u>	<u>4453316</u>
	746892262	775775252
<u>Less:</u>		
(d) Excise duty	<u>3453839</u>	<u>2300510</u>
Revenue from operation (net)	<u>743438423</u>	<u>773474742</u>
Note:		
(i) Sale of products comprises:		
Marble Slabs	184810129	130878548
Sand Stone Slabs	58637863	48853354
Granite Slabs	260597528	219738449
Kota Stone Slabs	72795	
Marble Blocks	66567223	154420132
Sand Stone Blocks	6497058	17599098
Marble Articles		71600
Granite Blocks	53006297	98357737
China Clay	3558051	7168457
Lime stone		458668
Red Ocher	<u>88427243</u>	<u>63580555</u>
Total - Sale of products	<u>742174187</u>	<u>741126598</u>
(ii) Sale of services comprises:		
Job work receipts	<u>0</u>	<u>30195338</u>
Total - Sale of services	<u>0</u>	<u>30195338</u>
(iii) Other operating revenues comprises:		
Transportation Charges	187450	2507405
Sale of scrap	362100	816255
Duty Drawback of Granites	404714	0
Insurance claim for damages	695505	0
Refund of Service Tax	2190603	421330
Rebate & Discount	690897	613983
Insurance charges	186806	94343
	<u>4718075</u>	<u>4453316</u>
Total - Other operating revenues	<u>4718075</u>	<u>4453316</u>
NOTE 19: OTHER INCOME		
(a) Interest income	530779	726118
(b) Interest income from security Deposits to AVVNL Cor	221438	
(b) Net gain on foreign currency transactions and translation	5003608	9595363
(c) Other non-operating income:		
Gain on sale of fixed assets		347801
Duty drawback and other export incentives		369544
Miscellaneous income		210455
	<u>0</u>	<u>927800</u>
Total	<u>5755825</u>	<u>11249281</u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 20.A: COST OF MATERIALS CONSUMED		
Inventory at the beginning of the year	70842531	64076582
Add: Purchases (Refer note (i) below)*	<u>149035400</u>	<u>142748900</u>
	219877931	206825482
Less: Inventory at the end of the year	<u>86797408</u>	<u>70842531</u>
Cost of material consumed**	<u>133080523</u>	<u>135982951</u>
* Excludes cost of Blocks excavated from own mines. ** Includes cost of Marble & Stone Blocks sold.		
 (i) Material purchased comprises:		
Marble Block	81405694	86274174
Stone Block	9597410	7396691
Granite Block	<u>58032296</u>	<u>49078035</u>
Total	<u>149035400</u>	<u>142748900</u>
 NOTE 20.B: PURCHASE OF TRADED GOODS		
Granite Block	21965384	42563035
Granite Slabs	88871043	64659034
Marble Slabs & Tiles	47896239	17934319
Sand Stone Slabs	10914389	7252988
Marble Strips	<u>0</u>	<u>817266</u>
Total	<u>169647055</u>	<u>133226642</u>
 NOTE 20.C: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
inventories at the end of the year:		
Finished goods	90571601	59868913
Traded goods	4299767	3455999
	<u>94871368</u>	<u>63324912</u>
inventories at the beginning of the year:		
Finished goods	59868913	65541007
Traded goods	3455999	3186931
	<u>63324912</u>	<u>68727938</u>
Net (increase) / decrease	<u>(31546456)</u>	<u>5403026</u>
 NOTE 21: EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	14423539	25809637
Contributions to provident and other funds	530177	1260580
Staff welfare expenses	<u>681229</u>	<u>2084479</u>
Total	<u>15634945</u>	<u>29154696</u>
 NOTE 22: FINANCE COSTS		
Interest expense on:		
(i) Borrowings	29607144	28867550
(ii) Others:		
Dividend Distribution Tax.	63317	0
Income tax	1493323	0
Others	3962	7558
	<u>1560602</u>	<u>7558</u>
Total	<u>31167746</u>	<u>28875108</u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 23: OTHER EXPENSES		
Manufacturing Expenses		
Consumption of stores and spare parts	108863687	106978955
Power and fuel	89212839	68168488
Freight Inward	22818309	18446986
Repairs and maintenance - Buildings	0	38600
Repairs and maintenance - Machinery	6905105	6662096
Royalty	24525303	26168705
Equipment Hire Charges	218500	468816
	<u>252543743</u>	<u>226932646</u>
Establishment Expenses		
Repairs and maintenance - EDP Equipment	165145	208988
Repairs and maintenance - Others	42014	0
Insurance	2019859	1397159
Rates and taxes	1225894	1197993
Communication	401182	370255
Travelling and conveyance	1627298	1959898
Printing and stationery	225782	460451
Export Freight and Forwarding	39282881	62297867
Packing & Loading	2219645	460036
Sales commission	1542401	2918775
Entry Tax	593580	0
Rebates & discount	36475	350923
Bank Charges	4247316	4543990
Business Promotion	2315034	1612853
Legal and professional	1831888	1246342
Payment to Auditors	134832	120000
Postage & Courier Expenses	257106	275051
Advertisement & Publicity	451417	542625
Vehicle Running & Maintenance	977138	819528
Office Expenses	332600	383864
Secretarial Charges	86516	79778
Fees & Subscriptions	140071	67079
Miscellaneous expenses	571480	253999
	<u>60727554</u>	<u>81567454</u>
Total	<u><u>313271297</u></u>	<u><u>308500100</u></u>

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at	As at
	31 March, 2014	31 March, 2013
NOTE 24: CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF		
		Rs. in Lacs
(i) Guarantee Furnished to Banks and Govt. Dept including in respect of letter of credit.	30.00	20.00
(ii) Excise & Custom Duty forgone against bond	348.79	199.20
(iii) Excise & Custom Duty forgone under 100% EOU scheme.	106.76	110.09

NOTE 25: EARNING PER SHARE

(i) Net profit for the year after tax	54415657	72139598
(ii) Weighted average number of Equity Shares outstanding	3252500	3252500
(iii) Nominal value of the shares (Rs.)	10.00	10.00
(iv) Basic & Diluted Earnings per share	16.73	22.18

NOTE 26: SEGMENT INFORMATION

In view of Accounting Standard-17 "Segment Reporting" issued by "The Institute of Chartered Accountant of India" and made mandatory applicable w.e.f. 1st April 2001, the disclosure in respect of Segment information for the year ended 31st March, 2013 is as given below:

- (i) Primary Segment Reporting (By Business Segments):
The Company is engaged mainly in the business of Mining, manufacturing of Marble, Granite and Sand Stone. These in the context of AS-17 "Segment Reporting" are considered to constitute one single segment.
- (ii) Secondary Segment Reporting (By Geographical Segments):
The following is the distribution of the Company's consolidated sales by geographical markets, regardless of where the goods were produced.

	Rs. in Lacs	
Sales to Internal Segments	3099.72	2947.22
Sales to External Segments (USA, Europe & Middle east.)	4287.48	4768.07
Total	7387.20	7715.29

Geographical Location Sales	Revenue from external customers for the year ended			
	%	March 31, 2014	%	March 31, 2013
Republic of China	6.13	452.83	26.17	1939.36
Arbian Countries	16.36	1208.2	17.44	1292.25
African Countries	22.16	1637.15	13.69	1014.94
Europe & USA	6.66	492.32	4.35	322.17
Rest of world	6.73	496.98	2.69	199.35
Overses Market	56.04	4287.48	64.34	4768.07
Domestic Market	41.96	3099.72	35.66	2643.20
Total	100.00	7387.20	100.00	7411.27
Sale of Services				
Overses Market	0	0	0	0
Domestic Market	0	0	100	301.95
Total	0	0	100	301.95

Segment assets, liabilities and fixed assets used in the Company's business have not been identified to any reportable geographical segments as the fixed assets are used interchangeably between segments and hence geographical segment disclosures related to the carrying amount of Segment assets, liabilities and addition to fixed assets made during the year have not been given.

NOTE 27: RELATED PARTY DISCLOSURES

In view of Accounting Standard -18 "Related Party Disclosures" issued by "The Institute of Chartered Accountant of India" and made mandatory applicable w.e.f. 1st April 2001, the disclosure in respect of related party transactions for the year ended 31st March, 2014 are given below:

(i) Names of Related Parties:

(a) Key Management Personnel:

Capt. S. K. Inani	Managing Director
Dinesh Inani	Joint Managing Director

(b) Relative to Key Management Personnel

Nand Lal Inani	Father of Joint Managing Director
Rajesh Kumar Inani Director	Brother of Joint Managing Director

(c) Enterprises over which Key Management Personnel is able to exercise significant influence:

Inani Marbles Pvt. Ltd.
Inani Tiles Pvt. Ltd.
Action Marble & Granite Pvt. Ltd.
Inani Infra Project Pvt. Ltd
Inani Marmo & Granite Pvt. Ltd.
Inani Bhanwari & Sons
Nakoda Marble
Action Marble, Katni
Gareeb Nawaz Marble

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at	As at
	31 March, 2014	31 March, 2013

(ii) Transaction with related parties

Sr. No	Nature of Transaction and Name of the transacting party	31.03.2014			31.03.2013		
		Entities over which key Managerial personnel or their relatives exercises significant influence	Key management Personnel	Relatives of Key management Personnel	Entities over which key Managerial personnel or their relatives exercises significant influence	Key Management Personnel	Relatives of Key management Personnel
1	Remuneration Capt. Suresh Kumar Inani Dinesh Inani	--	3490000	--	--	3370000	--
		--	1770000	--	--	1560000	--
2	Sitting Fees Nand Lal Inani Rajesh Kumar Inani Harish Kumar Inani	--	--	24000	--	--	24000
		--	--	16000	--	--	16000
		--	--	20000	--	--	24000
		--	--	--	--	--	--
3	Purchases Inani Marbles Pvt. Ltd. Inani Tiles Pvt. Ltd. Inani Bhanwarlal & Sons Action Marble & Granite Pvt. Ltd. Inani Infra Project Pvt. Ltd. Inani Marmo & Granite Pvt. Ltd. Action Marble, Katni Gareeb Nawaz Marble	--	--	--	--	--	--
		--	--	--	--	--	--
		363037	--	--	1281781	--	--
		881898	--	--	2054685	--	--
		8778568	--	--	12469903	--	--
		871049	--	--	62195	--	--
		--	--	--	1061427	--	--
		--	--	--	0	--	--
4	Sales Inani Marbles Pvt. Ltd. Inani Tiles Pvt. Ltd. Action Marble & Granite Pvt. Ltd. Inani Marmo & Granite Pvt. Ltd. Action Marble, Katni	1646400	--	--	2881200	--	--
		--	--	--	1558200	--	--
		--	--	--	6027000	--	--
		1499400	--	--	3087000	--	--
		--	--	--	71578	--	--
		--	--	--	--	--	--

NOTE 28: VALUE OF IMPORTS CALCULATED ON CIF BASIS

(i) Raw Material	47597421	50578024
(ii) Stores & Spares	25759473	28002442
(iii) Capital goods	10281625	16229389
Total	83638519	94609855

NOTE 29: EXPENDITURE IN FOREIGN CURRENCY (Accrual basis)

(i) Travelling	510522	324228
(ii) Fair & Exhibition	2315034	1612853
Total	2825556	1937081

NOTE 30: EARNINGS IN FOREIGN CURRENCY (Accrual basis)

FOB value of goods exported	431672020	476807351
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NOTE 31: VALUE OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED

		Percentage	Value	Percentage	Value
(i) Raw Material*	Imported	28.73%	38233934	34.27%	46401806
	Indigenous**	71.27%	94846589	65.73%	88981145
		100.00%	133080523	100.00%	135382951

*Includes cost of Blocks sold.

**Excludes cost of Blocks excavated from own mines.

(ii) Stores & Spares	Imported	25.03%	27248768	19.25%	20598154
	Indigenous	74.97%	81614919	80.75%	86380801
		100.00%	108863687	100.00%	106978955

INANI MARBLES & INDUSTRIES LTD.
Notes forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
NOTE 32: DEFERRED TAX ASSET / LIABILITY (NET)		
In accordance with Accounting Standard-22, 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the Company has provided for deferred tax, on account of timing difference between book depreciation & tax depreciation, as under:		
Opening Balance	-6026161	2613374
Add: Current Year Credit / (Charge)	<u>(7561186)</u>	<u>(8639535)</u>
Net Deferred Tax Asset/(Liability)	<u>(13587347)</u>	<u>(6026161)</u>

NOTE 33:

In the opinion of the Board the investments, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

NOTE 34:

Promoters have authorized the Company without any consideration to develop and excavate the Marble Blocks, China Clay & Red Ocher from their Mines for a period up to March, 2014.

NOTE 35:

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

NOTE 36:

The previous year figures have also been re-classified re-grouped to conform to this year's classification. for the previous year figure does not impact recognition and measurement principles followed for preparation of financial statements.

NOTE 37:

Figures have been rounded off to nearest Rupees.

SIGNATURE TO THE NOTES '1' TO '37'

As per our report of even date.

For: Nyati Mundra & Co.
Chartered Accountants
(Reg. No. 008153C)

For: Mahesh C. Solanki & Co.
Chartered Accountants
(Reg. No. 06228C)

For and on behalf of the Board of Directors

CA R.K.Nyati
Partner
(M.N. 070692)

CA Jagdish Rathi
Partner
(M.N. 039303)

Capt. S.K.Inani
Managing Director

H.K.Inani
Director

Place : Chittorgarh
Date : 30.05.2014

Anil Jain
Company Secretary
(M.N. A22464)

FORM NO.MGT- 11
PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)
of the Companies (Management and Administration) Rules, 2014]*

CIN : L14101RJ1994PLC008930

Name of company: INANI MARBLES & INDUSTRIES LIMITED

Registered office: F-17 & 58, RIICO Ind. Area,
Chittorgarh (Rajasthan)-312001

Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

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

1. Name :
Address :
E-mail Id :
Signature :, or failing him

2. Name :
Address :
E-mail Id :
Signature :, or failing him

3. Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Monday 29th September, 2014 at Inani Marble & Granites ARAJI No. 1312, Mataji Ki Pandoli, Chittorgarh (Rajasthan)-312001 at 10.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Resolution	
1.	Receive, Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditor as at 31 st March 2014.
2.	Declaration of Dividend for the year ended 31 st March 2014
3.	Appoint a Director in place of Shri Harish Inani, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment
4.	Appoint a Director in place of Shri Rajesh Inani, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment

5.	Re-appointment of Auditor and Fixing their remuneration
6.	Appointment of Shri Ravi Birla as an independent Director of the Company
7.	Appointment of Shri Prem Narayan Sharma as an Independent Director of the Company
Special Resolution	
8.	De-listing of Equity Shares from Stock Exchange
9.	Consent of the Company accorded to the Board of directors for Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the company U/s 180 (1) (a) of the Companies Act, 2013
10.	Consent of the Company accorded to the Board of directors to obtain loan/borrowings under section 180 (1)(c) & (2) of the Companies Act, 2013

Signed this..... day of..... 2014
Signature of shareholder

Please affix
Revenue
Stamp

Signature of Proxy holder(s)

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.

ATTENDANCE SLIP
ANNUAL GENERAL MEETING ON 29th DAY SEPTEMBER, 2014

R.F. No./DPID _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the Annual General meeting of the company on Monday 29th September, 2014 at Inani Marble & Granites, ARAJI No. 1312, Mataji Ki Pandoli, Chittorgarh (Rajasthan)-312001 at 10.00 A.M.

(If signed by proxy, his name should be
Written in block letters)

(Shareholders/proxy's Signature) _____

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.