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**NINETEENTH ANNUAL REPORT
2012 – 2013**

JAIN GRANITES & PROJECTS INDIA LIMITED

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19th ANNUAL GENERAL MEETING

Date / Day : 28.09.2013 / Saturday
Time : 09.00 am
Venue : K.V.B. Staff Co-op.Society Hall,
New No.5, 4th Street, Sourashtra Nagar,
Choolaimedu, Chennai-600094

BOARD OF DIRECTORS:

Sri K.Mathiyazhagan - Independent Non Executive-Chairman.
Sri R Lalith Bafna - Director Finance.
Smt.Krihika Shanker - Director Independent Non Executive
Sri R.Pradeep Bafna - Director Projects
Al Haj Hussain A.Rahman - Director Independent Non Executive
Sri R Sunil Bafna - Executive Director
Sri R.Anil Bafna - Director Marketing
Sri K.Mureli Raman - Whole-time Director
Sri Purushothaman Jambukesan (Independent-Non-Executive)

AUDITORS:

S Kankaria & Co.,
Chartered Accountants.

BANKERS:

Indian Overseas Bank,
SME Guindy Branch,
Chennai – 600 032.

REGISTERED OFFICE :

“JAINGROUPS TOWER”

89 -1 Harrington Road,
Chennai 600 030, India.

Ph. : 044 2668 0001 to 4 / 044 429 45678 (50 Hunting Lines).

Fax : +91 44 2668 0005.

Email : since 1958@jaingranites.com / investors@jaingranites.com

http// : www.jaingranites.com

SOLICITOR:

Mr.AXN. Prabhu

SHARE TRANSFER AGENTS (PHYSICAL & DEMAT) :

M/s Cameo Corporate Services Ltd.,
“Subramanian Building” V Floor,
01 Club House Road, Chennai 600 002.
Phone : 044-28460390 (6 Lines) P.I.C : Mr.Murali
Fax : 044-28460129
Email : cameo@cameoindia.com

Share Holders/Investors Cell:
Phone : 044-42945656 / 26680004
Fax : +91 44 26680005 / 42945651
Email : investors@jaingranites.com

NOTICE TO THE SHAREHOLDERS.

NOTICE is hereby given that the NINETEENTH ANNUAL GENERAL MEETING of the members of Jain Granites & Projects India Limited will be held on Saturday the 28th, September 2013 at 9.00 A.M. at KVB Staff Co-op. Society Hall, New No:5, 4th Street, Sourashtra Nagar, Choolaimedu, Chennai-600094 to transact the following business:

ORDINARY BUSINESS:

I. To appoint a Director in place of Sri.R.Sunil Bafna who retires by rotation and being eligible, offers himself for re-appointment.

II. To appoint a Director in place of R.Anil Bafna who retires by rotation and being eligible, offers himself for re-appointment.

III. To appoint a Director in place of Al Haj Hussain A. Rahman who retires by rotation and being eligible, offers himself for re-appointment.

IV. To receive, consider and adopt the audited Balance Sheet of the Company as on 31st, March 2013 and the Profit & Loss account for the year ended on that date together with Report of the Board of Directors and Auditors thereon

V. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS:

VI To consider and if thought fit to pass with or without modifications, the following as Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and read with Schedule XIII and all other applicable provisions of the Companies Act 1956 as amended and prevailing for the time being or any other law in force, Mr.K.Mureli Raman be and is hereby re-appointed as a Whole-time Director for a period of two years with effect from 1st October, 2013 on a monthly consolidated salary of Rs. 50,000 (Rs.Fifty thousand only) subject to deduction of taxes .

VII:To consider and if thought fit to pass with or without modifications, the following as Ordinary Resolution.

RESOLVED that Sri Purushothaman Jambukesan , who was appointed as an

Additional Director pursuant to provisions of Sec:260 of The Companies Act 1956 at the meeting of the Board of Directors held on 25th January 2013 and who holds office as such up-to the date of this Annual General Meeting and in respect of whom notice has been received from a member signifying his intention to propose Sri Purushothaman Jambukesan as a candidate for the office of the Director of the company , be and is hereby appointed as a Director of the Company."

VIII. Amendment of Articles of Association: Number of Directors: To consider and if thought fit to pass with or without modifications, the following as Special Resolution.

"Resolved that in paragraph 99 of the Articles of Association of the company, the words "not more than Nine" shall be Substituted by "not more than twelve."

Place: Chennai
Date:27/08/2013

By Order of the Board
R.Sunil Bafna
Executive Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A form of Proxy is enclosed The instrument of proxy to be valid must be deposited at the Registered office of the company not later than 48 hours before the commencement of the meeting.

2. The Register of Members and Share Transfer Books of the company will remain closed from 21st September, 2013 to 28th September,2013 (both days inclusive)

3. Members are requested to notify immediately any change in their registered address at the registered office of the Company.

4. Members/proxies should bring the members attendance slip duly filled in for attending the meeting and hand over at the entrance of the meeting hall

5. Members are requested to bring their copies of Annual Report to the meeting

6. Members are requested to be in their seats at the meeting place before the scheduled time of commencement of the meeting to avoid interruptions in the proceedings. Members are also requested to not being accompanied by non-members and children.

7. Members having identical folios are requested to write to the Company so as to consolidate into one folio.

8. Members who hold share in physical form can nominate a person in respect of all the share/s held by them singly or jointly. Members who hold share/s in single name are advised in their own interest to avail of nomination facility by filling Form 2B.

9. The shares of your Company are admitted for the dematerialization In National Securities Depository Ltd (NSDL) under ISINNo:INE051k01014.

10. Corporate Members are requested to send to the company, a duly certified copy of the Board Resolution//Power of Attorney ,authorizing their representatives to attend and vote at the Annual General Meeting.

11 Members who hold shares in demateriaiized form, are requested to furnish their Client ID and DP ID numbers to facilitate identification of membership at the Meeting.

12 . In all correspondence with the Company / Share Transfer Agents, members are requested to quote their folio number and in case their shares are held in dematerialized form , they must quote their DP ID and Client ID number.

13. In case the mailing address mentioned in the Annual Report is without the Pin Code, members are requested to inform the Pin Code immediately.

14. In case of joint holders attending the meeting, only such joint holder who is higher in the order in the order of names will be entitled to vote.

EXPLANATORY STATEMENT.

(Pursuant to Section 173(2) of The Companies Act 1956)

Item No VI:

The appointment of Mr. K.Mureli Raman as a wholetime Director is in force upto 30/09/2013 The Board of directors considered that it will be in the interest of the Company to continue to have the benefits of his service as a Whole-time

Director. In view of his knowledge and experience in the industry, the company can utilize his services for the future growth and development. So the Board of Directors in their meeting held on 31/07/2013, pursuant to the provisions of Sections 198, 269 and 309 and read with Schedule XIII and all other applicable provisions of the Companies Act 1956 as amended and prevailing for the time being or any other law in force ,re-appointed Mr.K.Mureli Raman as whole-time Director of the Company on a monthly consolidated salary of Rs.50,000/ p.m. for a period of two years with effect from 1/10/2013 subject to the approval of the shareholders in the ensuing general body meeting. Hence the consent of the members is sought for his re-appointment as a Whole-time Director of the Company with a remuneration within the limits stipulated in Schedule XIII.

Item No:VII.

The Board of Directors of the Company in their meeting held on 25th January 2013 appointed Sri Purushothaman Jambukesan as an additional Director of the Company u/s 260 of the Companies Act 1956.He holds office upto the date of the forth coming Annual General Meeting . The Company has received notices in writing together with a sum of Rs.1500/- from members under Sec. 257 of the Companies Act 1956 signifying their intention to propose the candidature of Sri.Purushothaman Jambukesan for the office of the Director.

VIII: The Articles of Association of the Company in Paragraph 99 has provided for a maximum number of Directors of Nine only, Your company has already reached this maximum number of Directors. Your Directors in their meeting held on 31st July 2013 felt the need to increase the maximum number of Directors to twelve to meet any future contingency, subject to the approval of the shareholders of the Company in the ensuing general body meeting. Hence your consent is sought in this respect.

DIRECTORS' REPORT TO THE MEMBERS OF THE COMPANY.

1. Your Directors present herewith their NINETEENTH Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

2. FINANCIAL RESULTS

The financial results of the Company are summarized below:

(Rupees in Lakhs)

Details	Year ended 31-3-2013	Year ended 31-03-2012
Total Income	15153	11079
Total Expenditure	14916	10859
Profit /Loss before tax	237	220
Provn For tax & Tax Paid	83	74
Net Profit/Loss after tax	154	146
Exceptional Items	—	—
Paid up Equity Capital	900	900
Reserves	370	216
E.P.S.	1.71	1.62

The Annual Report and Financial Statement as on 31/03/2013 includes Balance Sheets of Branches also. The financial statement of the branches are available on any working day from 11.00A.M. to 5.00 P.M. at the registered office till 27/09/2013. For perusal after the date of Annual General Meeting these details will be available at the Registered Office of the Company with prior intimation to the Share-holders/Investors Cell of the Company.

3..PROFITABILITY:

Your Directors are proud to say that the Company has made this year a Profit before Depreciation & Tax of Rs.252/- lakhs and a net profit after Tax of Rs.154/- Lakhs against a profit before Depreciation & Tax of Rs.220/ lakhs and a net profit after Tax Rs. 146/ lakhs made during last year

4 .DIVIDEND :

Your Directors prefer to conserve the profits earned during the year for further Business development and in this regard are unable to propose any dividend for the year ended 31/03/2013 . Your Directors are putting all their efforts to propose dividend at the earliest.

5.DEPOSITS: The Company has not accepted any public deposits.

6.ACCOUNTS & FINANCE:

The Indian Overseas Bank Ltd, SME Branch, Guindy have sanctioned the following enhanced credit limits to your company (Hypothecation of Stock and Book Debts)

a.Cash Credit	Rs.18.75 crores
b.Packing Credit	Rs.4.00 crores
c.Bills Purchase	Rs.9.00 crores
d.Letter of Credit	Rs.5.00 crores
Total	Rs.36.75 crores

7.PERFORMANCE:

Your Directors with their good efforts could achieve a sales turnover of Rs.15121 Lakhs during the year ended 31/03/2013 as against the Sales of Rs.11066 Lakhs during the previous year. Thus the sales has increased substantially by Rs.4055 Lakhs over the previous year's sales. Your Directors are hopeful of achieving better results in the coming year.

8. OPERATIONS:

(a) Sales: The total sales income of the Company during the year amounted to Rs 15121 Lakhs as compared to Rs.11066 Lakhs during the previous year.

9.FOREIGN EXCHANGE EARNINGS & OUTGO:The export sales of the Company during the year amounted to Rs1440/- lakhs (previous year Rs 433/ lakhs) and after deducting outflow by way of imports Rs.105/lakhs and expenses to the tune of Rs 5/- lakhs the net foreign exchange earnings of your Company during the year amounts to Rs 1330/- Lakhs .

10. SAFETY & ECOLOGY:

Your Company continues to train and educate all its employees and employees of the sub contractors who undertake turn key projects in India & Abroad and the process of upgrading the safety and health standards throughout its operations has resulted in better work practices leading to better safety and cost effective operations..

11.DEMATRIALISATION OF SHARES AND DEPOSITORY SYSTEM:

Our Shares have been Dematerialised with National Securities Depository Ltd (NSDL). Investors / Shareholders are requested to

contact our Share Transfer Agents M/s Cameo Corporate Services Limited, Chennai-600002 for guidance on dematerialisation of shares.

The Shares of the Company are admitted for dematerialization on National Securities Depository Ltd (NSDL) under ISIN NO: INE051K01014.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

(a) that in the preparation of the annual accounts for the year ended 31st March, 2013 the applicable accounting standards have been followed along with proper explanations in case of Material departure

(b) that such accounting policies as mentioned in Note 1 of the Schedule 19 of the Annual Accounts have been applied consistently and judgements and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2013 and the Profit & Loss Account of the Company for that period;

(c) that proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(d) that the annual accounts for the year ended 31st March, 2013 have been prepared on a going concern.

13. CORPORATE GOVERNANCE:

Your Company has been complying with the requirements. A detailed report on Corporate Governance is Annexed. The Statutory Auditors of the Company have examined the Company's compliance as above and have certified the same as required under the SEBI guidelines.

14. MANAGEMENT DISCUSSION AND ANALYSIS OF RISKS. Granites, Marble, Tiles & Building Materials Industry: As the construction activity is growing everywhere in India as much as abroad in Asian Continent, Australia and African sub continents the demand for the granite, marble

slabs, tiles, sanitary- Wares, Building materials etc is huge and the demand and supply gap will be big. Your Company, M/S Jain Granites & Projects India Ltd. is in the Building Materials industry. The nature of the industry is partly consumer oriented and partly construction industry oriented. Your company's products have established their creditability qualitatively in domestic as well as in international markets. Your company is taking all efforts to continuously improve the quality of its products to ensure consumer satisfaction. The Company has to operate penetrating with stiff competition in the market. To overcome the situation your directors are taking every effort not only to sustain the market share but also to enlarge it by adopting strict quality control.

15. INTERNAL CONTROL

The Company has a proper and adequate internal control procedure.

16. MARKETING PERFORMANCE

As a result of better marketing strategy the company has been able to procure substantial export orders and achieve an all round improvement in its turnover. With continuous thrust on modernization and diversification and cost control measures, the Company looks to the future with optimism and strength.

17. CAUTIONARY STATEMENT.

Some of the statements in this report describing the Company's objectives and expectations expressed in good faith may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those, in the event of changes in the assumptions and actual market conditions.

18. EMPLOYEES

The relations at the Company and other establishments continued to remain cordial during the year.

19. There is no employee drawing a remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with relevant rules.

20. INFORMATION AS PER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956

The Company did not have any activity relating to

- (a) Conservation of energy and
- (b) Technology absorption during the year.

21. AUDITORS:

M/s S Kankaria & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment and have furnished a certificate to the effect that their re-appointment, if made will be in accordance within the limits specified in Section 224(1B) of the Companies Act, 1956. Accordingly it is proposed to appoint M/s S.Kankaria & Co as Auditor of the Company at the ensuing Annual General Meeting to hold office till the conclusion of the next Annual General Meeting. Members are requested to appoint the Auditors for the Current year at a remuneration to be decided by the Board of Directors of the Company.

22. ACKNOWLEDGEMENT:

Your Directors greatly value and acknowledge the support and co-operation that the Company received from Bankers, Buyers/Customers, Vendors, statutory authorities and all other establishments connected with the business of the Company.

Your Directors place on record their appreciation of the valuable contributions made by the Company's employees at all levels during the year.

For and behalf of the Board Of Directors.

Chennai - 600 030
27/08/2013

R.SunilBafna
Executive Director

ANNEXURE-A**CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY****ON CODE OF GOVERNANCE:**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equality in all facets of its operations and in all interactions with shareholders, employees, the government and lenders. Company is committed to achieve the highest international standards of corporate governance. Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

BOARD OF DIRECTORS:

Sri K.Mathiyazhagan (Independent-Non-Executive-Chairman)

Sri R.Lalith Bafna (Finance Director)

Smt Krithika Shankar (Independent-Non-Executive Director)

Sri R.Pradeep Bafna (Director-Projects)

Sri R.Sunil Bafna (Executive Director)

Al Haj Hussain A.Rahman(Non-Executive)

Sri R.Anil Bafna (Director-Marketing)

Sri. K.Murali Raman (Whole-time Director)

Sri Purushothaman Jambukesan(Independent-Non-Executive)

Directors do not hold any directorship or committee membership in any other company.

During the year, seven meetings of the Board of Directors were held and the dates of the meetings are given below:

30/04/2012, 3/07/2012, 31/07/2012, 18/08/2012, 20/10/2012, 25/01/2013 & 25/03/2013.

Attendance details of the Directors for the Board Meetings during the year.

Name of Director	No. of meeting held during his tenure	No. of meeting attended by him	Last AGM attendance
Mr.K.Mathiyazhagan	8	8	Yes
Mr.R.Sunil Bafna	8	8	Yes
Mr.R.Lalith Bafna	8	8	Yes
Mr.R.Pradeep Bafna	8	8	Yes
Mr.R.Anil Bafna	8	8	Yes
Al Haj Hussain A.Rahman	8	8	Yes
Mrs. Krithika Shankar	8	8	Yes
Mr.Murali K.Raman	8	8	Yes
Mr.Purushothaman Jambukesan	1	-	-

*Includes Tele conference meeting attended.

COMMITTEE OF DIRECTORS:

Audit Committee: Audit committee is comprised of the Following directors

Sri K . Mathiyazhagan -Chairman

Smt.Krithika Shankar

Sri. R.SunilBafna

Mr Sanjay acted as the Secretary of the committee

This constitution of Audit committee also meets with the requirements of Section 292A of the Companies Act 1956.

The terms of reference stipulated by the Board to the Audit committee as contained under clause 49 of the Listing Agreement.

Four meetings were held during the year and all the committee members have attended all the meetings. They reviewed the financial performance of the Company as well as compliance of Accounting Standards, Company Law/Stock Exchange provisions and adequacy of Internal Control system and found them to be satisfactory

SHARE HOLDERS/INVESTORS GREIVANCE COMMITTEE: DETAILS OF REMUNERATION TO DIRECTORS

Shareholders grievance committee is comprised of the following directors:

Sri R.Sunil Bafna
Smt Krithika Shankar

The Committee oversees the performance of the Registrar and Share Transfer Agents and recommends measures to improve the level of investor services.

During the year, the shareholders complaints have been attended to without any delay and redressed then and there to the satisfaction of the Investors.

There are no share-holders/investors complaints pending as on 31/3/2013.

Remuneration Committee

Terms of Reference

The Committee was formed to recommend appointment of Whole time Directors/Manager and to review and approve the remuneration including the compensation package, annual increments, incentives, additional perquisites etc of Whole time Directors and Senior Executives of the Company.

Sl No.	NAME/AGE	Designation	Term	Details of Remuneration
1	R.Sunil Bafna (44)	Exe.Dir	Re-appt Wef 1/12/2009	Rs.60000/pm from 1* Aug,2009 plus perks
2	R.Lalith Bafna (46)	Director-Finance	Five Yrs Wef 1/10/2012	Rs.60000/ pm from 1* Aug,2009 plus perks
3	R.Pradeep Bafna (45)	Director-Projects	ReApptd Five yrs Wef 1/11/2010	Rs.60000/ pm Plus perks from 1* Aug,2009.
4	R.Anil Bafna (43)	Director-Marketng	ReApptd Five Yrs Wef1/11/10	Rs.60000 / pm plus perks from 1* Aug,2009
5	MureliRaman (51)	Director	Appointed from 1/10/11	Rs.50000/-pm

Non-Executive Directors are not paid any remuneration except the sitting fees for the meetings of the Board of Directors. Non-Executive Directors do not hold any shares in the Company.

Composition of the committee:

Name	Status	No.of meetings attended
Mr.R.Sunil Bafna	Executive	1
Smt.Krithika Shankar	Independent	1
Mr.R.Anil Bafna	Whole-time Director	1

GENERAL BODY MEETINGS:

Year	Location	Date	Time
2009-10	Chinnamani Valliammal Valliammal Kalyana Mandapam 20A SouthGangai Amman KoilSt Choolaimedu, Chi-94	30/09/2010	9.00AM
2010-11	-do-	30/09/2011	9.00AM
2011-12	-do-	28/09/2012	9.00AM