

Board of Directors

Mahavir N Sundrawat, CMD
(DIN 01928303)

Mayur M Sundrawat
(DIN 01837589)

Dhara S Shah
(Independent-DIN 06983857)

Sanjay M Devediya
(Independent-DIN 00583978)

Auditor

Ms, Surendra Kumar Jain & Company
Chartered Accountants
D-803, Regency Towers,
Vastrapur, Ahmedabad, Gujarat

Banker's

State Bank of India

Registered Office

4 & 5, Near Advani Oerlison,
L B S Marg, Bhandup (W), Mumbai
400078.
Ph: (022) 25964268, 25968006

Works

5 & 6 (A), Road No 04, Dahod Road
Inds. Area, Banswara, Rajasthan
327001
Phone: (02962) 257678

Registrar

Ms, Purva Sharegistry (I) P Ltd.
09, Shivshakti Industrial Estate,
Ground Floor, Sitaram Mills
Compound,
J R Boricha Marg, Lower Parel,
Mumbai - 400011.
Email: busicomp@vsnl.com
Phone: 022/23016761, 23018261
Fax: 022/23018261

Notice

Notice is hereby given that, 25th Annual General Meeting of the Company, will be held at "Mulund Sindhi Sabha Hall, behind Johnson Garden, Mulund Colony Road, Mulund (W), Mumbai 400082 on 03rd July, 2017 at 10.30 A.M. to transact the following business.

Ordinary Business:

01. To receive, consider and adopt the Balance Sheet as at 31st March, 2017 and the Profit & Loss Account for the year ended on that date and the reports of the Directors & Auditors thereon.
02. To appoint a director in place of Mr. Mayur Sundrawat who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint auditors, and to fix their remunerations.

By order of the Board

-sd-

(Mahavir N Sundrawat)
Managing Director
DIN: 01928303
Place: Banswara
Date: 06.05.2017

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead himself and such proxy need not be a member of the company.
2. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the item of Special Business set out in the Notice is annexed.
3. The Notice is being sent to the Members, whose names appear in the Register of Members/ List of Beneficial Owners as on 10.06.2017 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on the said date.
4. A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the company carrying voting rights may appoint as single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
6. Members/proxies should bring the Attendance Slip duly filled in for attending the meeting. The form of attendance slip and proxy form are attached at the

end of the Annual Report.

7. Corporate members intending to send their authorized representative(s) to attend the meeting or vote electronically are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. The Register of the member and Shares Transfer Book of the Company will remain closed from 26.06.2017 to 03.07.2017 (both days inclusive).
9. Shareholders, holds shares in identical names, in more than one folio, are requested to apply for consolidations of folios and send relevant shares certificates to Registrar for consolidations.
10. Members desiring any information's as regarding to the accounts are requested to write to the Company at-least 7 days in advance, enable the management to keep the information ready.

Explanatory Statements:

Dear Member,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended below are proposed to be passed as ordinary / special resolutions as the case may be. The explanatory statement pertaining to the said resolutions setting out the facts concerning each item and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto for your consideration.

As per requirements of Companies Act together with listing agreement provision as set out by stock exchanges and SEBI, the company has appointed Ms Pankaj Trivedi & Company a practicing company secretary addressed at B-206, Jaswanti Residency, Subhash Lane, Near Bhurabhai Hall, Kandiwali (West), Mumbai 400067 to act as scrutinizer for the e-voting to be carried out for the ensuing AGM. The consent of the said scrutinizer has been already obtained for the purpose.

The company's shares are listed with the following stock exchanges in addition to Mumbai, Ahmedabad, Jaipur, and Rajkot. Now trading in shares can be done online from anywhere, hence relevance of maintaining listing with these stock exchanges are of no use. Hence shareholder nod for the same is requested by the company.

As per SEBI requirement, the shares of the company have to be mandatorily in electronic form. In total compliance of the same, the company now holds shares in demat form.

To conduct E-voting the company has entered into an agreement with CDSL. The e-voting instruction as provided by CDSL has been detailed out below. The members are requested to follow the instructions for smooth transaction on the system.

By order of the Board

-sd-
(Mahavir N Sundrawat)
Managing Director
DIN: 01928303
Place: Banswara
Date: 06.05.2017

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on <30.06.17 at 9:30 A.M.> and ends on <02.07.17 at 5:30 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 <28.06.2017> 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.
- (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 and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----|--|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. |

| | |
|--|---|
| | <ul style="list-style-type: none"> 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. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. <ul style="list-style-type: none"> 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). |

- (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 <Mayur Floorings 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 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) **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 and register themselves as corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details 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 and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Director's Report

Dear Members,

Your Directors have pleasure in presenting their 25th Annual Report of the Company together with the Audited Accounts of the Company for the financial year ended as on 31.03.2017.

Financial Results:

The financial results of the Company for the year under review are summarized as under.

| Item (Rs in Lacs) | As on | As on |
|--------------------------------------|----------|----------|
| | 31.03.17 | 31.03.16 |
| Turnover | 118.09 | 190.35 |
| Other Income | 0 | 0.02 |
| Profit/(Loss) before taxations | 2.9 | 3.5 |
| Balance b/f from last year | -77.8 | -80.7 |
| Provisions/ Prior period adjustments | 0.75 | 0.65 |
| Carried to Balance Sheet | -75.74 | -77.85 |

Results of Operations and the State of Affairs:

The highlights of the company's performance are as under:

- Revenue from operations decreased by 37.96% to Rs 118.09 Lacs (P.Y. 190.35 Lacs)
- Profit before tax decreased by 18.39 % to Rs.2.9 Lacs (P.Y.Rs. 3.5 Lacs)

Material Changes and Commitments:

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relates and the date of report.

Dividends:

No dividend was considered by the Director for the year.

Operations:

No major changes in the operation of the company for the reported year.

Deposits:

The Company has not accepted any deposits from public in the year under review.

Management Discussions and analysis forming part of Director's Report:

Factors effecting demand and supply of stone industry:

The World Bank Global Economic Prospects January 2017 report added that the Indian economy is subsequently set to recover its growth momentum, with growth rising to 7.6% in FY18 and further strengthening to 7.8% in FY20.

The proposed Goods & Service Tax (GST) with tax rates on higher side has come as a severe blow especially for stone industry. The industry is already facing problem with declining trend in the export to the international markets.

With the imposition of 28% tax on the marble slabs and tiles, the demand will decline substantially. As on such rates marble slabs and tiles would face direct competition from ceramic industry and customer would prefer to shift low rates alternate stone product such as Kota stone as well as explore import from cheap China.

Impact of Government Policy on the Industry:

In addition to above, the series of various Government policy on mining industry has had a cascading effect on the stone industry. This further catapulted loss of business and send negative sentiments to ensuing investment. This lack of policy support from the government, economic slowdown worldwide and increased imports from China too have taken a toll on the stone industry.

The stone industry still comes under the minor minerals category. In spite of huge investments and employment in the field of processing and mining industry, the stone industry been treated at par with industries like sand mining, stone crushing and building stones used for construction of road making. Even the banking sector is reluctant to extend financial support or loan for the industry.

Despite having huge domestic mineral reserve, India is at the seventh position in terms of exports after China, Italy, Turkey, Egypt, Greece and Brazil. India has one of the largest resources natural stones such like marble and granite. Government has to introduce right policies so as to improve its position in export market.

Responsibility Statement:

The Director's Confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

Technology:

The company is using modern technology available for the entire manufacturing process. The management has full attention to get the maximum yield and fine quality with minimum energy requirement.

Foreign Exchange Earnings and Outgo:

There is no inflow or outflow of foreign exchange during the year.

Details of Directors and Key managerial Persons:**Directors:**

In accordance with the provisions of the Act and in terms of Articles of Association of the Company, Mr. Mayur Sundrawat, Director of the Company retires at the ensuing Annual General Meeting and is being eligible for re-appointment, offers himself for re-appointment. Your Directors recommended the above re-appointment.

The following policies of the Company are attached herewith marked as Annexure I and Annexure II-

- (a) Policy of selection of Directors and determining Directors Independence; and
- (b) Remuneration Policy for directors, Key Managerial Personnel and other employees.

Key Managerial Personnel:

During the year under review, the members approved the appointment of Ms. Shriya Maheshwari as Company Secretary cum Compliance Officer of the Company.

Vigil Mechanism: The Company has established vigil mechanism and adopted whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The policy on Vigil mechanism and Whistle blower policy of the company are attached herewith marked as Annexure III.

Particulars of Employees:

As per provision of section 197(2), read with 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the payment of remuneration to Directors are as follows:

- 1) Shri Mahaveer Sundrawat Rs. 5.40 Lacs
- 2) Shri Mayur Sundrawat Rs. 4.20 Lacs

No employee employed throughout the financial year and in receipt of remuneration of Rs 60.00 lacs or more or employed for part of the year and in receipt of Rs. 5.00 lacs or more a month, under Section 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Extract of Annual Return:

Extract of Annual Return as provided under sub-section(3) of Section 92 of Companies Act, 2013 is attached herewith (Annexure IV)

Number of Meetings of the Board:

Numbers of Meetings of the Board during the year were 5 which were held on 30.04.2016, 30.07.2016, 10.09.2016, 29.10.2016 and 28.01.2016.

Particulars of Loans, guarantees or investments u/s 186: No loan or guarantee is extended by the company so as to attract the provision of above mentioned section.

Related Party Contracts or arrangements: During the year under review the company has not entered into any related party contracts except normal trade entered with proprietorship firm owned by wife of promoter director.

Corporate Governance: The Corporate Governance report for the year ended as on 31.03.2017, as per requirement of Clause 49 of Listing Agreement has been given separately in the Annexure V.

Secretarial Audit: The Company has appointed M/s. B.L. Harawat and Associates, Company Secretaries as Secretarial Auditors to conduct the audit of secretarial and related records of the Company for the FY ended 31st March, 2017. The Secretarial Audit report of the company is attached herewith marked as Annexure-VI.

Auditors and Auditors Report:

Ms Surendra Kumar Jain & Company retires and is eligible for appointment as Auditors. The auditor has risen following two qualifications in its report about income tax demand and unsecured loans. In reply to the qualification the directors states that Income Tax demand of Rs.00.21 Lacs disputed by company for which company has made application for rectification of error U/s 154. A brought forward unsecured loan amount of Rs.10.90 lacs taken from Director Shri Mahaveer Sundrawat is pending for the payment. The Auditors report of the company is attached herewith marked as Annexure-VII.

Risk Management:

The component of the risk in the activities of the company is very minimal. In the opinion of the Board, there is no element of risk that may threaten the existence of the Company. During the year, your company has, however, constituted a Risk Management Committee and has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Risk Management Policy was reviewed and approved by the committee.

The Company manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.