

34<sup>th</sup>

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ANNUAL  
REPORT

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2018-19



**Elegant**

Marbles & Grani Industries Ltd

**HIGHLIGHTS  
of the year  
2018-2019**

**TURNOVER**

**₹ 1966 LACS**

**NET PROFIT**

**₹ 326 LACS**

**EPS**

**₹ 8.93**

# Elegant Marbles and Grani Industries Ltd.

## BOARD OF DIRECTORS

Shri Ramchandra Chawla	Independent Director
Shri Raj Kumar Mittal	Independent Director
Shri Om Parkash Singal	Independent Director
Ms. Yogita Agrawal	Non-Executive Woman Director
Shri Rakesh Agrawal	Managing Director
Shri Rajesh Agrawal	Chairman and Managing Director

## CHIEF FINANCIAL OFFICER

Shri Hitesh Kothari

## COMPANY SECRETARY

Ms. Sneha N. Valeja (Resigned w.e.f. 13th April, 2019)  
Ms. Roma Bhagtani (Appointed w.e.f 28th May, 2019)

## STATUTORY AUDITORS

**M/s. SDBA & Co.**  
Chartered Accountants  
601, 6<sup>th</sup> Floor, A Wing, Aarus Chamber,  
S.S. Amrutwar Marg, Behind Mahindra Tower,  
Worli, Mumbai - 400 013

## INTERNAL AUDITORS

M/s. Deepak Mehta & Associates  
Chartered Accountants  
A/202-203, Mahendra Apartment,  
Kulupwadi Road, Before Raheja Estate,  
Borivali (East), Mumbai - 400 066.

## SECRETARIAL AUDITOR

Shri Virendra G. Bhatt  
Practicing Company Secretary

## BANKERS

- ICICI Bank Limited
- Citi Bank Limited
- HDFC Bank Limited
- Kotak Mahindra Bank Limited
- State Bank of India

## REGISTERED OFFICE

E 7/9, RIICO Industrial Area,  
Abu Road - 307 026, Rajasthan.  
CIN : L14101RJ1984PLC003134  
Email: elegantmarbles@gmail.com  
Website: www.elegantmarbles.com  
Telefax: 022-2493 0782

## CORPORATE OFFICE

Elegant House,  
Raghuvanshi Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai - 400 013.  
E-mail: elegantmarbles@gmail.com  
Website: http://www.elegantmarbles.com  
CIN: L14101RJ1984PLC003134

## REGISTRAR AND TRANSFER AGENT

Universal Capital Securities Private Limited  
21, Shakil Niwas, Mahakali Caves Road,  
Andheri (East), Mumbai - 400 093  
Tel: 022-2820 7203 Fax: 022-2820 7207  
E-mail: info@unisec.in | Website: www.unisec.in  
CIN: U74200MH1991PTC062536

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY-FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ELEGANT MARBLES AND GRANI INDUSTRIES LIMITED WILL BE HELD AS INDICATED BELOW:

**Day** : THURSDAY

**Date** : 25th JULY, 2019

**Time** : 09.00 a.m.

**Place** : Registered Office of the Company:

E 7/9, RIICO Industrial Area,

Abu Road – 307 026,

Rajasthan.

To transact the following business:-

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Ms. Yogita Agrawal (DIN: 06965966) who retires by rotation and being eligible offers herself for re-appointment.
3. To re-appoint the Statutory Auditors of the Company and fix their remuneration and in this regard, pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. SDBA & Co., Chartered Accountants (Firm Registration No. 142004W), be and are hereby re-appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

#### 4. **Re-appointment of Shri Ramchandra Chawla as the Independent Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 17 (1) (A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) 2018, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Ramchandra Chawla (DIN: 00017992) aged 76 Years, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 5. **Re-appointment of Shri Raj Kumar Mittal as an Independent Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 17 (1) (A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) 2018, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Raj Kumar Mittal (DIN: 00020255) aged 75 Years, who was appointed as an

# Elegant Marbles and Grani Industries Ltd.

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Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
**For Elegant Marbles and Grani Industries Limited**

**Roma Roopkumar Bhagtani**  
Company Secretary

**Date:** 28<sup>th</sup> May, 2019

**Place:** Mumbai

**Registered Office:**

E7/9, RIICO Industrial Area,  
Abu Road-307026 Rajasthan  
Tel: 022-2496 0771 Fax: 91-22-24930782  
E-mail: [elegantmarbles@gmail.com](mailto:elegantmarbles@gmail.com)  
Website: [www.elegantmarbles.com](http://www.elegantmarbles.com)

**NOTES:**

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, of the Directors retiring by rotation / seeking re-appointment as per Item Nos. 4 and 5 of the Notice are also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting viz. upto 09:00 a.m. on July 23, 2019. Members/ proxies should bring their duly filled attendance slip attached herewith to attend the meeting.
4. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. A proxy form is annexed to this Report. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
5. In terms of Section 152 of the Act, Ms. Yogita Agrawal, Directors, retire by rotation at the Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company commends her re-appointments.
6. Keeping in view the requirements set out in the Act, the members of the Company at the Thirty-Third Annual General Meeting held on July 26, 2018, had appointed M/s. SDBA & Co., Chartered Accountants (Firm Registration No. 142004W) as the Statutory Auditors of the Company till the conclusion of the Thirty-Fourth Annual General Meeting. Accordingly, the first term of M/s. SDBA & Co., as the Statutory Auditors of the Company expires on the conclusion of the ensuing AGM. In pursuance of the foregoing, the Audit Committee and Board of Directors of the Company have recommended re-appointment of M/s. SDBA & Co., Chartered Accountants (Firm Registration No. 142004W) as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. Further, M/s. SDBA & Co., Chartered Accountants have consented and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

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7. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. Members are requested to kindly bring their copy of the Annual Report and Attendance slip with them at the Annual General Meeting, as no extra copy of Annual Report would be made available at the Annual General Meeting and are requested to quote their Folio Numbers in all correspondences.
9. 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 at the Meeting.
10. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on July 26, 2018 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <https://www.elegantmarbles.com/transfer-of-shares-to-iepf/>. The said details have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: [www.mca.gov.in](http://www.mca.gov.in). Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred all shares in respect of which dividend declared for the financial year 2010-11 has not been paid or claimed by the members for 7 (seven) consecutive years or more. Members are advised to periodically visit the web-link: <https://www.elegantmarbles.com/transfer-of-shares-to-iepf/> to ascertain details of shares liable for transfer in the name of IEPF Authority.
11. Members holding shares in physical form are requested to submit a self-attested copy of their Permanent Account Number (PAN) card and Original Cancelled Cheque leaf / attested bank passbook showing name of the account holder to the Company / Registrar and Transfer Agent, as mandated by the Securities and Exchange Board of India (SEBI) vide circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018.
12. In terms of the Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 issued by the Securities and Exchange Board of India, listed companies are required to use the Reserve Bank of India approved electronic mode of payment such as Electronic Clearance Service (ECS), LECS (Local ECS)/RECS (Regional ECS)/NECS (National ECS), NEFT, etc. for making cash payments like dividend, etc. to the members. Accordingly, members holding securities in demat mode are requested to update their bank details with their depository participants. Those holding securities in physical form are requested to update said details with the Registrar and Transfer Agent i.e. Universal Capital Securities Private Limited, 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 or the Company Secretary of the Company.
13. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the Members at the Registered Office of the Company during business hours on all working days, up to the date of the Annual General Meeting.
14. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Registrar and Share Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
15. Section 20 of the Companies Act, 2013 permits service of documents on members by a company through electronic mode. So in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report for the year 2018-19 is being sent through electronic mode to those members whose email addresses are registered with the Company/Depository Participant unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report for the year 2018-19 are being sent by the prescribed mode.
16. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Registrars and Transfer Agents/ their Depository Participants, in respect of shares held in physical/ electronic mode respectively.

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17. Members are requested to inform change in address or bank mandate to their respective Depository Participants with whom they are maintaining their demat accounts and with the Registrar and Transfer Agent i.e. M/s. Universal Capital Securities Private Limited or the Company Secretary of the Company for the shares held in physical form by a written request duly signed by the member for receiving all communication in future.
18. Members desiring any information relating to the accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information available at the meeting.
19. A route map giving directions to reach the venue of the 34th Annual General Meeting is given at the end of the Notice.
20. Members may note that the electronic copy of the 34th Annual Report (including AGM Notice) will also be available on Company's website i.e. [www.elegantmarbles.com](http://www.elegantmarbles.com) for their reference.
21. The voting rights of the shareholders for voting through remote e-voting or by Poll paper at the AGM shall be in proportion to their share of the paid-up equity share capital of the Company as on July 18, 2019 ('Cut-Off Date'). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or of voting at the AGM and who is not a Member as on the cut-off date shall treat this Notice for information purposes only. Person acquiring shares after dispatch of this notice but holds shares as on cut-off date can generate the password as per instructions stated in notice or seek assistance from CDSL via writing e-mail on [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
22. Shri. Virendra G. Bhatt, Practicing Company Secretary, (Membership No. ACS 1157) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Chairman shall forthwith on receipt of the Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.elegantmarbles.com](http://www.elegantmarbles.com) and on the website of CDSL immediately after their declaration, and communicated to the Stock Exchanges where the shares of the Company are listed, viz. BSE Ltd.
23. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Thursday, July 25, 2019.
24. Voting through electronic means:-

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 read with the Companies (Management and Administration) Rules, 2014 read with amendments or re-enactments made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to exercise members' right to vote at the 34<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The facility for voting through ballot/polling paper shall also be made available at the venue of the 34<sup>th</sup> Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 22<sup>nd</sup> July, 2019 (09:00 a.m.) and ends on 24<sup>th</sup> July, 2019 (05:00 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 18<sup>th</sup> July, 2019 may cast their vote electronically. 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](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

- (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 <Elegant Marbles and Grani Industries Limited> 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



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25. The facility for voting, through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
26. The voting rights of members shall be in proportion to their shares of the paid up equity share capital in the Company as on the cut-off date i.e. July 18, 2019.
27. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE ACT)**

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

### **Item No. 4:**

The Members of the Company, at the 33<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> July, 2018 by passing special resolution had approved re-appointment of Shri Ramchandra Chawla, as an Independent Director of the Company after he had attained the age of Seventy Five Years for a further remaining period of his first term before expiry as per Regulation 17(1)(A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective from April 01, 2019), which provides that no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri Ramchandra Chawla (DIN: 00017992) aged 76 Years was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He holds office as Independent Director of the Company up to the conclusion of the ensuing Annual General Meeting of the Company (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

Shri Ramchandra Chawla being a renowned architect has rich and varied experience in the industry and is consulted by the Board for valuable guidance and leads for large orders. It would be in the interest of the Company to continue to avail his considerable expertise and thereby continue his directorship for a further period of five years.

Further, the Company has received declaration from Shri Ramchandra Chawla that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 17(1)(A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. He has also submitted that he is not disqualified from being appointed as Directors in terms of Section 164 of the Act subject to passing of special resolution by the members of the company and has given his consent to continue to act as the Independent Director of the Company as per the terms set out in the letter of appointment.

The Board, based on the recommendation of the Nomination and Remuneration Committee and performance evaluation of Independent Directors, considers his background, experience and contribution made by him during his tenure, the continued association of Shri Ramchandra Chawla would be beneficial to the Members of the Company, and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Ramchandra Chawla as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Details of the Director, whose re-appointment as Independent Director is proposed at Item No. 4, are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Shri Ramchandra Chawla setting out the terms and conditions of appointment are available for inspection by the Members at the registered office of the Company.

Shri Ramchandra Chawla is interested in the resolutions set out respectively at Item No. 4 of the Notice with regard to his re-appointment.

Save and except Shri Ramchandra Chawla, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolutions set out at Item No. 4 of the Notice for approval by the members.

### **Item No. 5:**

The Members of the Company, at the 33<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> July, 2018 by passing special resolution had approved re-appointment of Shri Rajkumar Mittal as an Independent Director of the Company after he had attained the age of Seventy Five Years for a further remaining period of his first term before expiry as per Regulation 17(1)(A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective from April 01, 2019), which provides that no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

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Shri Rajkumar Mittal (DIN: 00020255) aged 76 Years was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He holds office as Independent Director of the Company up to the conclusion of the ensuing Annual General Meeting of the Company (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

He being a Chartered Accountant with years of rich and varied experience in the industry and is consulted by the Board for valuable guidance on multiple issues. It would be in the interest of the Company to continue to avail his considerable expertise and thereby continue his directorship for a further period of five years.

Further, the Company has received declaration from Shri Rajkumar Mittal that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 17(1)(A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. He has also submitted that he is not disqualified from being appointed as Directors in terms of Section 164 of the Act subject to passing of special resolution by the members of the company and has given his consent to continue to act as the Independent Director of the Company as per the terms set out in the letter of appointment.

The Board, based on the recommendation of the Nomination and Remuneration Committee and performance evaluation of Independent Directors, considers his background, experience and contribution made by him during his tenure, the continued association of Shri Rajkumar Mittal would be beneficial to the Members of the Company, and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Rajkumar Mittal as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Details of the Director, whose re-appointment as Independent Director is proposed at Item No. 5, are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Shri Rajkumar Mittal setting out the terms and conditions of appointment are available for inspection by the Members at the registered office of the Company.

Shri Rajkumar Mittal is interested in the resolutions set out respectively at Item No. 5 of the Notice with regard to his re-appointment.

Save and except Shri Rajkumar Mittal, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolutions set out at Item No. 5 of the Notice for approval by the members.

## DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

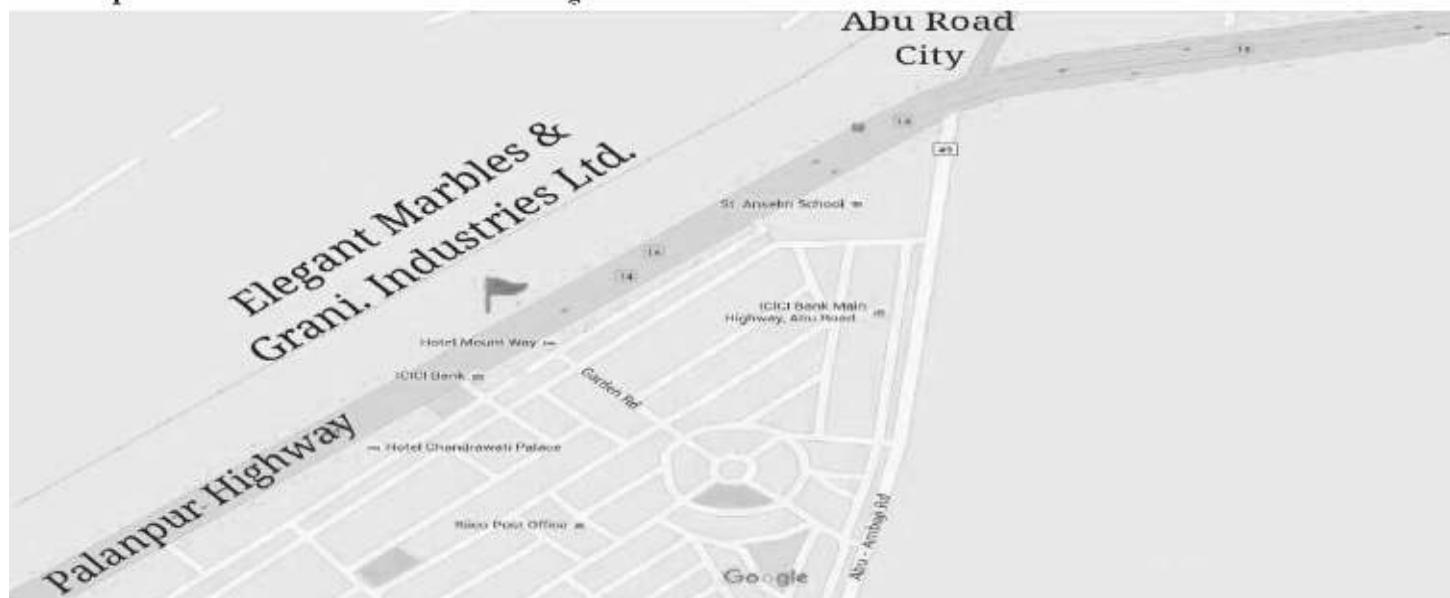
Particulars	Shri Ramchandra Chawla	Shri Raj Kumar Mittal	Ms. Yogita Agrawal
Director Identification Number	00017992	00020255	06965966
Date of Birth (Age)	05th February, 1943 (76 years)	05th May, 1944 (75 years)	19th July, 1993(25 years)
Nationality	Indian	Indian	Indian
Qualification	B.Sc (Eng.) & GD (Architect)	B.Com. (Hons), F.C.A.	Bachelor of Fine Arts (Product Design) at Parsons - the New School for Design, New York.
Expertise	Renowned Architect with Special Expertise in Consultancy on high end projects all around the Globe	Practicing as a Chartered Accountant under the firm name Mittal & Associates since 1976. He specializes in corporate & financial advisory services, including syndication of funds, financial restructuring & negotiated settlement	Rich and diverse experience in various fields like furniture, ceramics, lighting, marble products and designing for special user groups and Working with the latest fabrication technology such as 3D printing, laser cutting and CNC routing.
Date of Appointment on the Board	Appointed as an Independent Director since 24th September, 2014	Appointed as an Independent Director w.e.f. 24th September, 2014	24th September, 2014
Relationship with other Directors and Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Daughter of Mr. Rakesh Agrawal and not related to any other Director / Key Managerial Personnel
No. of shares held in the Company	NIL	NIL	NIL

# Elegant Marbles and Grani Industries Ltd.

Particulars	Shri Ramchandra Chawla	Shri Raj Kumar Mittal	Ms. Yogita Agrawal
Directorships held in other Companies (excluding foreign Companies and Section 8 Companies) as on 31st March, 2019	<ol style="list-style-type: none"> <li>1. Chawala Architects And Consultants Private Limited</li> <li>2. DHK Investment Company (Private Co With Unlimited Liability)</li> <li>3. Radhka Leasing Private Limited</li> <li>4. Sehaj Impex Private Limited</li> <li>5. Mona Oxygen Private Limited</li> <li>6. Chandan Tex-Chem (India) Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. C.S. Enterprises Private Limited</li> <li>2. Vithal Traders and Consultants Private Limited</li> </ol>	NIL
Memberships /Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee) as on 31st March, 2019	NIL	NIL	NIL
Memberships /Chairmanships of the Committee of the Board of Directors of the Company	Member: <ol style="list-style-type: none"> <li>1. Audit Committee</li> <li>2. Nomination and Remuneration Committee</li> <li>3. Corporate Social Responsibility Committee</li> </ol>	Chairman: <ol style="list-style-type: none"> <li>1. Audit Committee</li> <li>2. Nomination and Remuneration Committee</li> </ol>	Chairman: <ol style="list-style-type: none"> <li>1. Stakeholders' Relationship Committee</li> </ol>

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of the above directors please refer to the Board's Report and the Corporate Governance Report.

## Route Map to the venue of the Annual General Meeting



By Order of the Board of Directors  
For Elegant Marbles and Grani Industries Limited

**Roma Roopkumar Bhagtani**  
Company Secretary

**Date:** 28<sup>th</sup> May, 2019  
**Place:** Mumbai

**Registered Office:**  
E7/9, RIICO Industrial Area,  
Abu Road-307026 Rajasthan  
Tel: 022-24960771 Fax: 91-22-24930782  
E-mail: [elegantmarbles@gmail.com](mailto:elegantmarbles@gmail.com)  
Website: [www.elegantmarbles.com](http://www.elegantmarbles.com)

# 34th Annual Report 2018-2019

## DIRECTORS' REPORT

Dear Members,

The Board of Directors of the Company are pleased to present the Thirty-Fourth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2019.

### 1. SUMMARY OF FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2019 is summarized below:-

Financial Results	For the Year Ended 31.03.2019 (` in lakhs)	For the Year Ended 31.03.2018 (` in lakhs)
Revenue from Operations	1966.17	2403.52
Other Income	305.33	448.25
<b>TOTAL INCOME</b>	<b>2271.50</b>	<b>2851.77</b>
<b>PROFIT BEFORE TAX</b>	<b>390.11</b>	<b>524.56</b>
Less: Current Tax	(69.19)	(92.33)
Deferred Tax	3.82	4.55
Excess/(Short) Provision of previous years	1.98	-
<b>PROFIT AFTER TAX</b>	<b>326.72</b>	<b>436.78</b>
Other Comprehensive Income	1.82	1026.22
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>328.54</b>	<b>1463.01</b>
Balance brought forward from the previous year	5116.67	4334.58
<b>APPROPRIATIONS</b>		
Transfer to General Reserve	-	60.00
Transfer to Capital Redemption Reserve	-	-
Dividend on Equity Shares	-	-
Tax on Dividend	-	-

### 2. DIVIDENDS

The Board of Directors thought it prudent not to recommend any Dividend for the financial year ended 31<sup>st</sup> March, 2019.

### 3. STATE OF THE COMPANY'S AFFAIRS

The Company achieved Revenues from Operations and Other Income (gross) of Rs. 1966.17 lakhs during the financial year ended 31<sup>st</sup> March, 2019, it was approx. 22% lower as compared to the previous year, owing to continuing impact of higher rate of GST imposed upon the industry and general economic sluggishness. It is also attributable to the continued slow down in real estate industry. The profit after tax has declined by approx. 25.20% during the year due to lower other income also. However, the Company commands an increased realizable value inspite of the deep correction in equity markets. The Management is confident of rebound with economy expected to grow in the forthcoming years.

Detailed analysis and future outlook of the Company's business are dealt in the Management Discussion and Analysis Report.

### 4. BUSINESS OVERVIEW

The Company continues to maintain its reputation as one of the most reputed manufacturers & providers of choicest and exclusive range of Indian & Imported Marbles & Granites. The Company is reaping rich dividends on its carefully cultivated long-term relationships with several niche clients in India & abroad. The Company has strived to innovate in technology and marketing and has evolved accepting the changing customer demands and aspirations.

The Company is constantly improving its efforts on marketing its products through e-commerce on its website thereby keeping itself abreast with the latest trends in marketing and accepting the changing customer demands and aspirations. Online marketing is expected to assist the Company to strive in the world of e-commerce keeping watch on customers buying habits, expansion of market for niche products, Inventory Management and various other benefits thereby targeting the untapped online market in order to enhance the top line and revenue by achieving economies of scale.

Aggressive marketing and rational utilization of resources by the Management of the Company has been an ongoing process as usual.

The Company has visualized on many uncharted territories in terms of creating a better future for itself in terms of new products and a wider range of colors and the Company is well positioned to capture benefits of the upturn.

## Customer Relationships

The Company believes nurturing and maintaining the relationships with existing clients is as important as adding new names to its clientele. The Company has been exploring repeat orders with its existing clients and continues its efforts to widen its client base both geographically and numerically during the year under review and hopes to further expand it with the introduction of e-commerce facility on its website in the coming years.

The Company has also gained and maintained reputation for importing and distributing only the highest quality material while providing clients with personalized, detailed attention in selecting the right material for their projects.

## Personnel & Performance

The Company has been able to develop an environment, which is conducive to high growth and performance, a work culture that encourages meritocracy and rewards high performers in an adequate and fair manner.

## 5. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), is presented in a separate section forming part of the Annual Report.

## 6. MATERIAL CHANGES AFFECTING THE COMPANY AND COMMITMENT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report. There has been no change in the nature of business of the Company.

## 7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure A and is attached to this report.

## 8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Companies Act 2013. This robust Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has laid down a well-defined risk management mechanism commensurate with its size and the nature of business covering risk mapping, risk exposure and risk mitigation process. The Company's Risk Management Policy has been developed to include various categories such as Human Resources, Financial, Business Processes and Systems, Strategy, Corporate Governance and Compliance and Information Security.

Further, the Board ensures risk reporting and updates, risk policy compliances and provide overall guidance and support to business risk owners.

## 9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board and the same has been hosted on the Company's website at [www.elegantmarbles.com](http://www.elegantmarbles.com).

Pursuant to section 135 of the Companies Act, 2013, the Company continues to implement its Corporate Social Responsibility initiatives furthering the National Theme of the Hon'ble Prime Minister Shri Narendra Modi of "BETI PADHAO BETI BACHAO" by contributing Rs. 12,50,000 for the education of underprivileged girls in Kishangarh, Rajasthan.

The CSR Policy of the Company and the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as Annexure B to this Report.

## 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given Loans or guarantees or investments pursuant to Section 186 of the Companies Act, 2013 to other Body Corporates or persons as indicated in the notes to the financial statements.

## 11. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contract/ arrangement/ transaction with related parties, which could be considered material in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website [www.elegantmarbles.com](http://www.elegantmarbles.com). The particulars as required under the Act are furnished in Annexure C (Form No. AOC-2) to this Report.

# 34th Annual Report 2018-2019

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## 12. AUDITORS AND AUDITORS REPORT

### a. Statutory Auditors

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. SDBA & Co., Chartered Accountants (Firm Registration No. 142004W), be and are hereby re-appointed as the Statutory Auditors of the Company for a term of 3 (three) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Thirty-Seventh Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

### Auditors Report

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### b. Secretarial Auditors and Secretarial Audit Report

The Board appointed Shri Virendra G. Bhatt, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is annexed herewith marked as **Annexure D** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### c. Cost Audit

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to maintain cost records and conduct cost audit.

## 13. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure E.

## 14. POLICY RELATING TO DIRECTORS APPOINTMENT AND REMUNERATION ETC.

The Board has framed a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee. The details of this Policy have been disclosed in the Corporate Governance Report, which forms part of this Report.

## 15. ANNUAL EVALUATION OF BOARD'S PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of the working of its own performance, the Directors individually as well as evaluation of its Committees.

The Board and Nomination and Remuneration Committee reviewed the performance of Individual

Directors, the Board as a whole, Committees of the Board and Chairman and Managing Director after taking into consideration feedback received from Directors. The evaluation was done on various parameters such as vision and strategy, participation, disclosures of interests, good governance, leadership skills, operations, business development, human resources development, corporate communication etc. The feedback received from Directors were then consolidated and placed before the Committee / Board for its evaluation. The Directors expressed their satisfaction with the evaluation process.

## 16. EXTRACT OF ANNUAL RETURN

The extract of Annual Return (MGT – 9) pursuant to the provisions of Section 134 (3) (a) and Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 the Annual Return of the Company is furnished in Annexure F of this Report and uploaded on the website of the Company which can be accessed at [www.elegantmarbles.com](http://www.elegantmarbles.com).

## 17. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2018-19

During the financial year 2018-19, four (4) Board Meetings were held on 22<sup>nd</sup> May, 2018, 13<sup>th</sup> August, 2018, 01<sup>st</sup> November, 2018 and 05<sup>th</sup> February, 2019, details of which are furnished in the Corporate Governance Report forming part of this Report. The gap between any two Meetings did not exceed 120 days.

## 18. DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, in respect of the year ended 31<sup>st</sup> March, 2019, hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- they had taken proper and sufficient care for the maintenance of 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;

# Elegant Marbles and Grani Industries Ltd.

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- d) they had prepared the annual accounts on a going concern basis;
- e) they had laid down proper internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

## 19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate company. Hence, disclosure of statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures in Form AOC-1 is not applicable to the Company.

## 20. DEPOSITORY SYSTEM

The Company has entered into agreement with the National Securities Depository Limited and Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in a dematerialized form. The Company also offers simultaneous dematerialization of the physical shares lodged for transfer.

## 21. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013

The Company has received disclosures in Form DIR – 8 from all the Directors' of the Company and has noted that the none of the Director is disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

## 22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013, Ms. Yogita Agrawal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.

## 23. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors of the Company, confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, as amended by Companies (Amendment) Act, 2017.

## 24. INTERNAL FINANCIAL CONTROL SYSTEM

The Company continuously evolves in strengthening its internal control processes and has appointed M/s. Deepak Mehta & Associates, Chartered Accountants, as the Internal Auditor of the Company. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities. Audit Committee periodically reviews the performance of internal audit system.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required. The Audit Committee reviews adherence to internal control systems and internal audit reports. Further, the Board annually reviews the effectiveness of the Company's internal control system.

## 25. CORPORATE GOVERNANCE

A detailed Report on Corporate Governance, pursuant to the requirements of Regulation 34(3) of the Listing Regulations, forms an integral part of this Report. A Certificate from the Auditors of the Company, M/s SDBA & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulations, is annexed to this Report and Mr. Virendra Bhatt (Practicing Company Secretary) issued a certificate with regards to Dis-Qualification of Directors of the Company as per Regulation 34(3) of SEBI (LODR) Regulations, 2015, is also annexed to this Report.

The Business Responsibility Reporting, as required by Regulation 34(2) of the Listing Regulations, is not applicable to the Company for the financial year ending 31<sup>st</sup> March, 2019.

The Vigil Mechanism of the Company also incorporates a Whistle Blower Policy in terms of the Listing Regulations thereby establishing a vigil mechanism for Directors and permanent employees for reporting genuine concerns, if any. Protected disclosures can be made by a whistle blower to the Chairman of the Audit Committee. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: .

## 26. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Company has constituted an Audit Committee as required under Section 177 of the Companies Act, 2013 and has also established Vigil Mechanism for their employees and Directors to report their genuine concerns or grievances.

The details of the same are presented in the Corporate Governance Report. The Board has accepted all the recommendations of the Audit Committee during the year under review.

# 34th Annual Report 2018-2019

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## 27. GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of sweat equity shares, bonus shares or employees stock option plan.
- The Company has constituted Anti Sexual Harassment Committee and during the year under review, there were no cases were reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- There were no frauds reported by the Auditors under Sub section (12) of Section 143 of the Companies (Amendment) Act, 2015, to the Audit Committee, Board of Directors or Central Government.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## 28. ACKNOWLEDGEMENTS

The Company will soon complete glorious 34 eventful years of the existence. Very few brands continue to remain relevant and become iconic over such a long passage of time. The Directors are proud of the rich heritage.

The Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, the Company's achievements would not have been possible.

The Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

For and on behalf of the Board of Directors  
**Elegant Marbles and Grani Industries Limited**

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

Date: 28th May, 2019

Place: Mumbai

## ANNEXURE A TO THE DIRECTORS' REPORT

Statement pursuant to Section 134 (1) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY

The Company does not belong to the category of power intensive industry and hence consumption of power is not significant. However, the management gives due importance to conservation of energy wherever feasible, and also reviews from time to time, the measures taken / to be taken for reduced and prudent consumption and conservation of energy.

### B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

#### i. Research & Development (R & D)

The Company undertakes from time to time, studies for process improvement and plant design development, to improve quality and performance of its products, to substitute imported material and components and to economise the production costs. Based on these studies, appropriate actions are taken to achieve these goals. In absence of a separate research & development department, it is difficult to quantify the amount spent on research & development.

#### ii. Technology Absorption, Adaption and Innovation

Efforts are made to absorb the advances in technology with suitable modifications to cater to local needs. The Company keeps itself updated with the latest technological innovations by way of constant communication, personal discussions etc.

### C. FOREIGN EXCHANGE USED

Foreign exchange used during the year: Rs. 700.79 lakhs

For and on behalf of the Board of Directors  
**Elegant Marbles and Grani Industries Limited**

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

Date: 28<sup>th</sup> May, 2019

Place: Mumbai



# Elegant Marbles and Grani Industries Ltd.

## ANNEXURE B TO DIRECTORS' REPORT Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2018-19

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs.	<b>FOCUS AREAS:</b> <ul style="list-style-type: none"> <li>• Eradicating hunger, poverty, malnutrition and sanitation;</li> <li>• Promoting education (primary, secondary or higher education and studies more particularly for girls );</li> <li>• Promoting gender equality, empowering women;</li> <li>• Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources;</li> <li>• Protection of national heritage, art and culture;</li> <li>• Promotion and encouragement of training of cottage industries and handicrafts industries and other useful crafts;</li> <li>• Any other activities as may be recommended by the Committee and approved by the Board. The Company has formulated and adopted a Policy on Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013 and the web-link for the same is <a href="http://elegantmarbles.com/wp-content/uploads/2016/01/CSR-Policy.pdf">http://elegantmarbles.com/wp-content/uploads/2016/01/CSR-Policy.pdf</a></li> </ul>
2	CSR Committee	<ol style="list-style-type: none"> <li>1. SHRI RAM CHAWLA (Independent Director) - Member</li> <li>2. SHRI RAKESH AGRAWAL - Member</li> <li>3. SHRI RAJESH AGRAWAL - Chairman</li> </ol>
3	Average net profit of the company for last three financial years	₹ 6,12,60,781
4	Prescribed CSR Expenditure(two per cent. of the amount as in item 3 above)	₹ 12,25,216
5	Details of CSR spent during the financial year	
	a) Total amount to be spent for the financial year	a) ₹ 12,50,000
	b) Amount unspent, if any;	b) NIL
	c) Manner in which the amount spent during the financial year is detailed below	c) Details are provided below:

Sr.No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (i) Local area or other (ii) Specify the State or District where the projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount spent on projects or programs: Sub head: 1. Direct expenditure on project or programs; 2. Overheads	Cumulative expenditure up to the date of reporting period	Amount spent - Direct or through implementing agencies
1	Promoting education (primary, secondary or higher education and studies more particularly for girls	Education of Underprivileged girls	State: Rajasthan Dist.Ajmer	₹ 1,250,000	₹ 1,250,000	₹ 1,250,000	₹ 1,250,000

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report - NA
7. The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

**For and on behalf of the Board of Directors**  
Elegant Marbles and Grani Industries Limited

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

**Date: 28th May, 2019**  
**Place: Mumbai**

**For and on behalf of the CSR Committee**  
Elegant Marbles and Grani Industries Limited

**Rajesh Agrawal**  
Chairman of CSR Committee  
DIN: 00017931

**Date: 28th May, 2019**  
**Place: Mumbai**

# 34th Annual Report 2018-2019

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## ANNEXURE C TO DIRECTORS' REPORT Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Not Applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis:** Not Applicable

For and on behalf of the Board of Directors  
**Elegant Marbles and Grani Industries Limited**

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

Date: 28th May, 2019  
Place: Mumbai

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## ANNEXURE D DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019

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

To,  
The Members,  
**Elegant Marbles and Grani Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Elegant Marbles and Grani Industries Limited** (Hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Elegant Marbles and Grani Industries Limited statutory registers, papers, minute books, forms and returns filed with the ROC and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 prima facie complied with the statutory provisions listed hereunder:

I have examined the statutory registers, papers, minutes books, forms and returns filed with the ROC and other records maintained by Elegant Marbles and Grani Industries Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable to the Company during the Audit period;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2019:-
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulation, 2014;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities ) Regulations, 2008;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Based on the representation given by the Management of the Company, it is observed that there are no such laws which are specifically applicable to the business of the Company. It is confirmed by the Management that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

# Elegant Marbles and Grani Industries Ltd.

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

- (a) The Listing Agreements entered into by company with BSE Limited Read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (b) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

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

I further report that :

- I. I have not examine the financial statements and accuracy of financial figures for, Goods and Services Tax (GST), Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Ind AS 24 & note on foreign currency transactions during our audit period. I rely on observation & qualification if any made by statutory auditor's of the company in his report.
- II. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- III. As per the information provided prima facie adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- IV. As per the information provided majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- V. There are prima facie adequate systems & processes in the Company commensurate with the size & operations of the Company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.
- VI. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department and we have relied on that.
- VII. The Company had passed the Special Resolution for the Investment pursuant to the Section 186 of the Companies Act, 2013 but resolution does not specify the total amount upto which Board is authorised to make Investment.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

**Virendra Bhatt**  
**ACS No – 1157**  
**COP No – 124**

**Place: Mumbai**

**Date: 24<sup>th</sup> May 2019**

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## ANNEXURE E TO DIRECTORS' REPORT

Information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Name of Directors	Ratio to median
Shri Rajesh Agrawal – Chairman and Managing Director	13.14
Shri Rakesh Agrawal – Managing Director	13.14

*Non-Executive Directors received no remuneration, except sitting fees for attending Board / Committee meetings. The details of sitting fees paid to Non-Executive Directors is provided in Corporate Governance Report.*

*fees paid to Non-Executive Directors is provided in Corporate Governance Report.*

**II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

There was no change in the remuneration of Directors. The percentage increase in the remuneration of Chief Financial Officer is 24.11%. The percentage increase in the remuneration of Company Secretary was 25.07%.

**III. The median remuneration of employees in the financial year 2018-19: The median remuneration of the employees of the Company during the financial year was Rs. 2,28,180. In computing the median aforesaid, the financial details of employees serving for not less than 12 months is taken into consideration.**

**IV. The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2019: 56 employees.**

**V. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The Average percentile increase is 15% and there is no change in Managerial Remuneration.

**VI. Affirmation that the remuneration is as per the remuneration policy of the Company:**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid is as per its remuneration policy. The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as none of the employees draw salary in excess of the limits prescribed under the Act. The Report and the Accounts are being sent to the Members excluding the statement containing the names of top ten Employees in terms of Remuneration drawn. In terms of Section 136 of the Act, the details of top ten Employees are open for its inspection at the Registered Office of the Company. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors  
**Elegant Marbles and Grani Industries Limited**

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

Date: 28<sup>th</sup> May 2019  
Place: Mumbai

# Elegant Marbles and Grani Industries Ltd.

## ANNEXURE F TO DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS :

CIN	L14101RJ1984PLC003134
Registration Date	November 05, 1984
Name of the Company	Elegant Marbles and Grani Industries Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and Contact Details	E-7/9, RIICO Industrial Area, Abu Road, Rajasthan. Telfax No.: 022-24960771
Whether listed Company	Yes
Name, Address and Contract details of Registrar and Transfer Agent, if any:	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093. Telephone : 022-2820 7203   Fax : 022-28207207 Website : www.unisec.in   E-mail : info@unisec.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL. NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT / SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Manufacturer, Exporter & Importer of Quality Granites & Marbles	26960	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	25,95,176	-	25,95,176	70.91	25,95,176	-	25,95,176	70.91	NIL
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>25,95,176</b>	<b>-</b>	<b>25,95,176</b>	<b>70.91</b>	<b>25,95,176</b>	<b>-</b>	<b>25,95,176</b>	<b>70.91</b>	<b>NIL</b>
(2) <b>Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>25,95,176</b>	<b>-</b>	<b>25,95,176</b>	<b>70.91</b>	<b>25,95,176</b>	<b>-</b>	<b>25,95,176</b>	<b>70.91</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
1. <b>Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	600	-	600	0.01	-	600	600	0.02	NIL
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>600</b>	<b>-</b>	<b>600</b>	<b>0.01</b>	<b>-</b>	<b>600</b>	<b>600</b>	<b>0.02</b>	<b>NIL</b>

# Elegant Marbles and Grani Industries Ltd.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	2,06811	700	2,07,511	5.67	2,06,013	700	2,06,713	5.65	-0.02
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ` 1 lakh	2,20,173	45,722	2,65,895	7.27	2,36,166	35,610	2,71,776	7.43	0.16
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	5,19,563	0	5,19,563	14.20	5,13,774	0	5,13,774	14.04	-0.06
<b>c) Others</b>									
i) Clearing members	33,891	0	33,891	0.93	32,500	0	32,500	0.89	-0.04
ii) NRI/OCBs	1,597	0	1,597	0.04	1,186	0	1,186	0.032	-0.01
iii) HUF	14,867	-	14,867	0.41	12,775	0	12,775	0.35	-0.06
iv) IEPF Authority	20,900	0	20,900	0.57	25,500	0	25,500	0.70	0.13
<b>Sub-total (B)(2):-</b>	<b>10,17,802</b>	<b>46,422</b>	<b>10,64,224</b>	<b>29.08</b>	<b>10,27,914</b>	<b>36,310</b>	<b>10,64,224</b>	<b>29.09</b>	<b>0.01</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>10,17,802</b>	<b>47,022</b>	<b>10,64,824</b>	<b>29.09</b>	<b>10,28,514</b>	<b>36,310</b>	<b>12,47,600</b>	<b>29.11</b>	<b>0.02</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>36,12,978</b>	<b>47,022</b>	<b>36,60,000</b>	<b>100</b>	<b>36,23,690</b>	<b>36,310</b>	<b>36,60,000</b>	<b>100</b>	<b>NIL</b>

(ii) Shareholding of Promoters								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Alka Agrawal	4,21,745	11.52	-	4,21,745	11.52	-	NIL
2	Divya Agrawal	4,03,345	11.02	-	4,03,345	11.02	-	NIL
3	Gita Agrawal	2,21,847	6.06	-	2,21,847	6.06	-	NIL
4	Indu Agrawal	15,600	0.43	-	15,600	0.35	-	NIL
5	Rajesh Agrawal	8,20,047	22.41	-	8,20,047	22.41	-	NIL
6	Rakesh Agrawal	7,12,592	19.47	-	7,12,592	19.47	-	NIL
	<b>TOTAL</b>	<b>25,95,176</b>	<b>70.91</b>	<b>-</b>	<b>25,95,176</b>	<b>70.91</b>	<b>-</b>	<b>NIL</b>

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<b>(iii) Change in Promoters' Shareholding</b>					
Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total shares of the company
1	At the Beginning of the year	25,95,176	70.91	25,95,176	70.91
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				

<b>(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)</b>								
Sr. No.	Particulars	Shareholding at the beginning of the year i.e. April 01, 2017		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding at the end of the year i.e. March 31, 2018	
		No. of Shares	% of total Shares of the company *				No. of Shares	% of total shares of the company <sup>3</sup>
1	<b>Clairvoyance Energy Private Limited</b>							
	At the beginning of the year	111306	3.04				111306	3.04
	At the end of the year	111306	3.04				111306	3.04
2	<b>Sapna Niraj Ved</b>							
	At the beginning of the year	110000	3.04				110000	3.04
	At the end of the year	110000	3.04				110000	3.04
3	<b>Niraj Mansukhlal Ved</b>							
	At the beginning of the year	110000	3.01				110000	3.01
	At the end of the year	110000	3.01				110000	3.01
4	<b>Ssk Scripts Pvt.Ltd</b>							
	At the beginning of the year	87249	2.38				87249	2.38
	At the end of the year	87249	2.38				87249	2.38
5	<b>Subramanian P</b>							
	At the beginning of the year	71170	1.94				71170	1.94
				14.04.2018	720	Transfer		
	At the end of the year	70450	1.92				70450	1.92
6	<b>Mayur Rajendrabhai Parikh</b>							
	At the beginning of the year	38035	1.04				38035	1.04
	At the end of the year	38035	1.04				38035	1.04
7	<b>Raxa Mayur Parikh</b>							
	At the beginning of the year	38035	1.04				38035	1.04
	At the end of the year	38035	1.04				38035	1.04
	<b>Nalini Sandeep Nemani</b>							
9	At the beginning of the year	17617	0.48				17617	0.48
	At the end of the year	17617	0.48				17617	0.48
	<b>Mita Deepak Shah</b>							
10	At the beginning of the year	53625	1.47				53625	1.47
	At the end of the year	53625	1.47				53625	1.47



# Elegant Marbles and Grani Industries Ltd.

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Details of each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company <sup>3</sup>
1	<b>SHRI RAJESH AGRAWAL</b>				
	At the beginning of the year	820047	22.41	820047	22.41
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc.)	—	—	—	—
	At the end of the year	820047	22.41	820047	22.41
2	<b>SHRI RAKESH AGRAWAL</b>				
	At the beginning of the year	712592	19.47	712592	19.47
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	—	—	—	—
	At the end of the year	712592	19.47	712592	19.47
3	<b>MS.YOGITA AGRAWAL</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	—	—	—	—
	At the end of the year	0	0	0	0
4	<b>SHRI HITESH KOTHARI</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	—	—	—	—
	At the end of the year	0	0	0	0
5	<b>MISS SNEHA VALEJA</b>				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	—	—	—	—
	At the end of the year	0	0	0	0
<b>NONE OF THE INDEPENDENT DIRECTORS HOLD SHARES IN THE COMPANY</b>					

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<b>V. INDEBTEDNESS</b>				
<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid	_____NIL_____			<b>NIL</b>
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	_____NIL_____			<b>NIL</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition				
• Reduction	<b>NOT APPLICABLE</b>			
<b>Net Change</b>	<b>NIL</b>			
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid	_____NIL_____			<b>NIL</b>
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>NIL</b>			

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>				
( ` in lakhs)				
<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</b>				
<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>		<b>Total Amount</b>
		<b>SHRI RAJESH AGRAWAL</b>	<b>SHRI RAKESH AGRAWAL</b>	
1	Gross salary	30.00	30.00	60.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (In Rupees)			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (In Rupees)	4.50	4.50	9.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	34.50	34.50	69.00

# Elegant Marbles and Grani Industries Ltd.

<b>B. Remuneration to Other Directors</b>					(` in lakhs)
Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	Shri Ram Chawla	Shri Rajkumar Mittal	Shri Om Prakash Singal	
1	Fee for attending Board / Committee meetings	0.55	0.50	0.60	1.65
	Commission	-	-	-	-
	Others	-	-	-	-
	<b>TOTAL (1)</b>	<b>0.55</b>	<b>0.50</b>	<b>0.60</b>	<b>1.65</b>
	<b>Other Non-Executive Directors</b>	<b>Ms. Yogita Agrawal</b>			
2	Fee for attending Board / Committee meetings	0.20	-	-	0.20
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>TOTAL (2)</b>	<b>0.20</b>	<b>-</b>	<b>-</b>	<b>0.20</b>
	<b>TOTAL(1+2)</b>	<b>1.85</b>	<b>-</b>	<b>-</b>	<b>1.85</b>

## C. REMUNERATION TO KEY MANAGERIAL PERSONAL OTHER THAN MD/MANAGER/WTD

(` in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Hitesh Kothari Chief Financial Officer	Miss. Sneha Valeja Chief Financial Officer
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	a) 6.64	a) 3.98
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	b) NIL	b) NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	c) NIL	c) NIL
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	—	—
	<b>TOTAL</b>	<b>6.64</b>	<b>3.98</b>

\*Figures specified above are irrespective of changes occurred during the year.

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<b>VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/ Punishment/ Compounding fees imposed</b>	<b>Authority [RD / NCLT / COURT]</b>	<b>Appeal made, if any (give Details)</b>
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

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# Elegant Marbles and Grani Industries Ltd.

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management at Elegant Marbles and Grani Industries Limited is pleased to present the Management Discussion and Analysis Report which provides an insight of the Company's business, Industry structure, developments, outlook, opportunities, concern areas and performance of the Company with respect to the operations and other relevant information. This Report forms part of the compliance report on Corporate Governance.

### BUSINESS OF THE COMPANY

**Elegant Marbles** was born and gradually evolved through a simple thought way back in 1984 – the thought that the country deserves nothing short of the best when it comes to marbles and granites. Glancing at the past trends, makes the Company proud of the fact that it has managed to live up to the promise of providing our clients with high quality products and services that have constantly surpassed their expectations, and helped us create an enviable position over time. Building up on our modest inception, **Elegant Marbles** today has grown tremendously in terms of quality, volume and variety, striving even further for the best. It's state-of-the-art factory is located at Abu Road, Rajasthan, and is equipped to deal with a massive capacity to cater marble and granite processing needs, providing a wide spectrum of multiple colours to choose from.

**Elegant Marbles** in conformity with its motto of nothing but excellence continues to select a wide and exotic bouquet of marbles and granites in a spectrum of combinations to go well with all combinations and interiors and is capable of effortlessly producing two-and-a-half million sq. ft. of superior quality marbles and granite tiles and slabs, per annum.

### INDIAN ECONOMY AND INDUSTRY OVERVIEW

India continues to witness economic reforms in terms of tax regime with introduction of Goods & Service Tax (GST) from 01st July, 2017 and subsequent amendments thereof. This tax regime, being at the implementation stage, is expected to result in improvement in logistics and faster movements of goods on one side and indirect tax reforms on the other side. The consolidation of global economy continued during the financial year 2018-19 and the global economy ended with a lower benchmark with fears of revival of ensuing trade war between the U.S. and China. In spite of global turbulence, the financial year concluded on a reasonable footing having positive impact on the industry in varied ways.

The investors' confidence in this volatile environment was reflected by being bullish and taking an advantage of the correction phase of capital markets during the year under review. And thus, the business growth though subdued is likely to experience good flows in the ensuing times. Infrastructure, high end architectures coupled with real estate development is a must for maintaining such sustained growth and hence is on the highest priority of the Government making it to be the focal point for our economy. Increasing per Capita income resulting due to all round economic high per capita spending affects the sale and off take of our products and we hopefully foresee a bright future in the coming times. The Industry strike witnessed during the year for reduction of GST Tax rates had a positive end with finally a reduction in GST rates from 28% to 18% which will go a long way in boosting demand.

### ECONOMIC OVERVIEW (2018-19)

As we write this Mr Narendra Modi's party has received a mandate to rule for further term of 5 years with a thumping majority and a very weak opposition. We believe this will lead to the government taking very bold and positive steps which shall accelerate the economic growth to higher levels and shall improve ease of doing business. The Indian Economy has turned around dramatically with the real GDP growth rate of 7%, making India one of the fastest growing large economies in the world. This is witnessed with the World Bank commentaries recognising India as one of the global player. The growth in the next financial year is expected to boom between 7 to 7.5% with predictions for a double digit rate seeming feasible due to a stable and proactive government at the centre for another 5 years.

The policies of the Narendra Modi Government to transform India through “MAKE IN INDIA” and “SKILL INDIA” initiatives will further yield results with the country transformation of emerging as the business hotspot and Foreign Investment destination.

### INDUSTRY STRUCTURE AND DEVELOPMENT

Real Estate sector and consumer spending shall continue to demonstrate exuberance and witness a complete turnaround with signs of revival in industrial activity and rapid growth in global economic performance.

Real estate in India also indicates signs of firming 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. We can quite confidently assert that we will witness an exciting new era of development. We are fully prepared, equipped and updated to take advantage of the buoyant real estate demand which will generate a huge demand for the Company's multiple products.

Emerging out of the volatile economic situations 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 and Granite Industry is comfortably placed and should see heightened demands in the days to come due to increase in infra and construction activities.

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## FINANCIAL AND OPERATIONAL PERFORMANCE

The table below gives the Company's financial performance for 2018-19 compared with 2017-18:

(` in lakhs)

	Financial Year 2018-19	Financial Year 2017-18
Revenue from Operations	1,966.17	2,403.52
Other Income	305.33	448.25
<b>TOTAL INCOME</b>	<b>2,271.50</b>	<b>2,851.77</b>
<b>PROFIT BEFORE TAX</b>	<b>3,90.11</b>	<b>524.56</b>
Less: Current Tax	(69.19)	(92.33)
Deferred Tax	3.82	4.55
Excess/(Short) Provision of previous years	1.98	-
<b>PROFIT AFTER TAX</b>	<b>326.72</b>	<b>436.78</b>
Other Comprehensive Income	1.82	1,026.22
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>328.54</b>	<b>1,463.01</b>
Balance brought forward from the previous year	5,116.67	4,334.58
<b>APPROPRIATIONS</b>		
Transfer to General Reserve	-	60.00
Transfer to Capital Redemption Reserve	-	-
Dividend on Equity Shares	-	-
Tax on Dividend	-	-

### PROVISION FOR GRATUITY:

During the year the Company has got the valuation of its liability on account of gratuity from an authorised actuarial valuer Mr. A P Peethambaran vide his report dt. 06.05.2019. The Company has provided for the liability of Rs. 47,29,163/- on account of gratuity in its books of accounts on the basis of the report.

### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company manufactures and deals only in one segment i.e. Marbles and Granites and allied products. The information on performance of the same has been provided accordingly.

### OPPORTUNITIES AND THREATS

We are witnessing diverse opportunities in Marble & Granite industry due to huge investments in Infrastructure, modern day architecture, interior designing, construction reforms and real estate activities. The constant growth of the Industry is pushing up the demand for marbles and granites sizeably both in domestic and international markets.

Further, The World is indeed becoming a Global city. Your company believes that niche opportunities exist in the Global arena which we are targeting to exploit resulting in positive growth. The company has accordingly built a business model tapping these opportunities and is also aligning its strategies to utilise opportunities in the domestic market. Your company deals in special range of Granite & Marbles having exquisite textures, designs and colours for which the overseas and domestic markets, both are very demanding. Presently, it is one of the few companies which offer all natural stone products under one roof to the buyers. The demand for top quality natural stone products is also increasing in the domestic market and the company has setup Retail outlets at prime location of the country's financial capital – Mumbai so as to cater to the local demand for quality products. However, the number of natural stone exporters from India as well as local dealers dealing in imported and other natural stones catering to domestic market are increasing, thus reducing the margins and making the business competitive. The availability of manufactured stone products as an alternative to natural stones is also likely to affect the performance of the company.

The increase in discretionary spending has created a large market and demand for designer residences and the growth in construction sector has escalated the demand for marbles and granites both in domestic and international markets.

Your Company has the necessary expertise and flexibility to quickly adapt to the changing market condition and capture the growth in sales leading to growth for the Company.

### FUTURE OUTLOOK

India's economy is well placed to grow at a robust pace over the next five years owing to strong domestic consumption and increase in government spending on infrastructure. The implementation analysis and review of Goods & Service Tax (GST) mechanism will further simplify the supply chain and improve the operating environment and will act as an additional driver of consolidation at all levels market.

The Company is observant and is aware of the ground realities of the business dynamics and is confident of a larger market share in all the spheres emerging as a business leader in its segment. The overall business outlook for the Company is promising with signs and indicators of improvement in the economic environment. Sincere and hard efforts towards optimisation and operational efficiencies are being put to our best.

# Elegant Marbles and Grani Industries Ltd.

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The Company is also exploring the possibilities to expand and shall make investments when attractive and viable opportunities arise.

## **THREATS AND RISK MANAGEMENT**

Risks are an inherent part of business which cannot be avoided but its robust identification and management can overcome its effects. The Company has in place a designated Risk Management policy which is designed to overcome adverse Industry fluctuations to successfully flourish the business at a reputable pace. The Company provides updates on risk management to the Audit Committee of the Board of Directors of the Company on a regular basis.

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 vigilant and in-time 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 decentralised fashion.

The Company thereby follows well-established and detailed risk assessment and minimisation procedures, which are periodically reviewed by the Board. The Company has laid down a well-defined risk management mechanism covering risk mapping, risk exposure and risk mitigation process.

The decades of experience in this industry is helping us to emerge out as a winner in all such situations.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a sound internal control system, which ensures that (a) its financial reports are reliable, (b) its operations are effective and efficient, and (c) its activities comply with applicable laws and regulations. The internal control systems are further supplemented by internal audit carried out by an independent Chartered Accountant and periodical review by the Management. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all the significant areas of the Company's operations.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal control systems and tracks the implementation of corrective actions. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit reports are submitted to the Chairman of the Audit Committee. Audit Committee plays a key role in providing assurance to the Board of Directors.

## **HUMAN RESOURCES**

The primary objective of Human Resource (HR) is to attract and retain talent with requisite competencies. Effective Human Resource Management enables employees to contribute effectively and productively to the overall company growth and the accomplishment of the organization's goals and objectives. The Human Resource Management of our organization deals with and provides leadership and advice for dealing with all issues related to the people in the organization. They also help in attaining maximum individual development and desirable working relationship.

The Company considers its Human Resource as the most valuable resource which has to be nurtured well and equipped to meet the challenges posed by the dynamics of business developments and marketing. The employees are motivated and promoted with good work culture, training, remuneration packages and ethical values, which the Company maintains. The Board of Directors would like to record their appreciation of the efficient and loyal service rendered by the Company's employees.

The Company has in place a Anti Sexual Harassment Committee and there is a policy in place, to address issues pertaining to female employees. The Company has total of 56 permanent employees as on 31<sup>st</sup> March, 2019.

## **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 influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation, significant changes in political and economic environment in India, applicable statutes, litigations, labour relations and interest costs and other unforeseen events, if any.

For and on behalf of the Board of Directors  
**ELEGANT MARBLES AND GRANI INDUSTRIES LIMITED**

**Rajesh Agrawal**  
Chairman and Managing Director  
DIN: 00017931

Date: 28<sup>th</sup> May, 2019

Place: Mumbai

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## CORPORATE GOVERNANCE REPORT

A report for the financial year ended 31- March, 2019 on the compliance by the Company with the Corporate Governance requirements as specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Elegant Marbles and Grani Industries Limited ("the Company") strives to follow the best corporate governance practices, develop robust policies/guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. At Elegant Marbles, it is not only Governance but better and better Governance. We consider it as achieving a balance of Business, Corporate, Social and Philanthropy goals.

We have established processes to ensure our Board functions effectively, promoting efficient and balanced decision-making, to effectively fulfill its duties in the best interest of our shareholders, employees and all other stakeholders.

The Company is in compliance with the provisions of Corporate Governance, as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is committed to meeting the expectations of stakeholders as a responsible corporate citizen.

### 2. BOARD OF DIRECTORS

Corporate Governance acts as a pioneer factor for the decision making process by Board of Directors of the Company. The Board's role is to oversee the management and governance of the Company. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Being a two tier Corporate Governance structure at the Company, the Board of Directors, along with its Committees, provides leadership and guidance to the management, leads, directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

In contracts that involve any potential conflict of interest, the Interested Directors excuse themselves and the ultimate decision-making authority is conferred upon the Independent Directors of the Company, representing fair, transparent and ethical business environment in the Company.

#### Code of Conduct

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put up on the Company's website and can be accessed at [www.elegantmarbles.com](http://www.elegantmarbles.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman and Managing Director is published in this Report.

#### Composition of Board of Directors

The Board of Directors of the Company comprises of eminent professionals and has an optimum combination of Executive Directors ("ED"), Non-Executive Directors ("NED") and Independent Directors ("ID"), including Women Director, with half of the Board comprising of Non-Executive and Independent Directors to maintain the Board's independence, and distinguish its functions of governance and management. The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors.

The strength of the Board is six Directors comprising two Executive including the Chairman of the Company and four Non-Executive Directors. Half of the Board of Directors consists of Independent Directors on account of Executive Director designated as the Chairman. All Directors possess relevant qualifications and experience in general corporate management, finance, banking, architecture, designing and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

Details of the Board of Directors are given below:

Category	Name of Director
Promoter - Chairman and Managing Director	Shri Rajesh Agrawal
Promoter - Managing Director	Shri Rakesh Agrawal
Non - Executive, Independent Director	Shri Om Parkash Singal
Non - Executive, Independent Director	Shri Ram Chawla
Non - Executive, Independent Director	Shri Raj Kumar Mittal
Non - Executive, Woman Director	Ms. Yogita Agrawal



# Elegant Marbles and Grani Industries Ltd.

## Attendance of Directors

Name of Directors	No. of Board Meetings attended during the financial year 2018-19	Whether attended AGM held on July 26, 2018	Number of Other Directorships*		No. of Committee positions held in other Companies <sup>1</sup>	
			Chairman of the Board	Board Member	Chairman of the Committee	Member
Shri Rajesh Agrawal (DIN: 00017931)	4	Y	-	-	-	-
Shri Rakesh Agrawal (DIN: 00017951)	4	Y	-	-	-	-
Shri Om Parkash Singal (DIN: 02585264)	4	N	-	1	-	1
Shri Ram Chawla (DIN: 00017992)	4	N	-	5	-	-
Shri Raj Kumar Mittal (DIN: 00020255)	4	Y	-	3	-	-
Ms. Yogita Agrawal (DIN: 06965966)	2	Y	-	-	-	-

\*Excludes Directorships in Foreign Companies.

<sup>1</sup> In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding this Company) have been considered.

## Board Meetings

The Board/Committee meetings are pre-scheduled to enable the Directors to plan their schedules and to ensure their meaningful participation in the meetings. However, in case of special and urgent business need, the Board's approval is taken at a specially convened meeting or by circular resolution, in which case it is ratified at the subsequent Board meeting. During the financial year under review, four Board meetings were held on 22<sup>nd</sup> May, 2018; 13<sup>th</sup> August, 2018; 01<sup>st</sup> November, 2018 and 05<sup>th</sup> February, 2019. The gap between two consecutive Board meetings was in compliance with the provisions contained in the Act and the Listing Regulations. The Company proactively keeps its Directors informed of the activities of the Company, its management, operations and provides an overall industry perspective as well as insights into issues being faced by the industry. The details of various familiarization programmes provided to the Directors of the Company is available on the Company's website The Details of Board Meetings held during the financial year 2018-19 are given below:

Date of the Meeting	Board Strength	No. of Directors Present
22 <sup>nd</sup> May, 2018	6	5
13 <sup>th</sup> August, 2018	6	6
01 <sup>st</sup> November, 2018	6	6
5 <sup>th</sup> February, 2019	6	5

## Disclosure of Relationships between Directors Inter-Se

During the year under review, the Board comprised of total six Directors out of which three directors were appointed as Independent Directors in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details in regard of inter-se relationship between Executive and Non- Executive Director are given below:

Sr. No	Name of Director	Category of Director	Nature of Relationship between directors Inter-se
1	Shri Rajesh Agrawal	Executive Director	Brother of Rakesh Agrawal
2	Shri Rakesh Agrawal	Executive Director	Brother of Rajesh Agrawal; Father of Ms. Yogita Agrawal
3	Ms. Yogita Agrawal	Non - Executive Director	Daughter of Rakesh Agrawal

## Non-Executive and Independent Directors do not hold any shares and Convertible instruments in the Company

### Familiarisation Programmes for Independent Directors

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic updates on relevant statutory changes, upcoming corporate actions, accounting policies, internal control systems and business presentations are circulated to the Directors. The details of such familiarisation programme for Independent Directors is put up on the website of the Company and can be accessed at <https://www.elegantmarbles.com/investors-relations/>.

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## 3. AUDIT COMMITTEE

The role of the Audit Committee is in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms of reference as specified under Section 177 of the Companies Act, 2013.

*The terms of reference for the Audit Committee include:*

- a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statements are correct, sufficient and credible;
- b) To recommend the appointment / removal of external auditors, fixing auditors fees and to approve payments for any other services;
- c) To review with management the annual financial statements before submission to the Board, focusing primarily on:
  - Any change in accounting policies and practices.
  - Matters to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of subsection **(3) of Section 134 of the Companies Act, 2013;**
  - Major accounting entries based on exercise of judgment by management Qualifications in the draft audit report;
  - Significant adjustments arising out of audit;
  - The going concern assumption;
  - Compliance with the accounting standards;
  - Compliance with Stock Exchange and legal requirements concerning financial statements;
  - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large;
- d) To review with Management; external and internal auditors, and review the efficacy of internal control systems;
- e) Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- f) To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- g) To review the Company's financial and risk management policies;
- h) Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- i) And matters listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013.

During the year under review, the Audit Committee met four times on 22<sup>nd</sup> May, 2018; 13<sup>th</sup> August, 2018; 01<sup>st</sup> November, 2018 and 05<sup>th</sup> February, 2019 and the gap between two consecutive Committee meetings was in compliance with the provisions contained in the Listing Regulations.

Constitution of the Audit Committee and attendance details during the financial year ended 31<sup>st</sup> March, 2019 are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings attended during the year
Shri Raj Kumar Mittal	Chairman - Non Executive, Independent Director	4	4
Shri Ram Chawla	Member - Non Executive, Independent Director	4	4
Shri Om Parkash Singal	Member - Non Executive, Independent Director	4	4
Shri Rajesh Agrawal	Member - Promoter, Chairman Managing Director	4	4

The Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on July 26, 2018.

## 4. NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee is in accordance with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013.

**The terms of reference for the Nomination and Remuneration Committee include:**

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

# Elegant Marbles and Grani Industries Ltd.

- c) Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- d) devise a policy on the diversity of Board of Directors;
- e) recommend to the Board the Remuneration Policy for directors, Key Managerial Personnel;
- f) performing such other duties and responsibilities as may be consistent with the provisions of the committee charter;
- g) And generally, all matters listed in Part D of Schedule II to the Listing Regulations and in Section 178 of the Companies Act, 2013. During the year under review, the Nomination and Remuneration Committee met on 22<sup>nd</sup> May, 2018.
- h) Constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended 31<sup>st</sup> March, 2019 are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings attended during the year
Shri Raj Kumar Mittal	Chairman - Non Executive Independent Director	1	1
Shri Om Parkash Singal	Member- Non Executive Independent Director	1	1
Shri Ram Chawla	Member- Non Executive and Independent Director	1	1
Shri Rajesh Agrawal	Member - Promoter, Chairman and Managing Director	1	1

The Company Secretary acts as Secretary to the Committee. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 26<sup>th</sup> July, 2018.

## Performance Evaluation

The criteria of performance evaluation process inter alia considers attendance of Directors at Board and Committee meetings, acquaintance with business, communicating inter se board members, effective participation, vision and strategy etc in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees, Individual Directors and Chairperson. The Chairman of the Nomination and Remuneration Committee shared the evaluation summary with the Board members. The Board members appreciated the leadership and performance of the Chairman and Managing Director (CMD), Managing Director (MD) and Woman Director, vigilant and purposive participation of the Independent Directors of the Company and expressed an overall satisfaction towards the entire evaluation mechanism.

## 5. SALIENT FEATURES OF THE REMUNERATION POLICY

### a) Remuneration to Managing Director / Whole-time Directors

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

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

### b) Remuneration to Non-Executive / Independent Directors:

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

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

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

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

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- The Services are rendered by such Director in his capacity as the professional; and
  - In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- c) **Remuneration to Key Managerial Personnel and Senior Management:**  
The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.  
The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## 6. REMUNERATION OF DIRECTORS

- a) Details of remuneration to Non-Executive Independent Directors during the year 2018-19 are given below:

Name	Sitting Fees For Non-Executive Independent Directors ( ` in lakhs)*
Shri Raj Kumar Mittal	0.50
Shri Ram Chawla	0.55
Shri Om Parkash Singal	0.60

- b) **Details of payments made to Non-Executive Directors during the year 2018-19 are given below:**

Name	Sitting Fees For Non-Executive Directors ( ` in lakhs)*
Ms. Yogita Agrawal	0.20

\* Apart from sitting fees as mentioned above, Non- Executive Directors are neither entitled to any commission nor any employee stock options from the Company. None of the Non-Executive and Independent Directors hold any shares in the Company.

- c) **Details of remuneration paid to Managing Directors during the year 2018-19 are given below:** ( ` in lakhs)

Name of the Director	Salary	Perquisites	Incentive Pay	Total	Service Contract/Notice Period/ Severance Fees
Shri Rajesh Agrawal	30.00	4.50	Nil	34.50	August 01, 2018 to July 31, 2021 There is no Notice Period and Severance Fees
Shri Rakesh Agrawal	30.00	4.50	Nil	34.50	October 01, 2018 to September 30, 2021 There is no Notice Period and Severance Fees

- a) **Pecuniary relationship or transactions of Non- Executive Directors**

During the year under review, there was no pecuniary relationship or transactions of any of the Non-Executive Directors with the Company.

- b) **Criteria of making payments to Non-Executive Directors**

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company.

The Company currently has no stock option plan for any of its Directors. During the year under review, none of the Directors was paid any performance-linked incentive or commission.

## 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

**The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders'/investors'/security holders' complaints.**

**The Committee's composition and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 the Listing Regulations.**

*The terms of reference for the Stakeholders' Relationship Committee include:*

- Review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities
- Approve issue of duplicate share certificates
- Review of shares dematerialized

# Elegant Marbles and Grani Industries Ltd.

- Matters relating to transfer of shares to the demat account of the IEPF Authority
- Perform such other functions as may be necessary or appropriate for the performance of its duties
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

**During the year under review, the Stakeholders Relationship Committee met two times on 13<sup>th</sup> November, 2018 and 24<sup>th</sup> January, 2019.**

Constitution of the Stakeholders Relationship Committee and attendance details during the financial year ended 31<sup>st</sup> March, 2019 are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings attended during the year
Ms. Yogita Agrawal	Chairperson- Non-Executive Director	2	2
Shri Rajesh Agrawal	Member - Chairman and Managing Director	2	2
Shri Rakesh Agrawal	Member - Managing Director	2	2
Shri. Om Prakash Singal	Member-Non Executive Independence Director	2	2

The Company Secretary acts as Secretary to the Committee.

## Compliance Officer

NAME OF THE COMPLIANCE OFFICER	Ms. Sneha Valeja*
CONTACT DETAILS	Elegant House, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013
E- MAIL ID	companysecretary@elegantmarbles.com

\*Resigned as a Company Secretary effective from 13<sup>th</sup> April, 2019.

## Details of Complaints

Number of Shareholders' Complaints received during the year	Number of complaints not solved to the satisfaction of the shareholders	Number of pending complaints
Nil	Nil	Nil

## 8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Act the Board constituted the CSR Committee. The Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

### The terms of reference for the CSR Committee include:

- Formulate a CSR Policy which shall indicate activities to be undertaken by the Company.
- Recommend the CSR Policy to the Board.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the Policy from time to time as per the CSR Policy.

**During the period under review, the CSR Committee met on May 26, 2017.**

Constitution of the CSR Committee and attendance details during the financial year ended March 31, 2018 are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings attended during the year
Shri Rajesh Agrawal	Chairman - Chairman and Managing Director	1	1
Shri Ram Chawla	Member - Non Executive Independent Director	1	1
Shri Rakesh Agrawal	Member - Managing Director	1	1

Annual Report on CSR activities is annexed as a part of the Directors' Report which details the CSR contribution made by the Company for FY 2018-19.

## 9. MEETING OF INDEPENDENT DIRECTORS

In terms of Regulation 25 of the Listing Regulations and Schedule IV to the Companies Act, 2013, a separate was held by the Independent Directors of the Company on November 01, 2018 without the presence of Non-Independent Directors and members of the Management. All the Independent Directors of the Company were present at the meeting. The Independent Directors reviewed the following:

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- a) The performance of non-independent directors and the board of directors as a whole;
- b) the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors
- c) Assessment of the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors necessary for effective and reasonable performance of their duties

## 10. GENERALBODYMEETINGS/POSTALBALLOT

Details of Annual General Meetings held in the three previous years and Special Resolutions passed thereat: Following table demonstrates the particulars of the last three Annual General Meetings of the Company:

Year ended	Date and Time	Venue	Special Resolutions passed
31 <sup>st</sup> March, 2018	26 <sup>th</sup> July, 2018 at 09:00 a.m.	E-7/9, RIICO Industrial Area, Abu Road - 307 026, Rajasthan	1. To re-appoint Shri Rajesh Agrawal as the Chairman and Managing Director 2. To re-appoint Shri Rakesh Agrawal as the Managing Director 3. To re-appoint Shri Rajkumar Mittal as the Independent Director 4. To re-appoint Shri Ramchandra Chawla as the Independent Director
31 <sup>st</sup> March, 2017	26 <sup>th</sup> July, 2017 at 09:00 a.m.	E-7/9, RIICO Industrial Area, Abu Road - 307 026, Rajasthan	None
31 <sup>st</sup> March, 2016	19 <sup>th</sup> July, 2016 at 09:00 a.m.	E-7/9, RIICO Industrial Area, Abu Road - 307 026, Rajasthan	1. Service of documents under Section 20 of the Companies Act, 2013 and costs thereto

## 11. MEANS OF COMMUNICATION

Quarterly results: The Company's quarterly/half yearly/ annual financial results are sent to the Stock Exchanges and published in 'Free Press Journal', 'Navshakti' and 'Jagruk Times, Sirohi'. Simultaneously, they are also put up on the Company's website (www.elegantmarbles.com).

Website: The Company's website (www.elegantmarbles.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the Listing Centre.

Communication via E-mail: The Company has designated the following email-ids exclusively for investor servicing i.e. companysecretary@elegantmarbles.com and info@unisec.in

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## 12. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Rajasthan. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L14101RJ1984PLC003134.

### a) Annual General Meeting for FY 2018-19

Date: 25<sup>th</sup> July, 2019

Time: 09:00 a.m.

Venue: E-7/9, RIICO Industrial Area, Abu Road - 307 026, Rajasthan

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/re-appointment at the ensuing AGM are given in the Annexure to the Notice of the AGM to be held on 25<sup>th</sup> July, 2019.

### b) Financial Year of the Company

01<sup>st</sup> April to 31<sup>st</sup> March

### c) Listing on Stock Exchange

Equity Shares

BSE Limited ("BSE")

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

### d) Stock Code

BSE: 526705

Annual listing fee for the year 2019-20 has been paid by the Company to BSE Limited

# Elegant Marbles and Grani Industries Ltd.

## e) Stock Market Price Data

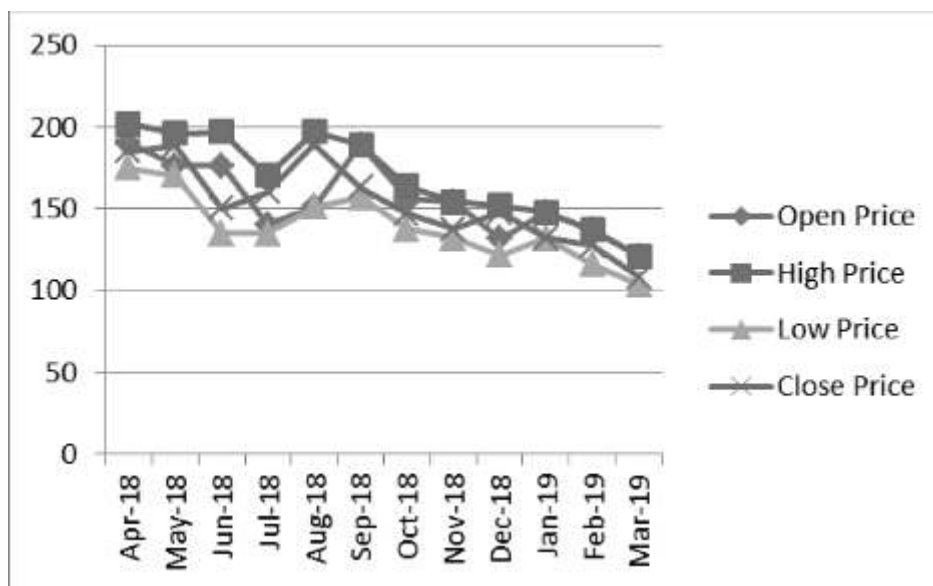
High, Low during each month in the financial year 2018-19 on BSE:

Month	High	Low
April 2018	202	175.05
May 2018	195.9	170.1
June 2018	197	135
July 2018	170.4	135.1
August 2018	196.9	151.1
September 2018	189	157
October 2018	163.8	137.65
November 2018	154	132
December 2018	152	121.55
January 2019	148	132
February 2019	137	116
March 2019	202	175.05

[Source: This information is compiled from the data available on the website of BSE]

## f) Performance of Elegant Share Price in comparison with BSE Sensex

Note: The monthly closing prices of the Sensex and Elegant equity shares have been considered.



## g) Registrar and Transfer Agents

Universal Capital Securities Private Limited

21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road Andheri (East), Mumbai - 400093 Maharashtra, India Tel. No.: +91 22 2820 7203

Fax No.: +91 22 2820 7207

Email: [info@uniseq.in](mailto:info@uniseq.in) Website: [www.uniseq.in](http://www.uniseq.in)

## h) Share Transfer System

Share transfers in physical form are processed by the Registrar and Transfer Agent, Universal Capital Securities Private Limited and are approved by the Stakeholders Relationship Committee of the Company. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects. The depository system handles share transfers in dematerialised form.

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## i) Distribution of shareholding as on 31<sup>st</sup> March, 2019

No. of Equity Shares held	No. of Shareholders	Share Amount (₹)	% of Shareholdings
Upto 500	1102	1176100.00	3.213
501-1000	44	350740.00	0.958
1001-2000	30	437410.00	1.195
2001-3000	8	198570.00	0.543
3001-4000	2	60770.00	0.166
4001-5000	6	265600.00	0.726
5001-10,000	3	174350.00	0.426
10001 & above	20	33936460.00	92.723

## j) Shareholding Pattern as on 31<sup>st</sup> March, 2019

Category	No. of Shares held	% of holding
Promoters	25,95,176	70.91
Mutual Funds & UTI	-	-
Banks/ FIs/ Insurance Co.(Central / State Govt./ Non- Govt. Institutions)	600	0.016
Corporate Bodies	206713	5.648
Non-Resident Indians (NRI)	1186	0.032
FII's/FPI	-	-
Clearing Members	32500	0.888
Indian Public and others	823825	22.506
<b>Total</b>	<b>36,60,000</b>	<b>100.00</b>

## k) Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number ("ISIN") allotted to the shares under the Depository System is INE095B01010. Percentage of shares held in physical and dematerialized form as on 31<sup>st</sup> March, 2019 is as below :-

Physical form: 1.01%

Demat form with NSDL: 9.36%

Demat form with CDSL: 89.63%

## l) Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

## m) Commodity price risk or foreign exchange risk and hedging activities:

During the year, the Company has managed foreign exchange risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts and Packing Credits in Foreign Currency. The details of foreign currency exposure are disclosed in Notes to Accounts.

## n) Transfer of Unpaid/Unclaimed Amounts and Shares to Investor Education and Protection Fund

During the year under review, the Company has credited <sup>1</sup> 78,636 to the Investor Education and Protection Fund (IEPF) pursuant to Section 125(1) of the Companies Act, 2013.

Further, in accordance with Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has effectively transferred 25,500 shares into the specified demat account of the IEPF Authority in respect of which no claim of dividend has been made by the respective member for a period of seven consecutive years or more. The voting rights in respect of such shares shall remain frozen till the rightful owner of such shares claims them.

The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company and also the details of shares transferred in the name of IEPF Authority. The aforesaid details are put on the Company's website and can be accessed at: <https://www.elegantmarbles.com/transfer-of-shares-to-iefp/>. The Company has also uploaded details of shares liable for transfer in the name of IEPF Authority on the website of the Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in).



# Elegant Marbles and Grani Industries Ltd.

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- o) Plant Locations:  
E 7/9 RIICO Industrial Area, Abu Road – 307026, Rajasthan.
- p) Address for correspondence  
Elegant Marbles and Grani Industries Limited  
Elegant House, Raghuvanshi Mills Compound,  
Senapati Bapat Marg, Lower Parel (West), Mumbai- 400 013.  
Telephone: 022-2493 9676 | Fax: 022 2493 0782  
E-mail: Companysecretary@elegantmarbles.com Website: www.elegantmarbles.com

## 13. DISCLOSURES

- a) There are no materially significant related party transactions entered by the Company which may have potential conflict with the interests of the Company at large. The Company has formulated a Policy on dealing with Related Party Transactions and the same may be accessed at: <http://www.elegantmarbles.com/policies/>.
- b) All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party transactions were placed before the Audit Committee for approval. Details of Related Party Transactions are provided in the Financial Statements of the Company.
- c) During the last 3 years, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets.
- d) The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations. The Company has also adopted certain non-mandatory requirements of the Listing Regulations i.e. providing the Chairman of the Company with the resources required by him to discharge his responsibilities as Chairman of the Company while in India to attend the Company's Board meetings.
- e) The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee
- f) The Company does not have any subsidiaries. The Company's policy for determining material subsidiaries is put up on the Company's website and can be accessed at <http://www.elegantmarbles.com/policies/>.
- g) The Financial Statements of the Company are unqualified.

## Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' of the Company for the financial year 2018-19.

**For Elegant Marbles and Grani Industries Limited**

**Date:** 28<sup>th</sup> May, 2019  
**Place:** Mumbai

**Rajesh Agrawal**  
**Chairman and Managing Director**  
**DIN: 00017931**

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## CEO AND CFO CERTIFICATION

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

### CEO/CFO CERTIFICATION

To,  
The Board of Directors,  
**Elegant Marbles and Grani Industries Limited**

We, the undersigned, in our capacity as the Chairman and Managing Director and the Chief Financial Officer of Elegant Marbles and Grani Industries Limited do hereby certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the financial year 2018-19 and that to the best of my knowledge and belief report that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2018-19 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated the following to the Auditors and the Audit Committee:
1. there are no significant changes in internal control over financial reporting during the year;
  2. there are no significant changes in the accounting policies during the year that the same have been disclosed in the notes to the financial statements; and there are no instances of significant fraud of which we have become aware during the year.

**For Elegant Marbles and Grani Industries Limited**  
**Rajesh Agrawal**  
**Chairman and Managing Director**  
Date: 28<sup>th</sup> May, 2019  
Place: Mumbai

**For Elegant Marbles and Grani Industries Limited**  
**Hitesh Kothari**  
**Chief Financial Officer**

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# Elegant Marbles and Grani Industries Ltd.

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## Auditors Certificate on Corporate Governance

The Members

**Elegant Marbles and Grani Industries Limited**

Abu Road.

We have examined the compliance by **Elegant Marbles and Grani Industries Limited** (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) relating to corporate governance requirements for the year ended March 31, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. 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 under the Listing Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), and Guidance Note on Reports of Certificate of Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

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

For **M/S. SDBA & Co.**  
**Chartered Accountants**  
(FRN: 142004W)  
**(Sanjeev A. Mehta)**  
Partner  
**M. No. 041287**

Place: Mumbai

**Date:** 28<sup>th</sup> May, 2019

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## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
Elegant Marbles and Grani Industries Limited  
Abu Road.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Elegant Marbles and Grani Industries Limited having CIN L1410RJ1984PLC003134 and having registered office at E-7/9, Riico Industrial Area, Abu Road, Rajasthan (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs,

Sr. No.	Name of Director	DIN	Date of appointment at Current Designation	Original Date of Appointment
1	Rajesh Agrawal	00017931	01/08/2009	01/08/2009
2	Rakesh Agrawal	00017951	01/10/2015	05/11/1984
3	Ramchandra Chawla	00017992	07/01/1985	07/01/1985
4	Raj Kumar Mittal	00020255	24/12/2002	24/12/2002
5	Om Parkash Singal	02585264	15/07/2015	09/05/2015
6	Yogita Agrawal	06965966	24/09/2014	24/09/2014

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

Place: Mumbai  
Date : 28<sup>th</sup> May, 2019

Signature:  
Name: Virendra Bhatt  
Membership No. 1157  
COP No. 124

# Elegant Marbles and Grani Industries Ltd.

## INDEPENDENT AUDITORS' REPORT

To the Members

**Elegant Marbles And Grani Industries Limited,**  
Abu Road.

### Report on the Financial Statements

#### 1. **Opinion**

We have audited the standalone financial statements of ELEGANT MARBLES AND GRANI INDUSTRIES LTD. ("the Company"), which comprise the balance sheet as at 31st March, 2019, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, including Indian Accounting Standards (Ind AS) specified in Section 133 of the Act, of the state of affairs of the Company as at March 31, 2019, its profit, cash flows and the changes in equity for the year ended on that date.

#### 2. **Basis for Opinion**

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

#### 3. **Key Audit Matters**

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

#### **Non-receipt of audited statement of account in case of investment through PMS/Fund Managers**

a. The Company has invested in shares, securities, debentures, units of mutual funds etc. through Fund Managers & Portfolio Management Service (PMS) providers. These Fund Managers/PMS entities provide statement showing investments made by them on behalf of the company, gains/losses earned/incurred on sale of such investments, expenses incurred by them including their fees for managing the portfolio and the balance of investments remaining with them at the end of the year. The Company accounts for these transactions in its books of accounts on receipt of such statements. However, in all these cases of investment through PMS/fund managers, the audited statements for the financial year is usually not received before the finalisation of audit and all the income, expenditure, gains/losses, investments are accounted for on the basis of unaudited statements provided by these PMS/fund managers to the Company. On the basis of its past experience, the management of the Company is of the opinion that generally no material difference in the income, expenditure, gains/losses, investment etc. is detected after the audited statements are provided by these PMS/fund managers.

#### **Investment in debentures**

b. The Company has invested in debentures of various private/public limited companies through various funds managers/PMS and accounts for interest accrued and/or received on such investment in debentures from these companies/funds from time to time. However, in the case of investment in debentures of 20.50% Green Farm Tech Pvt. Ltd. amounting to Rs. 75,00,000/-, 17.25% Shanders Properties Pvt. Ltd. amounting to Rs.48,83,135/-, 18% Darvesh Properties Pvt. Ltd amounting to Rs. 40,68,656/-,20% Samruddhi Realty Ltd. amounting to Rs. 1,00,00,000/-, 18% Fortuna Buildcon (India) Pvt. Ltd. amounting to Rs. 49,00,000/- and 18% BCIL Red Earth Developers India Pvt. Ltd. amounting to Rs. 75,00,000/-, the interest and principle sums, wherever due, are not being received on due dates. These companies/funds managers/PMS have informed the Company about the financial and/or liquidity crunch faced by these companies and advised it not to account for such interest in its books of accounts on accrual. No tax at source has also been deducted/paid by these companies. However, these companies/fund managers/PMS have communicated to the Company that these debentures are fully secured by underlying immovable properties with their market values adequately covering the principle as well as interest accrued thereon and that they are hopeful that the investments made by the Company are fully secured and ergo, no loss shall arise from such investments. Accordingly, the management of the company, having regard to the nature, market value and amount of securities underlying these debentures, has taken a conscious decision not to provide, fully or partly, for any losses that may entail in future on such investment in debentures in its books of accounts.

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

(i) **Non-receipt of audited statement of account in case of investment through PMS/Fund Managers**

- (a) Obtained an understanding of management's process of recording of investments, profit/loss on sale of such investments, expenses etc. and evaluated it on the basis of earlier year's audited & unaudited statements furnished by the PMS entities to check about the difference in the results that occur.
- (b) Assessed the appropriateness of the methodology and corrective actions taken in subsequent years.

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- (c) Assessed the reasonableness & correct recording of the transactions by the PMS entities based on historical data available with the Company.
- (ii) Investment in debentures
  - (a) Obtained an understanding of management's process & methodology of investing in debentures, evaluated the methodology adopted for assessing the realisability of the debentures & interest thereon and security available against such investment in debentures. We also tested effectiveness of such evaluation process adopted by the management to determine recoverable value of the security available.
  - (b) Assessed the appropriateness of the methodology and valuation model used by the management to estimate the recoverable value of security underlying these investments.
  - (c) Assessed the reasonableness of the assumptions made by the management regarding the value of underlying security and realisability of the same to cover the investment made by the Company.

#### 4. **Management's Responsibility for the Standalone Financial Statements**

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

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

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

#### 5. **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
7. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

# Elegant Marbles and Grani Industries Ltd.

8. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.
9. **Other Matters**  
None
10. **Report on Other Legal and Regulatory Requirements**  
As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Standalone Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For SDBA & Co.  
Chartered Accountants  
(FRN: 142004W)**

**(Sanjeev A. Mehta)  
Partner  
M. No. 41287**

**Place: Mumbai  
Date : 28<sup>th</sup> May, 2019**

## **"Annexure A" to the Independent Auditor's Report**

**Referred to in paragraph 12 of the Independent Auditors Report of even date to the Members of Elegant Marbles And Grani Industries Ltd. on the standalone financial statements of the Company for the year ended March 31, 2019**

- The company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets.
  - As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a regular programme for verification, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - The title deeds of immovable properties are held in the name of the company.
- The inventories have been physically verified by the management during the year on a monthly basis. In our opinion, the frequency of such verification is reasonable.
  - In our opinion and according to information and explanation given to us, the procedures of physical verification of the company are reasonable and adequate having regard to the size of the company and nature of its business.

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- c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit in contravention of section 73 to section 76 or any other relevant provision of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or tribunal.
- vi. Having regard to the turnover of the Company and as per the information and explanation given to us, in our opinion, the rules regarding maintenance of cost records under section 148(1) of the Companies Act, 2013 are not applicable to the Company.
- vii. a. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, customs duty, excise duty, value added tax, cess and other material statutory dues with appropriate authorities, wherever applicable to it. However, the company has not deposited demand raised by the Income Tax authorities for A.Yr.2011-2012 amounting to ` 2,58,760/- on account of its adjustment against refund for the A.Yr. 2008-2009 due to the company.
- b. In our opinion and in accordance with the information and explanation given to us, the following demands were not deposited on account of dispute:
- | Name of the Statute  | Nature of Dues | Period to which the amount relates | Forum where dispute is pending | Amount ( ` )  |
|----------------------|----------------|------------------------------------|--------------------------------|---------------|
| Income Tax Act, 1961 | Income Tax     | A.Yr. 2014-2015                    | CIT (Appeals)                  | ` 7,99,670/-  |
| Income Tax Act, 1961 | Income Tax     | A.Yr. 2013-2014                    | CIT (Appeals)                  | ` 41,73,670/- |
- viii. In our opinion and according to the information and explanations given to us, the company has not borrowed any funds from financial institutions, banks or debenture holders.
- ix. In our opinion, the company has not raised any funds from public offer (including debt instruments) or by term loan.
- x. In our opinion, on the basis of audit conducted by us and in accordance with 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.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For SDBA & Co.**  
**Chartered Accountants**  
**(FRN: 142004W)**

**(Sanjeev A. Mehta)**  
**Partner**  
**M. No. 41287**

**Place: Mumbai**  
**Date : 28<sup>th</sup> May, 2019**



# Elegant Marbles and Grani Industries Ltd.

## Annexure 'B' to the Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the Members of Elegant Marbles And Grani Industries Ltd. on the Standalone financial statements for the year ended March 31, 2019.

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

1. We have audited the internal financial controls over financial reporting of ELEGANT MARBLES & GRANI INDUSTRIES LTD. ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

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

For SDBA & Co.  
Chartered Accountants  
(FRN: 142004W)

(Sanjeev A. Mehta)  
Partner  
M. No. 41287

Place: Mumbai  
Date : 28<sup>th</sup> May, 2019

# 34th Annual Report 2018-2019

## BALANCE SHEET AS AT 31ST MARCH, 2019

( ` in lakhs)

	Notes	As at 31.03.2019	As at 31.03.2018
<b>I. ASSETS</b>			
1. Non-current assets			
a. Property, Plant and Equipment	2	103.31	83.80
b. Capital Work in Progress		-	-
c. Investment in Property		-	-
d. Goodwill		-	-
e. Other Intangible assets		-	-
f. Intangible assets under development		-	-
g. Biological assets other than bearer plants		-	-
h. Financial Assets		-	-
i. Investments	3	7,241.68	7,818.48
ii. Trade Receivable		-	-
iii. Loans		-	-
iv. Others		-	-
i. Deferred Tax Assets	4	159.29	98.15
j. Other Non-Current Assets	5	12.52	40.81
		<b>7,516.80</b>	<b>8,041.24</b>
2. Current assets			
a. Inventories	6	1,544.84	1,413.47
b. Financial Assets		-	-
i. Investments		-	-
ii. Trade Receivable	7	138.93	125.66
iii. Cash & Cash Equivalents	8	76.65	133.00
iv. Bank Balance other than (iii) above	9	4.90	5.70
v. Loans		-	-
vi. Others	10	106.07	100.61
c. Current Tax Assets (Net)	11	12.39	0.04
d. Other Current Assets	12	35.38	93.63
		<b>1,919.16</b>	<b>1,872.11</b>
<b>TOTAL</b>		<b>9,435.96</b>	<b>9,913.35</b>
<b>II. EQUITY AND LIABILITIES</b>			
Equity			
a. Equity Share Capital	13	366.00	366.00
b. Other equity	14	8,697.73	8,369.19
		<b>9,063.73</b>	<b>8,735.19</b>
Liabilities			
1. Non Current Liabilities			
a. Financial Liabilities		-	-
i. Borrowings		-	-
ii. Trade Payables		-	-
iii. Other Financial liabilities		-	-
b. Provisions	15	45.18	-
c. Deferred tax liabilities (Net)		-	-
d. Other non-current liabilities	16	15.00	-
e. Long Term borrowing		-	-
		<b>60.18</b>	<b>-</b>
2. Current Liabilities			
a. Financial Liabilities		-	-
i. Borrowing		-	-
ii. Trade Payables	17	-	-
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		93.34	793.46
iii. Other Financial liabilities	18	26.57	23.57
b. Other Current Liabilities	19	190.02	361.13
c. Provision	20	2.12	-
d. Current tax liabilities (Net)		-	-
		<b>312.05</b>	<b>1,178.16</b>
		<b>372.23</b>	<b>1,178.16</b>
<b>TOTAL</b>		<b>9,435.96</b>	<b>9,913.35</b>
Significant Accounting Policies		1	
Notes are an integral part of the financial statements			

In terms of our report of even date.

**For SDBA & CO.**  
Chartered Accountants  
(FRN : 142004W)

**Sanjeev A. Mehta**  
Partner

M. No : 41287

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

For & on behalf of Board of Directors

**Rajesh Agrawal**  
Chairman & Managing Director

**Hitesh Kothari**  
Chief Financial Officer

**Roma Bhagtani**  
Company Secretary

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

# Elegant Marbles and Grani Industries Ltd.

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	As at 31.03.2019	As at 31.03.2018
( ` in lakhs)			
<b>INCOME</b>			
I. Revenue from operations	21	1,966.17	2,403.52
II. Other income	22	305.33	448.25
III. <b>Total Revenue (I + II)</b>		<b>2,271.50</b>	<b>2,851.77</b>
<b>IV. EXPENSES</b>			
Cost of raw material consumed		198.50	266.44
Purchases of traded goods		1,076.52	1,821.33
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	(132.56)	(409.78)
Employees benefit expenses	24	268.86	209.14
Finance Cost		-	-
Depreciation and amortization expense	2	28.17	16.63
Other expenses	23	441.90	423.45
<b>Total Expenses</b>		<b>1,881.39</b>	<b>2,327.21</b>
V. <b>Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)</b>		<b>390.11</b>	<b>524.56</b>
VI. <b>Exceptional Items</b>		-	-
VII. <b>Profit/(Loss) before extraordinary items and tax - (V - VI)</b>		<b>390.11</b>	<b>524.56</b>
VIII. <b>Extraordinary Items</b>		-	-
IX. <b>Profit/(Loss) before tax (VII - VIII)</b>		<b>390.11</b>	<b>524.56</b>
X. <b>Tax Expense</b>			
(1) Current tax		(69.19)	(92.33)
(2) Deferred tax (Net)		3.82	4.55
(3) Excess/(Short) Provision of previous years		1.98	-
XI. <b>Profit/(Loss) for the period from continuing operations (IX - X)</b>		<b>326.72</b>	<b>436.78</b>
XII. <b>Profit/(Loss) from Discontinued operations</b>		-	-
XIII. <b>Tax Expense of Discontinued operations</b>		-	-
XIV. <b>Profit/(Loss) from Discontinued operations (after tax) (XII - XIII)</b>		-	-
XV. <b>Profit/(Loss) for the period ( XI + XIV)</b>		<b>326.72</b>	<b>436.78</b>
XVI. <b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		2.51	1,130.03
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.69)	(103.80)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XVII. <b>Total Comprehensive income for the period (XV + XVI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>328.54</b>	<b>1,463.01</b>
XVIII. <b>Earnings per equity share (in Rupees) (for continuing operations):*</b>			
1. Basic		8.93	9.73*
2. Diluted		8.93	9.73*
XIX. <b>Earning per equity share (in Rupees) (for discontinued operations):</b>			
1. Basic		-	-
2. Diluted		-	-
XX. <b>Earnings per equity share (for discontinued &amp; continuing operations)*</b>			
1. Basic		8.93	9.73*
2. Diluted		8.93	9.73*

\* Weighted Average EPS

Significant Accounting Policies

1

Notes are an integral part of the financial statements

In terms of our report of even date.

**For SDBA & CO.**  
Chartered Accountants  
(FRN : 142004W)

**Sanjeev A. Mehta**  
Partner

M. No : 41287

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

For & on behalf of Board of Directors

**Rajesh Agrawal**  
Chairman & Managing Director

**Hitesh Kothari**  
Chief Financial Officer

**Roma Bhagtani**  
Company Secretary

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

# 34th Annual Report 2018-2019

## STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2019

( ` in lakhs)

<b>A Equity Share Capital</b>	
As on 31st March, 2017	450.00
Changes in Equity Share Capital	(84.00)
<b>As on 31st March, 2018</b>	<b>366.00</b>
Changes in Equity Share Capital	-
<b>As on 31st March, 2019</b>	<b>366.00</b>

## B Other Equity

Particulars	Reserves and Surplus			OCI		Total other equity
	Share Premium Reserve	General Reserve	Capital Redemption Reserve	Retained earnings	Equity Instruments through OCI	
<b>Balance as at 31st March, 2017</b>	<b>285.00</b>	<b>2,151.22</b>	-	<b>4,334.58</b>	<b>1,773.37</b>	<b>8,544.17</b>
Profit for the year	-	-	-	436.79	-	436.79
Other comprehensive income for the year, net of tax	-	-	-	405.29	620.93	1026.22
Creation of General Reserve	-	60.00	-	(60.00)	-	-
Creation of Capital Redemption Reserves	(285.00)	(1,437.00)	1,722.00	-	-	-
Premium paid on Buy back of Shares	-	-	(1,638.00)	-	-	(1,638.00)
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>774.22</b>	<b>84.00</b>	<b>5,116.67</b>	<b>2,394.30</b>	<b>8,369.19</b>
Profit for the year	-	-	-	326.73	-	326.73
Other comprehensive income for the year, net of tax	-	-	-	281.13	(279.31)	1.81
Transfer to/(from) General Reserve	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>774.22</b>	<b>84.00</b>	<b>5,724.52</b>	<b>2,114.99</b>	<b>8,697.73</b>

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### Company overview

1.0 Elegant Marbles And Grani Industries Limited is a company incorporated in India and is listed on the Bombay Stock Exchange Ltd. The company is engaged in manufacture & trading of marble, granites & other stones tiles & slabs. The details regarding registered office, corporate office & principal place of business is disclosed in the introductory page of this Annual Report.

### NOTE '1': SIGNIFICANT ACCOUNTING POLICES

#### 1.1. Basis of preparation and presentation

- The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the 'Act') read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.
- The Financial statements have been prepared on the historical cost basis except certain financial assets & liabilities which are measured at fair value:
- All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III of the Companies Act, 2013.
- All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### 1.2. Use of Estimates & Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income,

# Elegant Marbles and Grani Industries Ltd.

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

### 1.3. **Property, Plant and Equipment**

- (i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (ii) Capital work-in-progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion/ commencement of commercial production.
- (iii) Depreciation on property, plant and equipment is provided based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 on straight line method.
- (iv) When an assets is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit and Loss.
- (v) The Residual Value, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

### **Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

### 1.4. **Impairment of Non-financial Assets**

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indications exists, the Company estimates the amount of impairment loss which may be caused to the company. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

### 1.5. **Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and, wherever applicable, borrowing costs less depreciation and impairment, if any.

### 1.6. **Cash & cash equivalents**

Cash and Cash equivalents include cash and Cheque in hand, bank balances and demand deposits with banks that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

### 1.7. **Inventory**

Inventories of Finished Goods and Stock-in-trade are stated 'at the lower of cost or net realisable value'. Raw Materials, Work-in-Progress and Goods-in-transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

Having regard to the nature & value of items of Stores & consumables, the same are treated as consumed in the year of their purchase.

### 1.8. **Financial Instruments**

#### (i) **Financial Assets**

##### Initial Recognition and Measurement

Financial assets are recognised when the company becomes party to the contractual provisions of the instruments. Financial assets, other than trade receivables, are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through statement of profit or loss. Financial assets carried at fair value through statement of profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of Profit and Loss.

##### Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost or fair value through other comprehensive income (OCI) or fair value through profit or loss on the basis of:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

##### **Financial assets carried at amortised cost (AC)**

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

##### **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Financial assets at fair value through profit or loss (FVTPL)**

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVTOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

##### **Equity Instruments:**

All investment in equity instrument classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

##### **Impairment of financial assets**

In accordance with Ind AS 109, the company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instruments).

#### (ii) **Financial liabilities**

##### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

# Elegant Marbles and Grani Industries Ltd.

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

### Subsequent measurement

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

### Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

### Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IndAS 109 and the amount recognized less cumulative adjustments.

### (iii) **Derivative financial instruments and Hedge Accounting**

The Company can use various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability

For the purpose of hedge accounting, hedges are classified as:

#### Cashflow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

#### Fair value hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity

### (iv) **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 1.9. **Leases**

### **Finance lease**

Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

### **Operating lease**

#### Company as a lessee

Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease period unless the payments are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in the property, plant and equipment. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

## 1.10. **Fair Value Measurement:**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



# Elegant Marbles and Grani Industries Ltd.

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.11. **Borrowing Cost**

Borrowing costs include interest expenses as per effective interest rate and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### 1.12. **Provisions and Contingent liabilities and contingent assets**

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

### 1.13. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

#### Sale of goods:

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are generally recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. are not treated as part of sales. Sales returns are recognised when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims/Refunds not ascertainable with reasonable certainty are accounted for on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

### Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

### Other Income

Dividend income on investments is recognised when the right to receive the dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest on prudent basis.

## 1.14. **EMPLOYEE BENEFITS**

### Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

### Post-employment benefits

#### Define contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### Defined benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

Re-measurments of defined benefit plans in respect of post-employment are charge to Other Comprehensive Income.

#### Empolyee Separation Costs

Compensation to employees who opt for retirement under the voluntary retirement scheme, if any, of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

## 1.15. **Foreign exchange transactions and translation**

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

## 1.16. **TAXES ON INCOME**

# Elegant Marbles and Grani Industries Ltd.

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Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

## 1.17. **Government Grants**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

In case a non-monetary asset is given free of cost, it is recognised at a fair value. When loans or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

## 1.18. **Earning Per Share**

The basic earning per share (EPS) is computed by dividing the net profit after tax available to equity share holding for the year by the weighted average number of equity shares outstanding during the current year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

## 1.19 **Recent Indian Accounting Standards (Ind AS)**

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-to-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a

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contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortization change for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

Note '2' : PROPERTY, PLANT AND EQUIPMENT

( ` in lakhs)

	Land	Factory Building	Office Premises	Plant & Machinery	Cranes	Office Equipment	Furniture & Fixtures	Air Conditioner	Computer	Motor Car	Motor Vehicles	Total
<b>Gross Carrying amount</b>												
Balance as at 31st March, 2017	26.67	51.23	9.33	215.87	20.94	26.53	20.55	23.87	24.91	104.10	1.97	525.97
Additions	-	-	-	-	-	3.95	-	0.26	0.21	-	-	4.42
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	26.67	51.23	9.33	215.87	20.94	30.48	20.55	24.13	25.12	104.10	1.97	530.39
Additions	-	-	43.30	-	-	2.52	-	1.14	0.72	-	-	47.68
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	26.67	51.23	52.63	215.87	20.94	33.00	20.55	25.27	25.84	104.10	1.97	578.07
<b>Accumulated Depreciation</b>												
Balance as at 31st March, 2017	-	43.47	2.79	214.87	20.94	23.15	17.85	20.05	20.23	64.64	1.97	429.96
Additions	-	1.69	0.16	0.19	-	1.79	0.65	1.29	2.52	8.34	-	16.63
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	-	45.16	2.95	215.06	20.94	24.94	18.50	21.34	22.75	72.98	1.97	446.59
Additions	-	1.69	14.43	0.19	-	1.97	0.66	0.98	2.06	6.19	-	28.17
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	46.85	17.38	215.25	20.94	26.91	19.16	22.32	24.81	79.17	1.97	474.76
<b>Net Carrying Amount</b>												
Balance as at 31st March, 2018	26.67	6.07	6.38	0.81	-	5.54	2.05	2.79	2.37	31.12	-	83.80
Balance as at 31st March, 2019	26.67	4.38	35.25	0.62	-	6.09	1.39	2.95	1.03	24.93	-	103.31

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### NOTE '3' : NON -CURRENT INVESTMENTS

(` in lakhs)

Name of the Company	Face Value	Paid up Value	As at 31st March, 2019		As at 31st March 2018	
			No. / Units	Amount	No. / Units	Amount
<b>Investment Measured at Amortised Cost</b>						
<b>In Debentures and bonds - Unquoted</b>						
17% Pinnacle Vastu Nirman Pvt Ltd NCD	100,000	100,000	-	-	75	75.00
Golden Sparrow Infrastructure Pvt Ltd NCD	10	10	41,625	4.16	-	-
17.25% Kasata Hometech (India) Pvt Ltd NCD	100,000	100,000	100	87.18	100	87.18
17.25% Shanders Properties Pvt Ltd NCD	100,000	100,000	100	48.83	100	54.92
17.75 % Orris Ifrastructure Pvt Ltd NCD	10,000,000	10,000,000	1	33.07	1	70.95
18 Shah Group Builders NCD	100	100	-	-	45,000	12.51
18% BCIL Red Earth Developers India Pvt Ltd NCD	100,000	100,000	100,000	75.07	100,000	75.07
18% Darvesh Properties Pvt Ltd NCD	100,000	100,000	100	40.69	100	83.09
18% Fortune Buildcon India Pvt Ltd NCD	100	100	49,000	49.00	49,000	49.00
18% Mighty Constructions NCD	100	100	85,000	14.80	85,000	17.42
18% Shriline Properties Pvt Ltd NCD	100,000	100,000	50	107.43	50	5.56
20.50% Green Farm Tech NCD	10,000	10,000	750	77.25	750	77.25
20% Diyug Construction Pvt Ltd NCD	100,000	100,000	100	79.57	100	85.00
20% Samrudhi Reality Ltd NCD	100,000	100,000	100	100.00	100	100.00
15% Shashwati Realty Pvt Ltd NCD	1,000,000	1,000,000	15	145.50	-	-
				<b>862.55</b>		<b>792.95</b>
<b>In Unquoted AIF &amp; Real estate funds</b>						
IDFC Real Estate Yield Fund	100	100	-	66.17	-	86.57
Religare Credit Investment Trusts	100,000	100,000	-	17.81	-	27.38
IIFL Real Estate AIF II	4.5717	4.5717	1,870,000	85.49	-	111.31
				<b>169.47</b>		<b>225.26</b>
<b>Investment measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>						
<b>Equity shares - Quoted</b>						
3I Infotech Ltd	10	10	-	-	5,000	0.25
5Paisa Capital Ltd	10	10	333	0.79	333	1.10
Aditya Birla Capital Ltd	10	10	25,900	25.29	25,900	37.78
Aegis Logistics Ltd	1	1	9,978	20.28	8,005	20.78
Aftek Ltd	2	2	-	-	10,000	0.16
Alkem Laboratories Ltd	2	2	925	16.20	787	15.65
Apar Industries Ltd	10	10	3,901	26.21	3,901	28.40
Ashok Leyland Ltd	1	1	15,000	13.70	-	-
AU Small Finance Bank Ltd	10	10	2,186	13.02	1,299	8.03
AYM Syntex Ltd	10	10	-	-	32,979	20.03
Bajaj Finance Ltd	10	10	616	18.63	2,011	35.55
Balaji Amines Ltd	2	2	2,000	9.91	2,000	11.22
Balmer Lawrie Co Ltd	10	10	-	-	11,000	23.89
Balmer Lawrie Investment Ltd	10	10	11,000	42.82	11,000	43.74
Bayer Corpscience Ltd	10	10	224	9.86	217	9.18
BEML Ltd	10	10	-	-	3,000	31.32
BF Utilities Ltd	5	5	-	-	2,000	7.63
Bharat Forge Ltd	2	2	2,153	11.03	2,472	17.30
Birla Corporation Ltd	10	10	2,193	11.50	1,142	8.16
Blue Star Ltd	2	2	1,356	9.19	682	5.15
Bombay Burman Trading Corp. Ltd	2	2	35,000	455.85	35,000	409.13
Bombay Dyeing MfgcoLtd	1	1	45,000	60.77	45,000	107.71
Bosch Ltd.	10	10	83	15.09	107	19.28
Britannia Industries Ltd.	10	10	9,450	291.24	5,500	273.43
Canfin Home Ltd	10	10	2,658	9.27	1,375	6.66
Century Enka Ltd	10	10	2,280	5.75	-	-
Century Plyboards India Ltd	1	1	-	-	7,500	24.50
Century Textiles Industries Ltd	10	10	-	-	3,500	40.08
City Union Bank Ltd.	1	1	9,477	19.41	11,139	19.21
Colgate-Palmolive (India) Limited	1	1	687	8.64	888	9.39
Container Corporation Of India Ltd.	10	10	1,778	9.34	920	11.45
Cummins India Ltd.	2	2	1,056	7.88	1,365	9.56
CESE Ltd	10	10	2,577	18.83	-	-
CESE Ventures Ltd	10	10	413	2.57	-	-
DCB Bank Ltd	10	10	-	-	39,980	64.53
DCM Shriram Ltd	2	2	-	-	5,391	22.87
DLF Ltd	2	2	10,000	20.16	-	-
Deepak fertilisers Petrochemicals Corpn. Ltd	10	10	13,492	17.74	9,130	26.34
Development Credit Bank Ltd	10	10	11,413	23.36	9,154	9.78

# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### NOTE '3' : NON -CURRENT INVESTMENTS

(` in lakhs)

Name of the Company	Face Value	Paid up Value	As at 31st March, 2019		As at 31st March 2018	
			No. / Units	Amount	No. / Units	Amount
Dhanuka Agritech Ltd	2	2	883	3.44	463	2.55
Dishman Carbogen Amcis Ltd	2	2	-	-	1,442	4.62
Dishman Pharma & Chemicals Ltd	2	2	3,289	6.85	-	-
Dr. Lal Pathlabs Ltd	10	10	837	8.74	441	3.86
Embassy Office Park REIT	-	-	34,000	102.00	-	-
Eclerx Services Ltd	10	10	10,000	115.15	-	-
Eicher Motors Ltd	10	10	80	16.44	103	29.22
EID Parry India Ltd	1	1	2,196	4.49	-	-
Emami Limited	1	1	2,045	8.18	1,322	14.13
Engineers India Ltd	5	5	2,214	2.60	2,862	4.53
Federal Bank Ltd	2	2	8,963	8.64	11,587	10.34
Forbes & Company Ltd	10	10	250	5.49	-	-
Gabriel India Ltd	1	1	7,119	10.29	4,515	6.19
Genus Power Infrastructure Ltd	1	1	60,000	17.37	60,000	30.54
Godrej Agrovet Ltd	10	10	5,000	25.46	-	-
GlaxoSmithkline Consumer Healthcare Ltd.	10	10	157	11.38	162	9.88
Godawari Power Ispat Ltd	10	10	-	-	12,000	51.82
Godrej Industries Ltd	1	1	2,402	12.88	3,105	17.07
Grasim Industries Ltd	2	2	500	4.29	18,500	195.01
Gujarat Ambuja Exports Ltd	2	2	12,668	27.83	15,852	36.58
Gujarat Industries Power Co. Ltd	10	10	21,720	15.44	21,720	21.02
Himachal Futuricts Communications Ltd	1	1	150,000	34.20	100,000	25.90
Hindustan Construction Co. Ltd	1	1	-	-	100,000	22.30
Hindustan Petroleum Corporation Ltd.	10	10	18,540	52.57	4,576	15.78
Hindustan Zinc Ltd.	10	10	210,000	580.44	210,000	632.00
Housing Development Finance Corp Ltd	2	2	-	-	7,300	26.25
HDFC Life Insurance Co. Ltd	10	10	6,500	24.60	-	-
HIL Ltd	10	10	69	12.85	-	-
ICICI Bank Ltd	2	2	2,096	8.39	-	-
IDFC Bank Ltd	10	10	53,500	29.53	53,500	25.33
IFGL Refractories Ltd	10	10	-	-	5,319	12.98
IIFL Holdings Ltd	2	2	2,500	10.81	473	3.34
India Infoline Ltd	10	10	7,886	34.10	7,886	55.48
IIFL Holdings Ltd	2	2	934	4.01	-	-
Indiabulls Real Estate Ltd	2	2	20,000	18.44	20,000	36.22
Indiabulls Ventures Ltd	2	2	155,000	504.30	230,115	558.03
Indiabulls Ventures Ltd	2	2	53,915	117.18	53,915	47.31
Indian Hume Pipe Company Ltd	2	2	7,644	22.44	5,000	15.63
Ipca Lab Ltd.	2	2	1,095	10.75	1,416	9.28
ISGEC Heavy Engineering Ltd	10	10	4,810	29.10	481	31.29
ITD Cementation India Ltd	1	1	4,457	5.87	2,348	3.69
Jai Corp Ltd	1	1	10,000	11.55	10,000	13.35
Jain Irrigation Systems Ltd	2	2	70,000	41.27	70,000	74.59
Jammu - Kashmir Bank Ltd	1	1	5,073	2.72	6,558	3.96
Jindal Poly Investment and Finance Company Ltd	1	1	-	-	250	0.14
Jindal Saw Ltd	2	2	15,808	13.66	-	-
Jay Bharat Maruti Ltd	5	5	2,000	5.22	-	-
Kajaria Ceramics Ltd	1	1	1,796	10.59	942	5.39
Kotak Mahindra bank Ltd	5	5	4,044	53.98	5,728	60.03
Kotak Mahindra bank Ltd	10	10	-	-	4,155	4.09
LIC Housing Finance Ltd	2	2	-	-	5,000	26.76
LT Technology Services Ltd	2	2	942	14.81	1,218	15.05
Lakshmi Vilas Bank Ltd	10	10	7,916	5.62	-	-
Mahanagar Gas Ltd	10	10	1,218	12.85	634	6.07
Maharashtra Seamless Ltd	5	5	6,890	33.07	6,890	29.18
Mahindra Holidays Resorts India Ltd	10	10	42,000	100.82	42,000	122.77
Maruti Suzuki India Ltd	5	5	2,105	140.44	-	-
Maithan Alloys Ltd	10	10	-	-	1,600	12.58
Max Financial Services Ltd	2	2	2,946	12.82	3,809	17.27
Motilal Oswal Financial Service Ltd	1	1	3,554	21.35	2,601	26.16
MRF Ltd	10	10	70	40.64	70	50.61
Page Industries Ltd.	10	10	131	32.71	170	38.56
Piramal Enterprises Ltd	2	2	-	-	1,774	43.16
Polyplex Corporation Ltd	10	10	6,110	31.72	6,110	28.76
Power Mech Projects Ltd	10	10	1,760	16.40	-	-
Quess Corp.Ltd	10	10	1,157	8.64	976	10.03

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### NOTE '3' : NON -CURRENT INVESTMENTS

(` in lakhs)

Name of the Company	Face Value	Paid up Value	As at 31st March, 2019		As at 31st March 2018	
			No. / Units	Amount	No. / Units	Amount
Rain Industries Ltd	2	2	24,989	25.54	17,460	65.41
Reliance Industries Ltd	10	10	9,900	134.94	7,900	69.74
Sanghvi Movers Ltd	2	2	20,179	22.43	20,179	35.00
Sharda Motors Inds Ltd	10	10	1,000	14.93	-	-
Spencer Retail Ltd	5	5	1,239	1.98	-	-
State Bank of India	10	10	42,500	136.34	50,000	125.05
Steel Strips Wheels Ltd	10	10	2,800	24.01	2,800	29.82
Subros Ltd	2	2	6,000	16.07	-	-
Sun Pharmaceuticals Industries Ltd	1	1	-	-	6,000	29.72
Suprajit Engineering Ltd	1	1	1,690	4.14	880	2.45
Talwalkars Lifestyles Ltd	10	10	10,615	12.78	-	-
Tech Mahindra Ltd	5	5	1,767	13.71	-	-
Techno Craft Industries India Ltd	10	10	2,945	16.35	-	-
Texmaco Rail & Engineering Ltd	1	1	18,887	13.03	-	-
TTK Prestige Ltd	10	10	177	15.46	93	5.75
United Spirits Ltd	10	10	8,000	44.24	-	-
Universal Cables Ltd	10	10	2,345	5.16	-	-
V S T Tillers Tractors Ltd	10	10	-	-	1,350	33.93
Vindhya Telelinks Ltd	10	10	3,056	42.79	3,056	32.09
Voltas Ltd.	1	1	5,332	33.56	6,893	42.81
VIP Industries Ltd	2	2	625	3.02	-	-
V Mart Retail Ltd	10	10	71	1.91	-	-
VST Tillers Tractors Ltd	10	10	699	9.19	-	-
Welspun Enterprises Ltd	10	10	-	-	100,000	141.31
Zuari Agro Chemical Ltd	10	10	6,270	11.65	6,270	30.23
				<b>4,314.98</b>		<b>4,569.23</b>
<b>Investment measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>						
<b>In Mutual Fund -Quoted</b>						
L & T Emerging Business Fund	10	10	895,492	233.04	895,492	246.82
M O Most Focused Multicap 35 F Direct Divi Payout	10	10	1,129,025	272.43	1,129,025	284.58
M O Most Focused Multicap 35 F Regular Divi Payout	10	10	423,967	97.03	423,967	102.54
Reliance Banking Fund-Div Plan	10	10	636,162	326.76	636,162	320.01
				<b>929.26</b>		<b>953.95</b>
<b>Investment measured at Fair Value through Profit &amp; Loss (FVTPL)</b>						
<b>In Mutual Fund -Quoted</b>						
HDFC Liquid Fund Direct Plan Growth	10	10	2,198	80.81	-	-
HDFC Liquid Fund Direct Plan Growth	10	10	815	29.98	-	-
ICICI Prudential Banking & PSU Debt Fund Direct Growth	10	10	144,763	421.00	-	-
ICICI Prudential Savings Fund DIR- Growth	10	10	112,531	327.27	256,827	693.88
IDFC Dynamic Bond Fund Growth Direct Plan	10	10	-	-	2,478,652	535.44
Kotak Fixed Maturity Plan	10	10	400,000	53.86	-	-
Reliance Liquid fund Direct DDR	1,000	1,000	5,239	52.39	53	1.39
Reliance Liquid Bees	1,000	1,000	0.00	-	1	0.01
Reliance Liquid Fund Growth Option	1,000	1,000	2	0.11	0.001	-
HDFC Liquid Fund Direct Plan Growth	10	10	-	-	1,353,327	46.34
TATA Floater Fund Growth Plan	10	10	-	-	1	0.03
				<b>965.42</b>		<b>1,277.09</b>
<b>Total Non Current Investment</b>				<b>7,241.68</b>		<b>7,818.48</b>
Aggregate amount of Quoted Investments				4,026.87		4,178.80
Market Value of Quoted Investments				6,209.67		6,800.27
Aggregate amount of unquoted Investments				1,032.01		1,018.21
<b>Category-wise Non current Investment</b>						
<b>Financial Assets measured at cost</b>				1,032.01		1,018.21
<b>Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>				5,244.25		5,523.19
<b>Financial Assets measured at Fair Value through Profit and Loss (FVTPL)</b>				965.42		1,277.08
<b>Total Non Current Investment</b>				<b>7,241.68</b>		<b>7,818.48</b>



# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENT AS AT 31ST MARCH, 2019

	As at 31.03.2019	As at 31.03.2018
( ` in lakhs)		
<b>NOTE '4' : DEFERRED TAX ASSETS</b>		
At the start of the year	98.15	93.60
Deferred tax for current year	61.14	4.55
At the end of the year	<b>159.29</b>	<b>98.15</b>
<b>Components of Deferred Tax (Liabilities) / Assets :</b>		
<b>Deferred Tax (Liabilities) / Assets in relation to:</b>		
Property, Plant & Equipment	(1.53)	(5.36)
Carried Forward Loss	160.82	103.51
	<b>159.29</b>	<b>98.15</b>
<b>NOTE '5' : OTHER NON CURRENT ASSETS</b>		
Deposits	12.52	40.81
	<b>12.52</b>	<b>40.81</b>
<b>NOTE '6' : INVENTORIES</b>		
(As taken, valued and certified by the Management)		
(Valued at lower of cost or net realisable value)		
Raw Material	-	-
Finished Goods	1,544.84	1,413.47
	<b>1,544.84</b>	<b>1,413.47</b>
<b>NOTE '7' : TRADE RECEIVABLES</b>		
Trade receivables	138.93	125.66
	<b>138.93</b>	<b>125.66</b>
Current portion	138.93	125.66
Non-current portion	-	-
<u>Break-up of security details</u>		
Secured, considered good	-	-
Unsecured, considered good	138.93	125.66
Doubtful	-	-
	<b>138.93</b>	<b>125.66</b>
<b>NOTE '8' : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>		
<u>Cash and Cash equivalents</u>		
Balance with Bank in current accounts	67.58	84.19
Deposits with original maturity of less than 3 months (including interest accrued thereon)	-	43.06
Cash on hand	9.07	5.75
	<b>76.65</b>	<b>133.00</b>
<b>NOTE '9' : CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES</b>		
Earmarked Unpaid dividend accounts	4.90	5.70
	<b>4.90</b>	<b>5.70</b>
<b>NOTE '10' : CURRENT FINANCIAL ASSETS - OTHER</b>		
<b>Unsecured, Considered good</b>		
Interest receivable	106.07	88.01
Dividend Receivable	-	12.60
	<b>106.07</b>	<b>100.61</b>
<b>NOTE '11' : CURRENT TAX ASSETS (NET)</b>		
Income tax (net of provisions)	12.39	0.04
	<b>12.39</b>	<b>0.04</b>

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31.03.2019	( ` in lakhs) As at 31.03.2018
<b>NOTE '12' : OTHER CURRENT ASSETS</b>		
(Unsecured & considered good)		
Advance to suppliers	9.00	1.89
Prepaid Expenses	16.46	17.99
Other Recoverable	0.42	9.21
Balance with revenue authorities	9.50	64.54
	<u>35.38</u>	<u>93.63</u>

## NOTE '13' : EQUITY SHARE CAPITAL

### Authorised

50,00,000 (Previous Year : 50,00,000) Equity Shares of ` 10/- each. 500.00 500.00

### Issued, Subscribed & Paid up

36,60,000 (Previous year : 36,60,000) Equity Shares of ` 10/- each 366.00 366.00

**TOTAL** 366.00 366.00

### (a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the year :

( ` in Lakhs)

Particulars	31st March, 2019		31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	36,60,000	366.00	45,00,000	450.00
Extinguishment of equity shares on Buy Back	-	-	(840,000)	(84.00)
Outstanding at the end of the year	<u>36,60,000</u>	<u>366.00</u>	<u>36,60,000</u>	<u>366.00</u>

The Company bought back 840000 equity shares of ` 10 each for an aggregate value of ` 17.22 crores being 18.67% of the total paid up equity share capital at ` 205 per equity share in the previous year ended 31st March, 2018. The equity shares bought back were extinguished on 30.03.2018.

### (b) Equity Shareholder holding more than 5% equity shares along with number of equity shares is given below :

Name of the Shareholder	31st March, 2019		31st March, 2018	
	No. of Shares	%	No. of Shares	%
Shri Rajesh Agrawal	8,20,047	22.41%	8,20,047	22.41%
Shri Rakesh Agrawal	7,12,592	19.47%	7,12,592	19.47%
Smt. Alka Agrawal	4,21,745	11.52%	4,21,745	11.52%
Smt. Divya Agrawal	4,03,345	11.02%	4,03,345	11.02%
Smt. Gita Agrawal	2,21,847	6.06%	2,21,847	6.06%
	<u>25,79,576</u>	<u>70.48%</u>	<u>25,79,576</u>	<u>70.48%</u>

### (c) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends 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 holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### NOTE '14' : OTHER EQUITY

( ` in lakhs)

Particulars	Reserves and Surplus				OCI	Total Other equity
	Share Premium Reserve	General Reserve	Capital Redemption Reserve	Retained earnings	Equity Instruments through OCI	
<b>Balance as at March 31, 2017</b>	<b>285.00</b>	<b>2,151.22</b>	-	<b>4,334.58</b>	<b>1,773.37</b>	<b>8,544.17</b>
Profit for the year	-	-	-	436.79	-	436.79
Other comprehensive income for the year, net of tax	-	-	-	405.29	620.93	1,026.22
Creation of General Reserve	-	60.00	-	(60.00)	-	-
Creation of Capital Redemption Reserves	(285.00)	(1,437.00)	1,722.00	-	-	-
Premium paid on Buy back of Shares	-	-	(1,638.00)	-	-	(1,638.00)
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>774.22</b>	<b>84.00</b>	<b>5,116.67</b>	<b>2,394.30</b>	<b>8,369.19</b>
Profit for the year	-	-	-	326.73	-	326.73
Other comprehensive income for the year, net of tax	-	-	-	281.12	(279.31)	1.81
Creation of General Reserve	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>774.22</b>	<b>84.00</b>	<b>5,724.52</b>	<b>2,114.99</b>	<b>8,697.73</b>

### Capital Redemption Reserve

Represent Reserve created during buy back of Equity Shares and it is a non-distributable reserve.

	As at 31.03.2019	As at 31.03.2018
<b>NOTE '15' : PROVISIONS - NON-CURRENT LIABILITIES</b>		
<u>Provision for employee benefits</u>		
Gratuity	45.18	-
	<b>45.18</b>	<b>-</b>
<b>NOTE '16' : OTHER NON-CURRENT LIABILITIES</b>		
Amount payable against office premises	15.00	-
	<b>15.00</b>	<b>-</b>
<b>NOTE '17' : TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises	-	-
Others	93.34	793.46
	<b>93.34</b>	<b>793.46</b>
<b>NOTE '18' : CURRENT FINANCIAL LIABILITIES - OTHER</b>		
Unclaimed Dividend	4.91	5.70
Employee related liabilities	0.54	0.41
Other Payables	21.12	17.46
	<b>26.57</b>	<b>23.57</b>
<b>NOTE '19' : OTHER CURRENT LIABILITIES</b>		
Advance from customers	174.20	356.23
Statutory dues payable	7.41	4.90
Other Payables	8.41	-
	<b>190.02</b>	<b>361.13</b>
<b>NOTE '20' : PROVISION - CURRENT LIABILITIES )</b>		
Provision for employee benefits	2.12	-
	<b>2.12</b>	<b>-</b>

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## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31.03.2019	( ` in lakhs) As at 31.03.2018
<b>NOTE '21' : REVENUE FROM OPERATIONS</b>		
Sale of products		
Sales of Goods	1,912.55	2,360.27
Other operating revenues	53.62	43.25
	<b>1,966.17</b>	<b>2,403.52</b>
<b>NOTE '22' : OTHER INCOME</b>		
Dividend received	111.57	126.04
Interest received	109.34	171.33
Other Income	9.63	6.49
Gain on financial assets*	74.79	144.39
	<b>305.33</b>	<b>448.25</b>
*Includes fair value gain/(Loss) as at 31st March, 2019 of ` 49.56 Lakhs (31st March, 2018 ` 47.89Lakhs)		
<b>NOTE '23' : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>		
Opening stock		
Finished Goods	1,412.28	1,003.69
Closing stock		
Finished Goods	1,544.84	1,413.47
	<b>(132.56)</b>	<b>(409.78)</b>
<b>NOTE '24' : EMPLOYEES BENEFIT EXPENSES</b>		
Salaries, Wages & Bonus	218.38	203.76
Contribution to Provident Fund and Other Fund	3.18	4.97
Staff Welfare	0.01	0.01
Gratuity	47.29	0.40
	<b>268.86</b>	<b>209.14</b>
<b>NOTE '25' : OTHER EXPENSES</b>		
Consumables & Stores	17.31	17.83
Power & Fuel	64.26	65.44
Rent, Rates & Taxes (excluding taxes on income)	146.64	128.55
Repairs & Maintenance - Machinery	0.46	2.05
Repairs & Maintenance - Other	6.32	2.70
Auditors' Remuneration	2.00	2.00
Insurance	10.41	11.38
Job Work Charges	44.37	32.15
Motor Car Expenses	5.42	6.83
Donations	19.05	15.49
Telephone & Internet Expenses	5.91	6.54
Legal & Professional Fees	17.24	13.76
Travelling Expenses	28.59	27.06
Sales Promotion Expenses	32.95	36.66
Miscellaneous Expenses	40.97	55.01
	<b>441.90</b>	<b>423.45</b>
<b>NOTE '25.1' : AUDITORS' REMUNERATION</b>		
Audit Fees	1.80	1.80
Tax Audit Fee	0.20	0.20
	<b>2.00</b>	<b>2.00</b>

# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31.03.2019	( ` in lakhs) As at 31.03.2018
<b>NOTE '26' NOTES TO ACCOUNTS</b>		
<b>26.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)</b>		
Amount required to be spent as per section 135 of the Act.	12.25	13.84
Amount spent during the year		
(i) Construction/acquisition of any assets	-	-
(ii) On purpose other than (i) above	12.50	14.50
<b>26.2 EARNINGS PER SHARE (EPS)</b>		
Net Profit after tax as per statement of Profit and Loss attributable to equity shareholders	326.72	436.78
<b>Number of equity shares outstanding</b>	<b>36,60,000</b>	<b>44,88,493*</b>
Face Value per equity share ( ` )	10	10
Basic Earnings Per Share ( ` )	8.93	9.73
Diluted Earnings per Share ( ` )	8.93	9.73
* Weighted Average number of equity shares outstanding		
<b>26.3 INCOME TAX RECONCILIATION</b>		
Profit before tax	390.11	524.56
Applicable Tax Rate	20.59%	20.39%
Computed Tax Expenses	80.31	106.95
<u>Tax Effect of :</u>		
Income exempted from Income tax	(22.97)	(25.70)
Expenses disallowed	0.70	0.05
Tax in respect of earlier year	11.13	11.02
Deferred Tax	(3.82)	(4.55)
Tax Expenses	<u>65.35</u>	<u>87.77</u>
Effective Tax Rate	16.75%	16.73%

	( ` in lakhs)			
	2019		2018	
	%	Amount	%	Amount
<u>Raw Materials</u>				
Imported	98.19	194.91	70.08	186.73
Indigenously obtained	1.81	3.59	29.92	79.71
		<u>198.50</u>		<u>266.44</u>
<u>Stores</u>				
Imported	7.56	1.31	-	-
Indigenously obtained	92.44	16.01	100	17.83
		<u>17.32</u>		<u>17.83</u>

# 34th Annual Report 2018-2019

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### 26.5 CONTINGENT LIABILITY

- (i) The company has preferred appeals before the Commissioner of Income Tax (Appeals), Mumbai against the orders passed by Deputy Commissioner of Income Tax for the assessment years 2013-14 & 2014-15 raising a demand of ₹ 41,73,670/- & 7,99,670/- respectively.
- (ii) The Company has executed Letter of Undertaking indemnifying the President of India against any liability that may arise on account of Goods & Service Tax provisions on goods exported by it.

### 26.6 POST RETIREMENT BENEFIT PLANS

#### Defined Benefits Plan

- (i) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

- (ii) Employee benefit schemes recognised in the financial statements as per actuarial valuation as on 31st March, 2019 are as follows :

A. Amount recognised in the Statement of Profit & Loss	( ₹ in lakhs)
	<b>As at 31.03.2019</b>
Current service cost	3.21
Past Service cost	44.08
Net Benefit Expense	<u>47.29</u>
B. Amount recognised in the Balance Sheet	
Defined Benefit Obligation	47.29
Fair Value of Plan Assets	-
Funded Status	47.29
Effect of Asset Ceiling/Onerous Liability	-
Net Defined Benefit Liability/(Asset)	<u>47.29</u>

The Company has got the valuation of its liability on account of gratuity from an authorised actuarial valuer vide his report dt.06.05.2019. The Company has provided for the liability on account of gratuity in its books of accounts on the basis of the report.

**26.7** In the opinion of the management and to the best of their knowledge, the current assets, loans & advances are approximately of the value stated, if realised in the ordinary course of business, unless otherwise stated.

**26.8** The Company is trying to ascertain the enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Based on the details regarding the status of the suppliers, to the extent obtained, no supplier is covered under the Act.

**26.9** The Company has, during the year, capitalised a sum of ₹ 43,30,000/- being deposit given for leasing of premises at Raghuvanshi Mills Compound, Senapati Bapat Marg, Mumbai, on the basis of the Consent Terms agreed before the Small Causes Court dt. 03.12.1997 and agreements dt. 02.02.1999 & 28.04.1999 entered into between Raghuvanshi Mills Limited & the Company. The terms of the agreement expressly provide that the lessor, who has taken the premises on rent from the owners, has given these premises on lease to the Company for a long period and on the occurrence of the event of the lessor becoming the owners of the whole of the land & premises, the lessee, i.e., the Company, would get

# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

these premises on an ownership basis for the above sum of ₹ 43,30,000/-. The Company has provided for depreciation as per Schedule II to the Companies Act, 2013 on Straight Line Method from the date of agreements/consent terms to the current year.

### 26.10 RELATED PARTIES DISCLOSURES

	As at 31.03.2019 ( ₹ in lakhs)	As at 31.03.2018 ( ₹ in lakhs)
a) Related parties where control exists :		
i. Madhu Holdings Private Limited		
ii. Eternal Holdings Private Limited		
iii. Elegant Financial Services LLP		
iv. Alka Granites LLP		
v. Everlasting Properties LLP		
vi. Peaceful Properties LLP		
vii. Everfresh Properties LLP		
viii. Ware Innovations LLP		
ix. Khello Khillo Design LLP		
b) Key management personnel & their relatives :		
i. Shri Rajesh Agrawal, Director		
ii. Shri Rakesh Agrawal, Director		
iii. Ms. Yogita Agrawal, Director		
iv. Shri R. S. Agrawal, father of Shri Rajesh Agrawal and Shri Rakesh Agrawal		
v. Smt. Alka Agrawal, wife of Shri Rajesh Agrawal		
vi. Smt. Divya Agrawal, wife of Shri Rakesh Agrawal		
vii. Smt. Gita Agrawal, mother of Shri Rajesh Agrawal and Shri Rakesh Agrawal		
viii. M/s. Rakesh Agrawal, HUF		
ix. M/s. Rajesh Agrawal, HUF		
x. Shri Hitesh Kothari		
xi. Ms. Sneha Valeja		
c) Transactions during the year with related parties :		
i. Rent paid	117.60	100.44
ii. Payment to Key Managerial personnel/Relative	70.63	67.40
iii. Sales Promotion expenses	8.65	8.59
iv. Revenue from operation	-	2.41
v. Director Sitting fees	1.85	1.65
d) Disclosure in Respect of Major Related Party Transactions during the year :		
i. <u>Rent Paid</u>		
Smt. Alka Agrawal	30.00	30.00
M/s. R. S. Agrawal HUF	30.00	30.00
Shri Rajesh Agrawal	24.00	20.22
Shri Rakesh Agrawal	24.00	20.22
M/s. Rajesh Agrawal HUF	9.60	-

## 34th Annual Report 2018-2019

### NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31.03.2019 ( ` in lakhs)	As at 31.03.2018 ( ` in lakhs)
ii. <u>Payment to Key Managerial personnel/Relative</u>		
Shri Rajesh Agrawal	30.00	30.00
Shri Rakesh Agrawal	30.00	30.00
Shri Hitesh Kothari	6.64	5.35
Ms. Sneha Valeja	3.99	2.05
iii. <u>Sales Promotion expenses</u>		
Khello Khillo Design LLP	-	0.17
Ware Innovation LLP	8.65	8.42
iv. <u>Revenue from operation</u>		
Ware Innovation	-	2.41
v. <u>Buy-back of shares</u>		
Smt. Alka Agrawal	-	252.67
Smt. Divya Agrawal	-	249.39
Smt. Geeta Agrawal	-	98.71
Shri Rajesh Agrawal	-	382.84
Shri Rakesh Agrawal	-	363.69
vi. <u>Loans taken</u>		
Shri Rajesh Agrawal	32.00	-
<u>Loans repaid</u>		
Shri. Rajesh Agrawal	32.00	-
vii. <u>Director Sitting fees</u>		
Ms. Yogita Agrawal	0.20	0.15
Shri Raj Kumar Mittal	0.50	0.55
Shri Ram Chawla	0.55	0.55
Shri OM Prakash Singal	0.60	0.40

**26.11** Having regard to the rate of taxation, company's income profile and other factors, the Company has not provided for deferred tax for credit for minimum alternative tax available to it.



# Elegant Marbles and Grani Industries Ltd.

## NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### 26.12 Fair Valuation Measurement Hierarchy

(` in lakhs)

Particulars	As at 31st March, 2019			As at 31st March, 2018				
	Carrying amount	Level of Input use in			Carrying amount	Level of Input use in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Amortised cost</b>								
Investments	1,032.01	-	-	-	1,018.21	-	-	-
Trade Receivable	138.93	-	-	-	125.66	-	-	-
Cash & Bank Balance	81.55	-	-	-	138.70	-	-	-
Other Financial Assets	106.07	-	-	-	100.61	-	-	-
<b>At FVTPL</b>								
Investments	965.42	-	-	-	1,277.08	-	-	-
<b>AT FVTOCI</b>								
Investments	5,244.25	-	-	-	5,523.19	-	-	-
<b>Financial Liabilities</b>								
<b>At Amortised cost</b>								
Trade Payable	93.34	-	-	-	793.46	-	-	-
Other Financial Liabilities	26.57	-	-	-	23.57	-	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities; and

**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly.

#### Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates. The Company monitors rolling forecasts of the Company's cash flow position and ensure that the Company is able to meet its financial obligation at all times including contingencies.

#### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, financial instruments and principally from credit exposures to customers relating to outstanding receivables. The Company deals with highly rated counter parties.

In terms of our report of even date.

**For SDBA & CO.**  
Chartered Accountants  
(FRN : 142004W)

**Sanjeev A. Mehta**  
Partner

M. No : 41287

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

For & on behalf of Board of Directors

**Rajesh Agrawal**  
Chairman & Managing Director

**Hitesh Kothari**  
Chief Financial Officer

**Roma Bhagtani**  
Company Secretary

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

# 34th Annual Report 2018-2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(` in lakhs)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and extra-ordinary items	390.12	524.56
<b>Adjustments for :</b>		
Depreciation	28.17	16.63
Gratuity	47.29	-
Gain on financial assets	(74.79)	(144.39)
Interest / Dividend Income	(220.91)	(297.38)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :</b>	<b>169.88</b>	<b>99.42</b>
<b>Adjustments for :</b>		
Trade receivables	(13.27)	0.91
Other receivables	81.09	(3.92)
Inventories	(131.36)	(330.30)
Trade and other payables	(852.43)	(0.47)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(746.09)</b>	<b>(234.36)</b>
Direct taxes paid (net of refund)	(137.58)	(216.85)
Net cash from operating activities (A)	<b>(883.67)</b>	<b>(451.21)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant and equipment	(47.68)	(4.42)
Purchase of non current investment	(4,086.18)	(6,700.89)
Sale of non current investments	4,740.27	8,611.87
Interest received	109.34	171.34
Dividend received	111.57	126.04
Net cash used in investment activities (B)	<b>827.32</b>	<b>2,203.94</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Reduction of share capital - Buy back	-	(84.00)
Reduction of reserve - Buy Back	-	(1,638.00)
Net cash used in financing activities (C)	-	<b>(1,722.00)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(56.35)</b>	<b>30.73</b>
Opening balance of Cash & cash equivalents	133.00	102.27
<b>Closing balance of Cash &amp; cash equivalents</b>	<b>76.65</b>	<b>133.00</b>
(Ref. note no. 8)		

This is the Cash Flow Statement referred to in our report of event date

**For SDBA & CO.**  
Chartered Accountants  
(FRN : 142004W)

**Sanjeev A. Mehta**  
Partner

M. No : 41287

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

For & on behalf of Board of Directors

**Rajesh Agrawal**  
Chairman & Managing Director

**Hitesh Kothari**  
Chief Financial Officer

**Roma Bhagtani**  
Company Secretary

Place : Mumbai  
Date : 28<sup>th</sup> May, 2019

# Elegant Marbles and Grani Industries Limited

CIN: L14101RJ1984PLC003134

Regd. Office: E 7/9, RIICO Industrial Area, Abu Road 307 026, Rajasthan.

**34<sup>th</sup> ANNUAL GENERAL MEETING ON THURSDAY, 25<sup>th</sup> JULY, 2019**

## ATTENDANCE SLIP

---

Name and Address of the Shareholder :

Email-Id :

Registered Folio No. /DPID & Client ID :  
(Applicable for investors holding shares in electronic form)

No. of shares held :

I certify that I am a registered Member/Proxy for the registered Member of the Company. I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company to be held at E-7/9, RIICO Industrial Area, Abu Road – 307 026, Rajasthan on Thursday, 25th July, 2019 at 9.00 a.m.

\_\_\_\_\_  
Name of the Member/Proxy

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

### Note:

1. Only Member / Proxy holder can attend the Meeting
2. A member/proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance duly signed.
3. Member intending to appoint a proxy should complete the Proxy Form as below and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.

TEAR HERE

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# Elegant Marbles and Grani Industries Limited

CIN: L14101RJ1984PLC003134

Regd. Office: E 7/9, RIICO Industrial Area, Abu Road 307 026, Rajasthan.

**34<sup>th</sup> ANNUAL GENERAL MEETING ON THURSDAY, 25<sup>th</sup> JULY, 2019**

**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]**

Name of the Member (s): _____
Registered Address : _____
Email Id : _____
Folio No./Client ID : _____
DP ID : _____

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

- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature or failing him/her,
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature or failing him/her,
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature or failing him/her,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, July 25, 2019, at 9.00 a.m. at the Registered Office of the Company situated at E-7/9, RIICO Industrial Area,

Sr. No.	Resolutions	Original	
		For	Against
1	Consider and adopt: Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the Balance Sheet as on that date together with the Reports of the Directors and the Auditors thereon		
2	Re-appointment of Ms. Yogita Agrawal, a Director retiring by rotation		
3.	Re-appointment of Statutory Auditors		
4	To approve re-appointment of Shri Ram Chawla as the Independent Director of the Company		
5	To approve re-appointment of Shri Raj Kumar Mittal as the Independent Director of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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

\_\_\_\_\_  
Signature of Proxy

AFFIX  
REVENUE  
STAMP

## NOTES:

- This form of proxy in order to be effective should be duly filled and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.
- In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
- This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- Undated proxy form will not be considered valid.
- If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

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Form No. SH-13

Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

Name of the Company : **Elegant Marbles and Grani Industries Limited**  
Registered Address of the Company : **E/79, RIICO Industrial Area, Abu Road - 307 026, Rajasthan**  
**Telefax : 02224939676 Website : www.elegantmarbles.com**  
**email:elegantmarbles@gmail.com**

I/We \_\_\_\_\_ the holder(s) of the securities, particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S -

- (a) Name :
- (b) Date of Birth :
- (c) Father's / Mother's / Spouse's Name:
- (d) Occupation:
- (e) Nationality :
- (f) Address:
- (g) Email ID & Telephone No.:
- (h) Relationship with the security holder(s):

(3) IN CASE NOMINEE IS A MINOR -

- (a) Date of Birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY-

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail Id & Telephone No.:
- (h) Relationship with the security holder(s):
- (i) Relationship with the minor nominee:

Name(s) and Address of Security holder(s)

Signature(s)

Name and Address of Witness

Signature

Form No. SH-14

Cancellation or Variation of Nomination

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies  
(Share Capital and Debentures) Rules 2014]

Name of the Company : **Elegant Marbles and Grani Industries Limited**  
Registered Address of the Company : **E/79, RIICO Industrial Area, Abu Road - 307 026, Rajasthan**  
**Telefax : 02224939676 Website : www.elegantmarbles.com**  
**email:elegantmarbles@gmail.com**

I/We hereby cancel the nomination(s) made by me/us in favour of \_\_\_\_\_ (name (s) and address of the nominee) in respect of the below mentioned securities.

**OR**

I/We hereby nominate the following person in place of \_\_\_\_\_ as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) (a) PARTICULARS OF NEW NOMINEE/S -

- i) Name :
- ii) Date of Birth :
- iii) Father's / Mother's / Spouse's Name:
- iv) Occupation:
- v) Nationality :
- vi) Address:
- vii) Email ID & Telephone No.:
- viii) Relationship with the security holder(s):

(b) IN CASE NEW NOMINEE IS A MINOR -

- i) Date of Birth:
- ii) Date of attaining majority:
- iii) Name of guardian:
- iv) Address of guardian:

(3) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY-

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail Id & Telephone No.:
- (h) Relationship with the security holder(s):
- (i) Relationship with the minor nominee:

Name(s) and Address of Security holder(s)

Signature(s)

Name and Address of Witness

Signature







Marbles & Grani Industries Ltd

Registered Office:

E7/9, Riico Industrial Area, Abu Road 307026, District Sirohi, Rajasthan

E : [elegantmarbles@gmail.com](mailto:elegantmarbles@gmail.com) | W : [www.elegantmarbles.com](http://www.elegantmarbles.com)

CIN : L14101RJ1984PLC003134