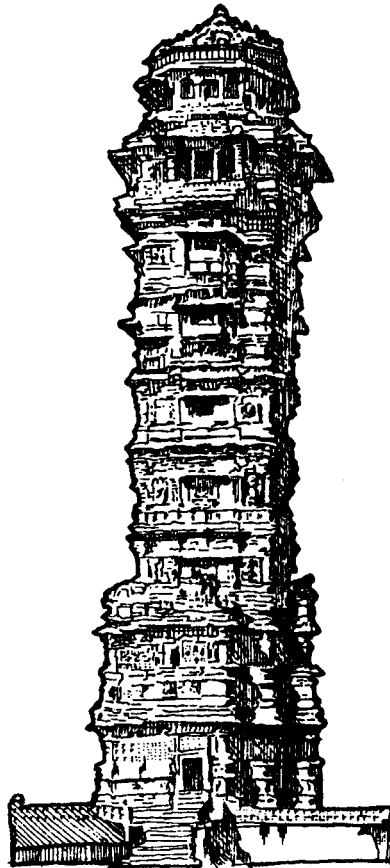


16th



Annual Report

2009-2010



INANI
Marbles & Industries Ltd.

BOARD OF DIRECTORS

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

AUDITORS

M/s. Nyati Mundra & Co.
Chittorgarh (Raj.)
& M/s. Jagdish Rathi & Associates
Chittorgarh (Raj.)
Company Secretary
Anil Kumar Jain

BANKERS

State Bank of Bikaner & Jaipur
Chittorgarh (Raj.)

SHARE TRANSFER AGENTS

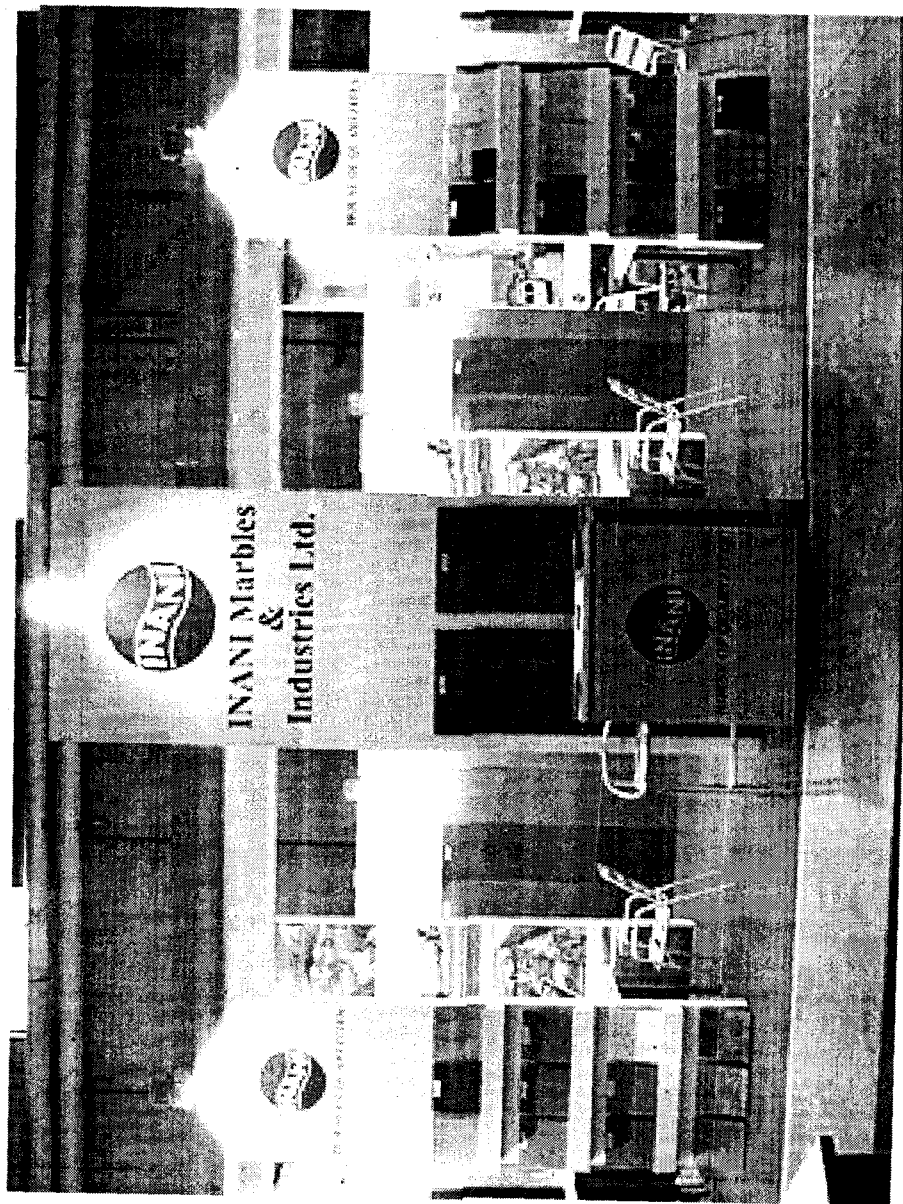
Ankit Consultancy Pvt. Ltd.
Alankar Point, 2nd Floor, 4-A, Rajgarh Kothi,
Geeta Bhawan Chouraha, A.B. Road,
Indore - 452001 (M.P.)

REGISTERED OFFICE

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

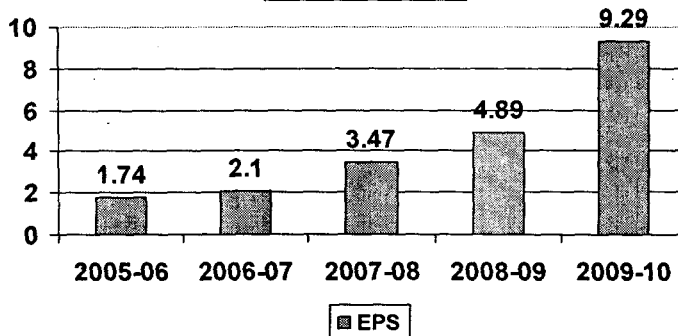
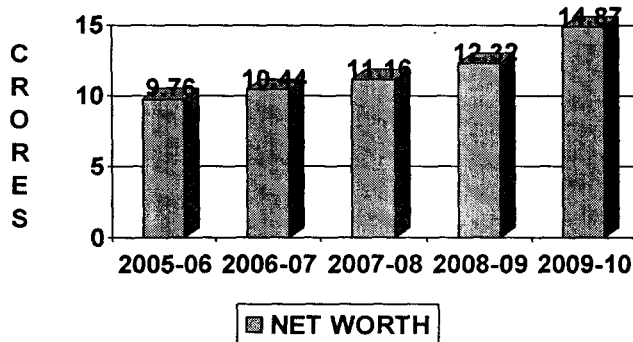
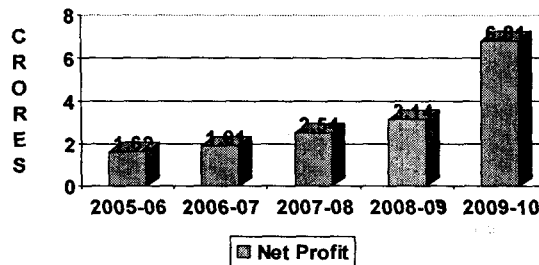
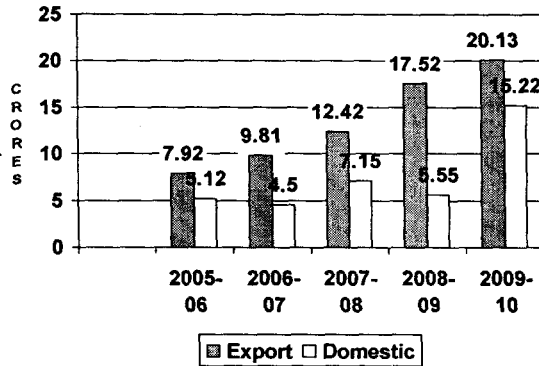
ADMINISTRATIVE OFFICE

"Green Woods"
501, Andheri Kurla,
Mathuradas VasANJI Road,
MUMBAI - 400093 (Maharashtra)



High lights

SALES



NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of Inani Marbles & Industries Ltd. will be held on Thursday, 30th September, 2010 at 3.00 P.M. at Hotel Padmini, River View, Near Sainik School, Chittorgarh, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 March, 2010 and Profit & Loss Account of the Company for the year ended on the same date together with the Report of the Auditors thereon and Report of the Board of Directors.
2. To declare dividend for the year ended 31st March, 2010.
3. To appoint a Director in place of Shri Rajesh Kumar Inani who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Ravi Birla who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint M/s Nyati Mundra & Co. Chartered Accountants and M/s Jagdish Rathi & Associates, Chartered Accountants the retiring Auditors, as Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting i.e. 30.09.2010 until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

6. Re-appointment of Managing Director

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and the provisions contained in the Articles of Association of the Company, the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Shri Suresh Kumar Inani as Managing Director of the Company for a period of 5 years with effect from 1st March, 2010 upon the terms, condition and stipulation and on the remuneration and perquisites as recommended by the Remuneration Committee of the company and approved by the Board of Directors and as set out in the explanatory statement attached to this notice with an authority and power to the Board of Directors of the Company ("the Board") to alter and vary terms and conditions of the said appointment in such manner so that the overall remuneration remains within the limit prescribed by the Remuneration Committee of the company and the Companies Act, 1956 and schedule XIII of the Act as amended and as may be agreed upon between the Board and the Managing Director Shri Suresh Kumar Inani."

"RESOLVED FURTHER THAT Mr. Anil Kumar Jain, Company Secretary of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to this resolution."

By Order of the Board
For Inani Marbles & Industries Ltd.

Place : Chittorgarh
Date : 25th August, 2010

Anil Kumar Jain
(Company Secretary)

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXY REPRESENTATION MUST BE REGISTERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. The Register of Member and Shares Transfer Books of the Company will remain close from 28th September, 2010 to 30th September, 2010 (Both Days inclusive).
3. Member seeking any further information about the accounts are requested to write to the Company at least 7 days before the date of Annual General Meeting so as to enable the management to keep the information ready at the meeting.
4. Members are requested to kindly bring their copies of Annual Report to the Meeting.
5. The dividend warrents pertaining to earlier years issued by the company are not yet encashed by some of the members. Hence, those members who have not encashed the dividend warrents may please get the same revalidated by the company and encash them at the earliest to avoid inconvenience at a later date.
6. Members holding shares in physical form are requested to notify immediately the change, if any, in their registered address. The members holding shares in demat mode may contact their Depository Participant for change in their registered address.
7. The equity shares of the company are available for dematerialization, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE635D01019.
8. Appointment/Re-appointment of Directors:
The brief particulars of directors of the company, retiring by rotation, proposed to be re-appointed and directors who are newly appointed at the ensuing annual general meeting are as under:

	Age	Qualification	Date of Re-appointment	Other Directorship
Shri Rajesh Kumar Inani	44 years	B. Com	30.09.2010	--
Shri Ravi Birla	36 years	B.A. & M.A	30.09.2010	--

* Excludes directorship held in Pvt. Ltd. Companies.

By Order of the Board
For Inani Marbles & Industries Ltd.

Place : Chittorgarh
Date : 25th August, 2010

Anil Kumar Jain
(Company Secretary)

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE
COMPANIES ACT, 1956 (Re: AGM dt 30.09.2010)**

ITEM NO. 6

The present term of appointment of Shri Suresh Kumar Inani as Managing Director has expired on 28th February, 2010. The experience of Shri Suresh Kumar Inani in managing and running the business of our Company will be helpful in achieving the targets of the company in a better and harmonious way and the Board of Directors feels that the services of Shri Suresh Kumar Inani should be made available to the Company for a further period of five years with effect from 1st March, 2010. In terms of the provisions of the Companies Act, 1956, the resolution for his re-appointment as Managing Director of the company, is put for the approval of the Members of the Company. The main terms and conditions of re-appointment are as under:

- (a). Salary :- Rs. 130000-5000-150000 per month.
- (b). Commission :- commission on Net Profits of the Company restricted to an amount equal to the Annual Salary as mentioned in (a) above and in case the commission is paid, the total remuneration not to exceed to 5% of the net profit of the company. The net profit is to be calculated as per provisions of the Companies Act, 1956.
- (c). Perquisites:- Perquisites shall be allowed in addition to both salary and commission. However, it shall be restricted to an amount equal to the annual salary as mentioned in (a) above.

Perquisites are presently classified as follows :

- (i). Housing/House rent allowance :
The expenditure incurred by the Company will be subject to a ceiling of 60 % of the salary.
- ii) Gas, electricity, water and furnishing. :
The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- iii) Medical reimbursement :
Expenses incurred for the appointee and his family.
- iv) Leave and Leave travel concession :
Leave as per the rules of the Company including encashment of leave. Leave travel concession for self and family once in a year incurred in accordance with the rules of the company.
- v) Club fees :
Fees of Clubs subject to a maximum of two Clubs.
- vi) Personal accident insurance:
Personal accident insurance of an amount the annual premium of which does not exceed Rs.4000/-.
- (d). Other payment and provisions which shall not be included in the computation of the ceiling on remuneration:
 - i) Contribution towards Provident Fund and Superannuation Fund:
Contribution towards Provident Fund will be at the rate of 12.0% of the salary and further as per amended provisions of the relevant Acts and Rules. Contribution to Pension/ Superannuation/ Annuity Fund is to be at the rate of 15% of the salary.



- ii) Gratuity :
Gratuity payable at the rate of one half month's salary for each completed year of service.
- iii) Encashment of leave :
As per rules of the Company
- iv) Telephone :
Provision of telephone at residence and/or mobile phone(s).
- (e). Reimbursement of Expenses:
 - i) Entertainment Expenses: Reimbursement of entertainment expenses actually and properly incurred for the business of the Company subject to a reasonable ceiling as may be fixed from time to time by the Board.
 - ii) Traveling Expenses: Reimbursement of traveling expenses actually and properly incurred for the business of the Company subject to norms as may be fixed from time to time by the Board .

MINIMUM REMUNERATION :

In the event of loss, absence or inadequacy of profits, in any financial year during the currency of tenure of Shri Suresh Kumar Inani, the remuneration aforesaid excluding commission shall be the minimum remuneration payable to him. However, any excess over the limits on minimum remuneration prescribed under the Companies Act, 1956, read with Schedule XIII to the Companies Act., 1956 shall be payable to Shri Suresh Kumar Inani with the approval of the Central Government ,if so, required .

Further in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956 or any provision of the Companies Act, Income-tax Act and to Income tax Rules or issuance of any notification under the aforesaid Acts/ Rules, the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration/ minimum remuneration including salary, commission perquisites and other allowances within such revised limit or ceiling without any further reference to the company in General Meeting or the Central Government.

None of the director except Shri Nand Lal Inani are interested in above resolution being relatives of Shri Suresh Kumar Inani.

This statement should be treated as an abstract of the terms of the agreement with/appointment of Shri Suresh Kumar Inani for the purpose of Section 302 of the Companies Act, 1956. The renewal agreement approved by remuneration committee of the company and Board of Directors commends the resolution for your approval.

By Order of the Board
For Inani Marbles & Industries Ltd.

Place : Chittorgarh
Date : 25th August, 2010

Anil Kumar Jain
(Company Secretary)

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 16th Annual Report and the Audited Accounts for the Financial Year ended 31st March 2010.

WORKING RESULTS:

	2009-2010	(Rupees in lacs) 2008-2009
Sales & Income from operations	3535.03	2306.91
Profit from operations	673.47	226.96
Other Income	7.05	87.37
Profit before Interest, Dep. & Taxes	680.51	314.33
Interest	135.65	10.66
Depreciation	177.68	62.44
Profit Before Tax	367.18	241.23
Provision for Taxation including FBT	74.64	86.43
Provision for Deferred Tax	(9.51)	(4.17)
Profit After Tax	302.05	158.97
Balance of Profit brought forward	870.71	761.78
Balance Available For Appropriations	1172.76	920.75
Proposed Dividend on Equity Shares	32.53	32.53
Corporate Tax on Dividend Distribution	5.52	5.52
Amount Transferred to General Reserve	12.00	12.00
Balance carried forward to Balance Sheet	1122.70	870.70

DIVIDEND & TRANSFER TO GENERAL RESERVE:

Your directors have recommended a dividend of Rs. 1.00/- per equity share (Previous year Rs. 1.00/- per equity share) which amounts to Rs. 32.53 Lacs i.e. 10% of the paid-up capital for the year ended 31st March, 2010, Subject to approval of the shareholders at the ensuing Annual General Meeting of the Company. The total outflow due to dividend payment for the current year will be Rs. 38.05 Lacs which includes dividend distribution tax of Rs. 5.52 Lacs.

Your directors propose to transfer the amount of Rs. 12.00 Lacs (Previous year 12.00 Lacs) to the General Reserve, having regard to the requirements of Section 205 (2A) of the Companies Act, 1956 and with reference to the Companies (Transfer of profits to Reserve) Rules, 1975.

OPERATIONS & FUTURE OUT LOOK:

The Turnover of the company has increased by 53.24 % however profit before tax increased by 52.21% in comparison to previous year. The Company has achieved export turnover of Rs. 2012.93 Lacs. as compared to Rs 1752.91 Lacs in previous year. The Company has started to deal in imported Marble Blocks for which demand are very high in domestic market therefore your directors are hopeful for much better performance and results during the current year ahead.

DEPOSITS

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

FINANCE

The Company has obtained Term Loan of Rs. 263.77 Lacs from HDFC Bank Ltd. Rs. 197.40 Lacs from State bank of Bikaner & Jaipur and Rs. 177.69 Lacs from Tata Capital Ltd. to procure Mining Equipment during the Year. Company is regular in payment of Installment and Interest their on.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Rajesh Kumar Inani and Shri Ravi Birla retire by rotation, being eligible and have offered themselves for re-appointment.

Capt. S.K. Inani was reappointed as a Managing Director by the Board of Directors for a period of 5 year w.e.f 1st March, 2010. The Board of Directors recommended the resolution for approval in ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

- a) the annual accounts have been prepared by following the applicable accounting standards together with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-10 and of the profit and loss of the Company for that period ;
- c) the Directors took proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- d) the annual accounts are prepared on a going concern basis

DISCLOSURE OF SPECIAL PARTICULARS :

Information as per Section 217 (1) (e) of the Companies Act , 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules , 1988 for the year ended 31st March , 2010 is given below :

A. CONSERVATION OF ENERGY :

The Company's operations do not involve substantial consumption of energy in comparison to cost of production. Wherever possible, energy conservation measures have been implemented.

B. TECHNOLOGY ABSORPTION :

The company has neither purchased nor imported any technology within India.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO :

	(Rs. In Lacs)	
	Year Ending 31.3.2010	Year Ending 31.3.2009
Foreign Exchange Earnings	: 2012.93	1752.91
Foreign Exchange used	: 221.65	551.58

PARTICULARS OF EMPLOYEES

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