



MADHAV

Leaders in Quality

Twenty Fourth

ANNUAL **R**EPORT

2012-2013

MADHAV MARBLES & GRANITES LIMITED



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FINANCIAL HIGHLIGHTS

(Rupees in millions)

Description	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
For the Year					
Revenue from Operations (Net)	581.65	636.02	651.88	627.50	634.06
Profit Before Finance Costs and Depreciation	91.53	94.13	61.52	75.76	99.58
Profit Before Tax	14.94	34.38	5.19	25.94	50.39
Profit After Tax	16.29	33.64	10.42	46.10	31.30
Profit After Tax excluding Exceptional Item	16.29	33.64	10.42	15.50	50.39
At year End					
Net Fixed Assets	391.51	364.53	336.82	295.31	267.12
Share Capital	89.47	89.47	89.47	89.47	89.47
Reserves and Surplus	842.76	864.55	864.53	900.24	921.07
Miscellaneous Expenditure Written Off	2.86	2.14	1.43	0.71	0.32
Net Worth	929.37	951.88	952.57	989.00	1010.22
Total Borrowings	344.11	211.97	58.40	22.68	0.02
Earning Per Share	1.80	3.60	1.16	5.15	3.50
% of Dividend	10	10	10	10	10
Dividend Per Share	1.00	1.00	1.00	1.00	1.00
Book Value Per Share	103.88	106.39	107.63	110.54	112.91
Return on Capital Employed	3.44	4.16	1.57	3.39	5.13





CORPORATE INFORMATION

Board of Directors

Mr. Ashok Doshi

Managing Director

Mr. Sudhir Doshi

Whole Time Director

Mr. Ravi Kumar Krishnamurthi

Independent Director

Mr. Roshan Lal Nagar

Independent Director

Mr. Prakash Kumar Verdia

Independent Director

Company Secretary

Priyanka Manawat

REGISTERED OFFICE

11-A, Charak Marg
Ambamata Scheme
Udaipur – 313001
Rajasthan, INDIA

Website: www.madhavmarbles.com

Investor Email I.D.: investormmg1@gmail.com

WORKS

Granite Division
Thoppur, Dharmapuri District, Tamil Nadu

Office: 4/36, Bharathi Street
Swarnapuri, Salem- 636 004, Tamilnadu, INDIA

Wind Mills

SF No. 405/1(PART) & 412 (PART)
Village: Balabathiraramapuram
Dist.: Tirunelveli, Tamilnadu

STATUTORY AUDITORS

M/s Nyati and Associates

Chartered Accountants
87, Chetak Marg
Near Punjab National Bank
Udaipur- 313001, Rajasthan, INDIA

BANKERS

State Bank of India
Allahabad Bank

24TH AGM

Day: Saturday

Date: August 17, 2013

Time: 10:00 a.m.

Venue: Hotel Rajdarshan, Udaipur



Notice of Annual General Meeting

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of **MADHAV MARBLES & GRANITES LIMITED** will be held on Saturday, August 17, 2013 at 10:00 a.m. at Hotel Rajdarshan, Udaipur 313 001 Rajasthan INDIA to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the audited statement of Profit and Loss for the year ended March 31, 2013, the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares for the year 2012-13.
3. To appoint a director in place of Mr. Ravi Kumar Krishnamurthi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Nyati & Associates, Chartered Accountants, Udaipur, as Statutory auditors and fix their remuneration.

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

Udaipur, May 30, 2013

Priyanka Manawat
Company Secretary

Notes:

- 1 **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective should be deposited at the registered office not less than 48 hours before the commencement of the meeting.

- 2 Members are requested to bring their copies of Annual Report to the meeting.
- 3 The Register of Members and the Share transfer books will remain closed from Monday, August 12, 2013 to Saturday, August 17, 2013 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if any.
- 4 The Dividend on Equity Shares for the year ended March 31, 2013, if declared at the Meeting, will be credited/ dispatched on or after August 22, 2013 to the members who are holding their shares in physical form and whose names appear on the Company's Register of Members on August 17, 2013 and in respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the Depositories for this purpose as on August 12, 2013.



- 5 Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Ankit Consultancy P. Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
- 6 Members who have not encashed their unclaimed/unpaid dividend warrants for the year 2005-2006 or thereafter are requested to write to the Company / Registrar and Share Transfer Agents for issue of fresh demand draft. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 22, 2012 (date of last Annual General Meeting) on the website of the Company www.madhavmarbles.com and also on the Ministry of Corporate Affairs website.
- 7 Non-resident Indian Shareholders are requested to inform us immediately, the change in their Residential Status on return to India for permanent settlement and the particulars of NRE Account, if not furnished earlier.
- 8 A member desirous of getting any further information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least five working days prior to the meeting, so that the required information will be made available at the meeting.
- 9 Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of directors seeking re-appointment at the Annual General Meeting, is separately annexed hereto.
- 10 Shareholders desirous of submitting/changing nomination in respect of their shareholdings in the Company may please write to Company's Registrar and Share Transfer Agents, M/s Ankit Consultancy P. Ltd.

12 GREEN INITIATIVE:

The Ministry of Corporate affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011 has allowed Companies to send Annual Report comprising of Balance Sheet, Statement of Profit & Loss, Directors' Report, Auditors' Report and Explanatory Statement etc. through electronic mode to the registered email address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the email address provided by you to the depositories/Company.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (Name, Folio No. and Email I.D) on the Company's email address viz. **investormmgl@gmail.com**. Members who hold shares in dematerialized form are requested to get their details updated with respective depositories. By opting to receive communication through electronic mode you have the benefit of receiving communication promptly.



Annexure to the Notice

Details of director seeking re-appointment at the forthcoming Annual General Meeting of the company (Pursuant to clause 49 of the listing agreement with the Stock exchanges)

Name of Director	Mr. Ravi Kumar Krishnamurthi
Date of Birth	January 17, 1946
Date of Initial Appointment	November 16, 2002
Qualification	B.A., L.L.B
Expertise	Corporate Law.
No. of Shares held in the Company	Nil
Directorships held in other Companies	Emkay Global Financial Services Ltd. Emkay Commotrade Limited Emkay Insurance Brokers Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Remuneration Committee
Chairman/Member of the Committee of the Board of Directors of other Companies	Emkay Global Financial Services Ltd.: 1) Member of Remuneration/Compensation Committee 2) Member of Audit Committee 3) Chairman of Investor Grievance and Share Transfer Committee Emkay Commotrade Limited: 1) Member of Audit Committee

**DIRECTORS' REPORT**

Dear Members,

The Directors have pleasure in presenting the Twenty Fourth Annual Report together with the statement of Audited Financial Statements for the year ended March 31, 2013.

Financial Results**(Rupees in Million)**

Details	Year ended 31.03.2013	Year ended 31.03.2012
Net sales and other income	653.31	635.29
Profit before Finance Costs & Depreciation	99.58	75.76
Finance Costs	0.94	7.74
Depreciation	48.25	42.08
Profit before Exceptional Items and Tax	50.39	25.94
Exceptional Items	0.00	30.60
Profit before tax	50.39	56.54
Provision for taxation:		
Current Tax	22.38	5.22
Deferred Tax	(3.29)	5.22
Profit after tax	31.30	46.10
Surplus brought forward from previous year	495.48	469.78
Total	526.78	515.88
Proposed Dividend (10%)	8.95	8.95
Tax on proposed dividend	1.52	1.45
Transfer to general reserve	15.00	10.00
Surplus in Profit & Loss Account	501.31	495.48

Performance Review

We reported revenue from Net sales of Rs. 634.06 million, an increase of marginal 1.05% compared to Net sales for the year 2011-2012. Earning before Exceptional Items and Tax stood at Rs.50.39 million, a substantial increase of two times over last years earning of Rs.25.94 million. This was primarily on account of reduction in Finance costs coupled with increase in Other income.

Dividend

The Company has been paying dividend consistently since financial year 2001-02 and this year also your Board of Directors have pleasure in recommending a dividend of Re. 1 per share on 8947000 Equity Shares of Rs.10 each for the year ended March 31, 2013.

The dividend, if approved by the shareholders, would involve an total outflow of Rs. 10.47 million including dividend tax of Rs.1.52 million. Dividend will be paid to those shareholders whose name appear in the register of members of the Company on August 17, 2013 and to the beneficial holders as on August 12, 2013.

Directors Responsibility Statement

The Directors hereby confirm that:

- in preparation of the Annual accounts for the financial year 2012-13, applicable accounting standards have been followed and that there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Profit of the Company for that period;



- c) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual accounts of the Company on a “going concern” basis.

Management Discussion and Analysis Report

The annexed Management Discussion and Analysis forms part of this Report and covers, amongst other matters, the performance of the Company during the financial year under review as well as the future prospects.

Corporate Governance

A report on Corporate Governance along with a Certificate from the auditors of the Company regarding the compliance of conditions stipulated under clause 49 of the Listing agreement is annexed hereto.

Fixed Deposits

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

Directors

Mr. Ravi Kumar Krishnamurthi, directors retires by rotation and being eligible offers himself for re-appointment. Brief resume of directors seeking re-appointment is annexed with Notice calling this Annual General Meeting.

Mr. C.D. Gopinath and Mr. Jagdish Dashora, directors of the Company had resigned from directorship in the month of January 2013. Board of Directors places on record sincere appreciation for the efficient services, matured guidance, direction and advice received during their tenure as Directors of the Company.

Auditors

The Auditors, M/s Nyati & Associates, Chartered Accountants, Udaipur, retire in accordance with the provisions of the Companies Act, 1956, at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

Auditors' Report

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

Other Mandatory Requirements

Pursuant to the requirements of the Listing agreement with the Stock Exchanges and the Accounting Standards in terms of Section 211 (3A) of the Companies Act, 1956 details of Segment-wise revenue, results and capital employed (AS-17), Related Party Transactions (AS-18), Deferred Taxation (AS-22) and Impairment of Assets (AS-28) have been incorporated in and / or annexed with these Accounts.

Particulars of Employees

During the year no employee was getting remuneration beyond the limit fixed for which the particulars are required pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Company continues to maintain good cordial relations with its employees.

Acknowledgement

Your Directors express their sincere thanks to the Bankers, Financial Institutions, Customers, Government Departments and Suppliers for their continued co-operation. The directors also place on record their deep appreciation for the valuable contribution of its employees at all levels.



Your Directors also thanks the shareholders and other stakeholders for their continued support and patronage during the year under review.

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

Udaipur, May 30, 2013

Ashok Doshi
Managing Director

Sudhir Doshi
Whole Time Director

ANNEXURE I to the Directors' Report

Information pursuant to the Section 217 (1) (e) of the Companies Act, 1956 and the rules made therein and forming part of Directors' Report for the year ended March 31, 2013

A. Conservation of Energy

Your Company continues in its mission of Conservation of Energy. The efforts are continuing to examine and implement fresh proposals for conservation of energy and minimize its use by regularly monitoring consumption and improved maintenance of the existing systems. Currently, the Company is also using imported plants, which are equipped with energy efficient equipments.

In order to stop wastage of energy, the Company has taken various steps to reduce consumption of energy. The water recycling plants are in operation since the beginning of the units.

Studies are also being conducted for more efficient use of other utilities like diesel, water, power etc.

B. Technology Absorption

1. Research and Development (R&D)

In house R&D activities are primarily directed towards development of company's products and reduced cost of Diamond Tools. Faster adaptation with changing market demand with improved productivity and better yield results into cost savings and higher quality products. The company has not maintained separate accounts for expenditure incurred on R&D and therefore no specific figures are mentioned.

2. Technology Absorption, Adaptation and Innovation

The company has been successfully using its imported plant for processing of granite tiles/slabs. In addition to this the company is making continuous efforts to develop and absorb latest manufacturing and quality control facilities for maintaining high quality standards and consistency in its products to confirm with international specifications.

C Foreign Exchange Earning & Outgo and Export Activities

1. Exports

Exports during the year ended March 31, 2013 amounted to Rs. 559.46 million against Rs. 580.84 million for the year ended March 31, 2012, which is inclusive of third party exports.

2. Export Activities

Increasing the penetration through an optimal mix of pricing and promotions in the international market.

3. Foreign exchange earnings and outgo

Earning : Rs. 543.10 million

(previous year Rs. 558.59 million)

Outgo: Rs. 67.44 million

(previous year Rs. 83.13 million)

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

Udaipur, May 30, 2013

Ashok Doshi
Managing Director

Sudhir Doshi
Whole Time Director