



# 15th Annual Report

2008-2009



*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.)

## **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)

**NOTICE**

NOTICE is hereby given that the 15th Annual General Meeting of the Members of Inani Marbles & Industries Ltd. will be held on Wednesday, 30th September, 2009 at 04.00 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, 2009 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, 2009.
3. To appoint a Director in place of Shri Nand Lal Inani who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Prem Naryan Sharma 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. 30.09.2009 until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

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

Place : Chittorgarh  
Date : 31st August, 2009

Sd/-  
Capt. S.K. Inani  
(Managing Director)

Sd/-  
H. K. Inani  
(Director)

**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 26th September, 2009 to 30th September, 2009 (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 warrants 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 warrants 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 reappointed and directors who are newly appointed at the ensuing annual general meeting are as under :

	Age	Qualification	Date of Re-appointment	Other Directorship
Shri Nand Lal Inani	76 years	Matriculate	30.09.2009	--
Shri Prem Narayan Sharma	47 years	B.Com	30.09.2009	--

\* Excludes directorship held in Pvt. Ltd. Companies.



## DIRECTORS REPORT

To the Members,

Your Directors have pleasure in presenting their 15th Annual Report and the Audited Accounts for the Financial Year ended 31st March 2009.

WORKING RESULTS :	( Rupees in lacs )	
	<u>2008-2009</u>	<u>2007-2008</u>
Sales & Income from operations	2306.91	1957.43
Profit from operations	226.96	243.20
Other Income	87.37	10.82
Profit before Interest, Dep. & Taxes	314.33	254.02
Interest	10.66	6.34
Depreciation	62.44	76.97
Profit Before Tax	241.23	170.71
Provision for Taxation including FBT	86.43	67.74
Provision for Deferred Tax	(4.17)	(9.82)
Profit After Tax	158.97	112.79
Balance of Profit brought forward	761.78	699.05
Balance Available For Appropriations	920.75	811.84
Proposed Dividend on Equity Shares	32.53	32.53
Corporate Tax on Dividend Distribution	5.52	5.53
Amount Transferred to General Reserve	12.00	12.00
Balance carried forward to Balance Sheet	870.70	761.78

#### 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, 2009, 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 17.85 % however profit before tax increased by 41.31% the Company has achieved export turnover of Rs. 1752.91 Lacs. as compared to Rs 1242.27 Lacs in previous year. Your directors are hopeful for much better performance and results during the current year.

#### ESTABLISHMENT OF 100% E.O.U.

To increase the export of the products, a new industrial undertaking in the name of 'Inani Marble & Granites (100% E.O.U)' set up at Mataji Ki Pandoli, Tehsil & District-Chittorgarh. Company has taken Term Loan of Rs. 810 Lacs from State Bank of Bikaner & Jaipur for Set up of new unit. During the year under review, your Company has regularly paid the principal and interest to the term lender and there has been no default towards them. The Company has commenced Commercial production at above unit during the Month of March.

**DEPOSITS**

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

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Nand Lal Inani and Shri Prem Naryan Sharma retire by rotation, being eligible and have offered themselves for re-appointment.

**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 2008-09 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, 2009 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 31.3.2009	Year Ending 31.3.2008
Foreign Exchange Earnings	: 1752.91	1242.27
Foreign Exchange used	: 479.17	57.88

## 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.

## CORPORATE GOVERNANCE

The Management Discussion and Analysis, Report on Corporate Governance along with the Compliance Certificate of the auditors as required under the Listing Agreement are annexed and forming part of this report.

## DEPOSITORY SYSTEM

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories as aforesaid.

## AUDITORS

M/s Nyati Mundra & Co. Chartered Accountants M/s Jagdish Rathi & Associates, Chartered Accountants, the Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The company has received a Certificate from them that their re-appointment, if made, would be within the prescribed limits under section 224 (1B) of the Companies Act , 1956.

## AUDITORS' REPORT

The Notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore, do not call for any further explanation under section 217(3) of the Companies Act,1956.

## ACKNOWLEDGMENT

Your Directors would like to place on record their appreciation for co-operation and support extended by State Bank of Bikaner & Jaipur and Share holders. They also record their appreciation of the devoted services rendered by Staff members and Workman of the company.

For and on behalf of the Board

Place : Chittorgarh  
Date : 30.06.2009

Sd/-  
Capt. S.K.Inani  
(Managing Director)

Sd/-  
Nand Lal Inani  
(Chairman)

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER LISTING AGREEMENT**

To the Members of  
Inani Marbles & Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Inani Marbles & Industries Limited, for the year ended on 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation there of, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders /Investors Grievance Committee.

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

For Nyati Mundra & Company  
Chartered Accountants

R. K. Nyati  
Partner

For Jagdish Rathi & Associates  
Chartered Accountants

Jagdish Rathi  
Proprietor

Place : Chittorgarh

Date : 30.06.2009

**CORPORATE GOVERNANCE REPORT:**

**1. Company's Philosophy on Corporate Governance**

The Company is committed to good Corporate Governance. The Company's policies and practices are aimed at efficient conduct of business and effectively meeting its obligations for the interest of shareholders, creditors, customers, employees and other stakeholders.

**2. Board of Directors:**

The present strength of the Board of Directors of the Company is seven, out of which three are non-executive including the Chairman and two are independent non-executive directors. The Managing director & Joint Managing Director are continued under the category of Promoter Executive Directors.

The Composition of the Board of Directors and their attendance at the meetings during the year and the number of other Directorships, Committee memberships and Committee Chairmanships are as follows:

Sl. No.	Name	Title	Category	No. of Meetings		No. of other Directorships and Committee memberships/chairmanships		
				Held	Attended	Director-ships*	Committee Memberships	Committee Chairmanships
1	Capt S. K. Inani	Man. Director	Promoter-Executive	5	4	--	--	--
2	Shri Dinesh Kumar Inani	Joint Managing Director	Promoter-Executive	5	2	1	--	--
3	Shri N. L. Inani	Chairman	Non-Executive	5	4	--	--	--
4	Shri R. K. Inani	Director	Non-Executive	5	4	--	--	--
5	Shri H. K. Inani	Director	Non-Executive	5	4	1	--	--
6	Shri P. N. Sharma	Independent Director	Non-Executive	5	4	--	--	--
7	Shri Ravi Birla	Independent Director	Non-Executive	5	4	--	--	--

\*Excludes Directorships held in Private Limited Companies.





The meetings of the Board of Directors during the financial year 2008-2009 were held on 5th June, 2008, 30th June, 2008, 31st July, 2008, 31st October, 2008, and 31st January, 2009.

The Previous Annual General Meeting of the Company was held on 30th September, 2008 and was attended by all the directors of the Company except Shri Dinesh Kumar Inani and Suresh Kumar Inani.

### 3. Audit Committee

The Audit Committee comprised of Shri Nand Lal Inani, Shri Rajesh Kumar Inani and Shri Harish Kumar Inani, all of above Directors are non-executive directors and Prem Narayan Sharma, an independent director. Shri Prem Narayan Sharma is Chairman of the Committee.

The Audit Committee is functioning within the broad terms of reference laid down in Listing Agreements with Stock Exchanges and the Companies Act, 1956 With the guidance and supervision of the Committee, the internal audit function and internal control systems within the Company have further strengthened.

During the financial year, four meetings of the Audit Committee were held on 23rd June, 2008, 25th July, 2008, 28th October, 2008 and 29th January, 2009. Attendance of each member of Audit committee meeting held during the year are as under :

Name of Director	No. of Meeting attended
Shri Nand Lal Inani	3
Shri Rajesh Kumar Inani	3
Shri Harish Kumar Inani	3
Shri Prem Narayan Sharma	4

### 4. Remuneration Committee

The remuneration Committee reviews and makes recommendations on annual salaries, performance linked incentive perquisites and other employment conditions of Executive directors. Remuneration Committee comprising of Shri P. N, Sharma, Shri Ravi Birla and Shri H.K.Inani is functioning in the company under the Chairmanship of Shri P.N.Sharma.The meeting of the Remuneration Committee was held on 23rd December,2008

The details of remuneration paid to Executive Directors during the Financial Year 2008-09 are as under (excluding Company's contribution towards P.F.)

S.No.	Name of Director	Particulars	Amount Rs
1.	Capt. S. K. Inani	Salary	1385000/-
2.	Dinesh Kumar Inani	Salary	780000/-

The Company doesn't pay any remuneration to its Non - Executive Directors except sitting fee for attending the meetings of the Board. The company pays sitting fee to its non executive directors of Rs. 4000 for attending each meeting of the Board of Directors. The details of sitting fee paid during the year 2008-09 are as follows:

S.No.	Name of Director	Particulars	Amount Rs
1.	Nand Lal Inani	Sitting Fee	16000
2.	Rajesh Kumar Inani	Sitting Fee	16000
3.	Harish Kumar Inani	Sitting Fee	16000
4.	Prem Narayan Sharma	Sitting Fee	16000
5.	Ravi Birla	Sitting Fee	16000

## 5. Management

- a) The Management Discussion and Analysis Report is forming part of the Directors Report.
- b) Material related party transactions : During the financial year 2008-2009, there were no transactions of material nature with its promoters, the directors or the management, their subsidiaries or relatives ,etc., which may have potential conflict with the interests of the Company at large.

## 6. Shareholders'/ Investors' Grievance Committee

Shareholders/Investors Grievance Committee of the Company performs its functions actively throughout the year. Shareholders/ Investors Grievances, if received, are redressed on priority basis and the Committee monitors investors complaints in the areas of transfer of shares, non-receipt of annual reports and declared dividends, etc to the satisfaction of the concerned shareholder/ investor.

The meetings of the committee are chaired by Shri Harish Kumar Inani with Capt. S. K. Inani, Managing Director and Shri Prem Narayan Sharma, Director are members of the Committee. The meetings of the Committee were held at periodic intervals during the year under review.

The Company has received 3 complaint during the financial year 2008-2009 from the shareholders which were resolved well within stipulated time.

## 7. General Body Meetings.

The last three Annual General Meetings (AGM) were held as per details below:

Date of AGM	Relevant Financial Year	Venue /Location Where Held	Time of Meeting
30th Sept., 2006	2005-2006	Hotel Padmini, Chittorgarh	11.00 A.M.
29th Sept., 2007	2006-2007	Hotel Padmini, Chittorgarh	02.00 P.M.
30th Sept., 2008	2007-2008	Hotel Padmini, Chittorgarh	02.00 P.M.

No Special Resolution was put through Postal Ballot in the last AGM nor is any proposed for this year.

## 8. Compliances

The Company has been complying with all the requirements and there were no penalties, strictures imposed on the Company by stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

## 9. Means of Communication

The Financial results of the company are published in at least one prominent national and one regional newspaper and also displayed on Company's website at [www.inanimarbles.com](http://www.inanimarbles.com)

## 10. Auditor Certificate on Corporate Governance

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance as laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Directors' Report for the year 2008-2009. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

**SHAREHOLDERS' INFORMATION**

1. Annual General Meeting
  - Date and Time : Wednesday , Sept. 30th, 2009 at 4.00 P.M.
  - Venue : Hotel Padmini, River view, Chittorgarh (Raj)  
PIN : 312001
2. Financial Calendar
  - Financial Year : April - March
  - Quarterly Financial Reporting : Within one month from the end of each quarter except for fourth quarter where annual audited results are published within three months.
3. Dates of Book Closure : 26.09.2009 to 30.09.2009
4. Dividend Payment Date : With in 30 days from the date of AGM.
5. Listing of Share on Stock Exchange :-
  - 1) The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Mumbai-400001
  - 2) Jaipur Stock Exchange Limited, Stock Exchange Building, Jaipur-302017 and also on Indore, Ahmedabad and Rajkot Stock Exchanges. With very thin trading of company's shares on these four stock exchanges, it is proposed to de-list the shares of the company on these four stock exchanges keeping the listing only on Bombay Stock Exchange.
6. Stock Exchange, Mumbai : 531129  
ISIN : INE635D01019
7. Stock Market Data  
Market price data of the company's equity shares in Bombay Stock Exchange for the period from April 2008 to March 2009 is as below :-

Month	BSE Price	
	High	Low
April, 2008	30.00	26.00
May, 2008	41.00	26.90
June, 2008	53.50	40.45
July, 2008	57.00	35.55
August, 2008	74.30	51.10
September, 2008	70.00	54.00
October, 2008	66.00	45.50
November, 2008	63.00	35.20
December, 2008	33.45	22.40
January, 2009	25.45	20.75
February, 2009	27.85	20.05
March, 2009	26.60	21.15

8. Registrar and Transfer Agents  
The Company has appointed M/s Ankit Consultancy Pvt. Ltd. as its Share transfer Agent. The Shareholders may contact the Share Transfer Agent for matters related to Share Transfers etc. at the following address:



Ankit Consultancy Pvt. Ltd.,  
2nd Floor, Alankar Point,  
Gita Bhawan Chouraha,  
A.B. Road, Indore (M.P.)  
Phone No. : 0731-2491298/2495226  
Fax No. : 0731-4065798  
E-MAIL : ankitind@sancharnet.in

9. Share Transfer system :-

The matters related to Share Transfer and transmissions etc. are attended by the Share Transfer Agent M/s Ankit Consultancy Pvt. Ltd. Indore as per address mentioned above. Share transfers are registered and returned within 30 days from the date of receipt, if the documents are in order in all respects.

10. Distribution of Shareholding as on 31st March, 2009.

No. of Equity Share held of Rs 10/- each.	No. of Share Holders	% of Share Holders	Share Amount in (Rs.)	% of Share Holding
UPTO - 1000	691	62.08	613630	1.89
1001 - 2000	85	7.64	163610	0.50
2001 - 3000	32	2.88	90430	0.28
3001 - 4000	19	1.71	73150	0.22
4001 - 5000	26	2.34	127500	0.39
5001 - 10000	56	5.03	450880	1.39
10001 - 20000	36	3.23	601720	1.85
20001 - 30000	35	3.14	985680	3.03
30001 - 40000	53	4.76	1884560	5.79
40001 - 50000	20	1.80	962000	2.96
50001 - 100000	24	2.16	1638170	5.04
100000 - ABOVE	36	3.23	24933670	76.66
	1113	100	32525000	100

Category	No. of Share Held	Percentage of Shareholding
<b>A. Promoters Holding</b>		
1. Promoters		
1. Indian Promoters :	1939750	59.64
2. Foreign Promoters :	--	--
2. Persons acting in concert	--	--
<b>Sub Total</b>	<b>1939750</b>	<b>59.64</b>
<b>B. Non-Promoters Holding</b>		
3. Institutional Investors	--	--
1. Mutual Funds and UTI		
2. Banks, Financial Institutions Insurance Companies (Central/State Govt. Institutions, Non-Government Institutions)	82400	2.53
3. FIs	--	--
<b>Sub Total</b>	<b>82400</b>	<b>2.53</b>
4. Others		
1. Private Corporate Bodies	220782	6.79
2. Indian Public	809257	24.88
3. NRIs/OCBs	200211	6.16
4. Any other (please specify)	100	--
<b>Sub Total</b>	<b>1230350</b>	<b>37.83</b>
<b>Grand Total</b>	<b>32525000</b>	<b>100.000</b>

**11. Dematerialisation of Share and liquidity**

1670155 shares were dematerialized till 31.03.2009, which is 51.35% of the total paid up Equity Share Capital of the Company. Trading in shares of the Company is permitted in dematerialized form only.

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL) and CDSL) and total number of shares in physical form.

**12. Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on Equity.**

The Company has not issued any GDRs/ ADRs/ warrants or any convertible instruments.

**13. Plant & Mines Locations:**

i.) Factory : F-17&58, RIICO Industrial Area,  
Chittorgarh (Raj.).

**EOU UNIT**

: Araji No. 1312, Mataji Ki Pandoli  
Tehsil & District, Chittorgarh.

ii.) Mines : Post- Paloda, Tah. Gadhi, Dist. Banswara.  
: Post- Masaron Ki Obri, Tah. Kherwada,  
: Dist. Udaipur.  
: Post - Jalera, Tehsil. Bijoliya, Dist. Bhilwara

**14. Address for Correspondence :-**

Investor correspondence should be addressed to:

1) Share transfer Agent"  
Ankit Consultancy Pvt. Ltd.,  
2nd Floor, Alankar Point,  
Gita Bhawan Chouraha,  
A.B. Road, Indore (M.P.)  
Phone No. : 0731-2491298/2495226  
Fax No. : 0731-4065798  
E-Mail : ankitind@sancharnet.in

In case of need, share holders may also contact -

Managing Director,  
Inani Marbles & Industries Ltd.,  
F-17&58, RIICO Industrial Area,  
Chittorgarh (Raj.).  
Tel. No. : 01472-256711/256712  
Fax No. : 01472-256717  
E-Mail : inani@sancharnet.in



## Management Discussions and analysis forming part of Directors' Report :

**Marble Industry Structure and Developments :** Indian marble industry is a small industrial segment mainly concentrated in the state of Rajasthan and Gujrat . It's *unorganized one* and found in the various fragmented geological areas based upon availability of raw material. There is no industrial player of reasonably large size. The Central Government granted small scale industrial status to the industry. Now, the days are changed and the industry is following *internationally accepted standards of improved workmanship* in almost every module of business. The working now looks much organized then ever before. The new generation promoters are giving attention to the unrepresented areas of business. They are also adding newer capacities to reap the benefits of economics of scale. In last few years, Marble is becoming most popular stone in floor laying and wall cladding. Now, marble stone is available in different colours, designs and sizes suitable to customer specific requirements. Product being a natural one, offers unique characteristics to the customer. Mainly found in remote mining areas, and majority of resources are located in the state of Rajasthan. To exploit these natural resources, majority of integrated processing industries were set up in the state of Rajasthan.

### Indian marble sector :

Indian marble is available in various colours, designs and sizes. It is directly competing with Italian, Iranian, Turkish and Pakistan marble in the international trade. Compare to our marble, Italian, Iranian and Turkish marble is costly, so there is a direct cost advantage to our material. In addition to this, Indian marble offers more colors, designs and sizes.

### Opportunities :

Huge infrastructure and housing demand offer huge opportunity of growth for marble in the near future. Almost in the every part of the country, more and more housing projects are coming up and the industry can expect that the demand will be sustained in future coming years. As discussed last year, poor performance of ceramic and vitrified tiles are providing another opportunity to grab the lost market share. Industry can expect reasonable demand from housing sector. Chemical treatment and filling of natural air cracks are another areas where the locals are competing / following imported manufacturers, thus reducing costing by improving yield. Development of thinner sizes tensioning steel blades and cutting segments offering another area to improve the material yield by reducing the cutting wastage.

### Threats :

Big threat area for stone and especially marble is raw material procurement. Mining is going to become tough and difficult every day. Mines are going deep and deep and the mining cost is rising. Manufacturers are finding it difficult to pass on the entire increased costing on the end user. Mines are going deep and deep and there is danger of depleting of raw material reserves. State Government is failed to demarcate and develop new mining areas. Hence, manufacturers have been forced to manage the procurement of raw material within available resources. In addition to this, various regulatory requirements are increasing. To maintain the ecological balance, pollution and environmental bodies are imposing more and more stricter norms which are difficult to manage in the small mining area available for marble mining. Apart from this, vitrified and ceramic tiles manufacturers have now started producing artificial floor tiles in slabs size. This is the area which was earlier immune to the competition from artificial material and natural material manufacturers have had some relief from competition. However, after introduction of slabs size, they have to face the competition in this area also. In earlier period, colored marble like, green, pink, yellow etc. have great price differential with granites. Nowadays, due to reduction in the prices of small Granites slabs, Granites have also started competing with marble.



**AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT**

To,  
The Board of Directors

The Company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Managing Director.

I here by confirm that all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2009.

Place : Chittorgarh  
Date : 30.06.2009

Sd/-  
Capt. S. K. Inani  
(Managing Director)

CEO CERTIFICATE

I hereby certify to the Members of INANI MARBLES & INDUSTRIES LIMITED that

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31.03.2009 and that to the best of my knowledge and belief.
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors :
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For : Inani Marbles & Industries Ltd.

Place : Chittorgarh  
Date : 30.06.2009

Sd/-  
Capt. S. K. Inani  
(Managing Director)



**AUDITORS' REPORT**

To  
The Members of INANI MARBLES & INDUSTRIES LTD

1. We have Audited the attached Balance Sheet of INANI MARBLES & INDUSTRIES LTD as at 31st MARCH 2009 and also the annexed Profit & Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :-
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by Law have been kept by the company so far as appears from our examination of such books ;
  - c) The Balance Sheet and Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts ;
  - d) In our opinion, the Balance Sheet and Profit & Loss account and cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009, from being appointed as a director in term of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956 ;
  - f) In our opinion and to the best of our information and according to explanation given to us, the said accounts together with the notes in schedule 19 , give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
  - ii) In the case of the Profit & Loss Account of the Profit, of the Company for the year ended on that date.
  - iii) In the case of Cash Flow Statement of the cash flows of the Company for the year ended on that date.

For : Nyati Mundra & CO.  
Chartered Accountants

For: Jagdish Rathi & Associates  
Chartered Accountants

Place : Chittorgarh  
Date : 30.06.2009  
Sd/-  
R. K. NYATI  
(Partner)

Sd/-  
J. C. Rathi  
(Proprietor)

**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph 3 of our report of even date.

1. (a) The Company has maintained proper records showing full particulars including quantitative details & situations of the fixed assets. The situation of the moveable assets used in the mining activity keeps on changing from Mines sites depending upon requirements for a particular contract.  
(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company, the nature of its assets. According to the information given to us and to the best of our knowledge, no material discrepancies were noticed on such physical verification.  
(c) The Company has not disposed off a substantial part of the fixed assets during the year.
2. (a) As explained to us the inventory has been physically verified during the year by the management.  
(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) The Company is maintaining proper records of inventory. No material discrepancies noticed on physical verification between the physical stock and the book records.
3. (a) The Company has not granted nor taken any loans, secured or unsecured to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub clause (b), (c) and (d) are not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory, Fixed Assets and with regards to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanation given to us such transactions made in pursuance of contracts or arrangements entered in registers maintained under section 301 of the Company Act, 1956 and exceeding value of Rs. 500000/- during the year in respect of each party, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public in terms of Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
8. No cost records have been prescribed by the Central Govt.
9. (a) According to the record of the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material , statutory dues applicable to it.  
(b) According to the information & explanation given to us, no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at the last day of the financial year for a period of more than six month from the date they became payable.  
(c) As per records produced before us the dues of Income Tax, Sales Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute are stated hereunder:

Name of Statute	Period to which amount relates	Forum Where dispute is pending	Amount (Rs. in Lacs)
Entry Tax	F.Y. 2002-03	Rajasthan High Court, Jodhpur	2.25
Income Tax	A.Y. 2004-05	Commissioner of Income Tax (Appeal) Mumbai	10.15
Income Tax	A.Y. 2005-06	Commissioner of Income Tax (Appeal) Mumbai	00.20

10. The Company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. The Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. There is no question of maintaining adequate records.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the companies (Auditor's Report) Order,2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment, accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order 2003 are not applicable to the company.
15. In our opinion the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not taken any term loans and hence, our requirement of reporting regarding application of term loans in terms of Clause (xvi) of the order does not arise.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company we report that the no funds raised on short-term basis have been used for long term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
18. According to the information and explanation given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the information and explanations given to us, during the period covered by our audit report, the Company has not created any security in respect of debentures issued.
20. The Company has not raised any money by way of public issues during the year; therefore there is no need for any disclosure required in clause 4(XX).
21. According to 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.

For : Nyati Mundra & CO.  
Chartered Accountants

For : Jagdish Rathi & Associates  
Chartered Accountants

Sd/-  
R. K. NYATI  
(Partner)

Sd/-  
J. C. Rathi  
(Proprietor)

Place : Chittorgarh  
Date : 30.06.2009

**BALANCE SHEET AS AT 31ST MARCH, 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Funds:</b>			
Share Capital	1	32525000	32525000
Reserve & Surplus	2	91470609	79378663
<b>Loan Funds:</b>			
Secured Loans	3	93057521	12926641
<b>Total</b>		<b>217053130</b>	<b>124830304</b>
<b>APPLICATION OF FUND</b>			
<b>Fixed Assets</b>	4		
Gross Block		167388256	113418921
Less: Depreciation		84291576	79004979
Net Block		83096680	34413942
Capital WIP	4	66010493	4086987
Advance to Suppliers of Capital Goods	9	2605050	17089443
<b>Investments</b>	5	5000000	5500000
<b>Current Assets, Loans and Advances</b>			
Inventories	6	23266390	14966233
Sundry Debtors	7	41190213	41903126
Cash & Bank Balances	8	11923001	14380882
Loans & Advances	9	33177978	25167013
Less:		109557582	96417254
<b>Current Liabilities &amp; Provisions</b>			
Current Liabilities	10	37524975	22438049
Provisions	11	12448574	10579077
		49973549	33017126
Net Current Assets		59584033	63400128
Deferred Tax Asset		756874	339804
<b>Total</b>		<b>217053130</b>	<b>124830304</b>

Significant Accounting Policies and

Notes on Accounts 18

Schedules referred to above form an integral part of the  
Balance Sheet*As per our report of even date attached*For: NYATI MUNDRA & CO. For: JAGDISH RATHI & ASSOCIATES FOR AND ON BEHALF OF THE BOARD  
Chartered Accountants Chartered AccountantsS/d  
R.K. NYATI  
PARTNERS/d  
JAGDISH RATHI  
PROPRIETORS/d  
CAPT.S.K. INANI  
MANAGING DIRECTORS/d  
H. K. INANI  
DIRECTOR

Place : Chittorgarh

Date : 30.06.2009

**PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2009**

(Amount in Rs)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>INCOME</b>			
Sales & Income From Operations	12	230690593	195743111
Other Income	13	8736898	1081563
Increase/(Decrease) in Stock	14	732814	868741
		<u>240160305</u>	<u>197693415</u>
<b>EXPENDITURE</b>			
Material, Manufacturing & Mining Exp.	15	168574044	138556758
Payment to and Provision for Employee	16	5722974	3409735
Administrative and Other Exp.	17	34430195	30325297
Interest		1066063	633705
Depreciation	4	6243579	7697452
		<u>216036855</u>	<u>180622947</u>
<b>PROFIT FOR THE YEAR BEFORE TAX</b>		24123450	17070468
Provision for Taxation including F.B.T. & Wealth Tax		8643312	6773815
Provision for Deferred Taxation		(417070)	(982431)
Profit for the Year after Tax		<u>15897208</u>	<u>11279084</u>
Balance Brought Forward from Last Year		76178663	69904841
Amount Available for Distribution & Appropriations		<u>92075871</u>	<u>81183925</u>
<b>APPROPRIATIONS</b>			
Proposed Dividend on Equity Shares		3252500	3252500
Corporate Tax on Dividends		552762	552762
Transfer to General Reserve		1200000	1200000
Balance Carried to Balance Sheet		87070609	76178663
		<u>92075871</u>	<u>81183925</u>

Basic and Diluted Earning per Share in Rs. 4.89 3.47

**SIGNIFICANT ACCOUNTING POLICIES AND  
NOTES ON ACCOUNTS**

18

For: NYATI MUNDRA & CO. For: JAGDISH RATHI & ASSOCIATES FOR AND ON BEHALF OF THE BOARD  
Chartered Accountants Chartered Accountants

S/d  
R.K. NYATI  
PARTNER

S/d  
JAGDISH RATHI  
PROPRIETOR

S/d  
CAPT. S.K. INANI  
MANAGING DIRECTOR

S/d  
H. K. INANI  
DIRECTOR

Place : Chittorgarh  
Date : 30.06.2009

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net profit before tax and extra ordinary items		24123450	17070468
Adjustments for :			
Depreciation		6243579	7697452
Loss on Fixed Assets Sale		--	57852
Gain on Fixed Assets Sale		(55324)	--
Interest Expenses		1066063	633705
Interest Income		(534830)	(834858)
Operating profit before working capital changes		<u>30842938</u>	<u>24624619</u>
Adjustments for change in			
Inventories		(8300157)	(1442875)
Sundry Debtors		712913	(9840394)
Loans & Advances		(5861931)	(417642)
Trade and other payables		<u>15086926</u>	<u>10763200</u>
Cash generated from operations		<u>32480689</u>	<u>23686908</u>
Direct Taxes paid(Net)		(8790961)	(8682151)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<u>23689728</u>	<u>15004757</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(102394987)	(19380021)
Sale of Fixed Assets		84881	292000
Interest Received		402942	669052
Investment		500000	(500000)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(101407164)</u>	<u>(18918969)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net Proceeds /Repayment of Secured Loans		80130880	2010703
Dividend paid including Tax thereon		(3805262)	--
Interest Paid		<u>(1066063)</u>	<u>(633705)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>75259555</u>	<u>1376998</u>
Net increase/(decrease) in Cash and Cash equivalents		<u>(2457881)</u>	<u>(2537214)</u>
CASH AND CASH EQUIVALENTS AS AT 01.04.2008		<u>14380882</u>	<u>16918096</u>
CASH AND CASH EQUIVALENTS AS AT 31.03.2009		<u>11923001</u>	<u>14380882</u>

For and on behalf of the Board

Place : Chittorgarh  
Date : 30.06.2009

Sd/-  
**Capt. S.K. Inani**  
(Managing Director)

Sd/-  
**Harish Kumar Inani**  
(Director)



**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET  
AS AT 31ST MARCH 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>SCHEDULE 1 : SHARE CAPITAL</b>			
<b>Authorised :</b>			
1,00,00,000 Equity Shares of Rs. 10 each		100000000	100000000
		<u>100000000</u>	<u>100000000</u>
<b>Issued, Subscribed and Paid up :</b>			
32,52,500 Equity Shares of Rs. 10 each, fully paid up (None of the above Shares have been issued for a consideration otherwise than in cash)		32525000	32525000
		<u>32525000</u>	<u>32525000</u>
<b>SCHEDULE 2 : RESERVE &amp; SURPLUS</b>			
<b>Capital Reserve :</b>			
State Subsidy		2000000	2000000
General Reserve :		2400000	1200000
Surplus as per Profit & Loss Account		87070609	76178663
		<u>91470609</u>	<u>79378663</u>
<b>SCHEDULE 3 : SECURED LOANS</b>			
Term Loan with S.B.B.J.Chittorgarh (Secured by equitable mortgage on factory Land & Building situated at Arajai No. 1312, Mataji ki Pandoli, Chittorgarh and hypothecation of Plant & Machinery and floating charge on Stock of Raw Materials, Work in Progress, Finished Goods, Stores & Spares, Book Debts and further personally guaranteed by Directors.)		74682042	
Cash Credit with S.B.B.J. Chittorgarh (Secured by equitable mortgage on factory Land & Building situated at F-17 & 58, RIICO Industrial Area, Chittorgarh and hypothecation of Plant & Machinery and floating charge on Stock of Raw Materials, Work in Progress, Finished Goods, Stores & Spares, Book Debts and further personally guaranteed by Directors.)		18316244	8354742
Cash Credit against Pledge of FDR		59235	4571899
		<u>93057521</u>	<u>12926641</u>

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2009	ADDITION	DELETION	AS ON 31.03.2009	AS ON 01.04.2008	FOR THE YEAR	ON DELETION	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND:										
Lease hold	3507273	-	-	3507273	-	-	-	-	3507273	3507273
Free hold	4325430			4325430	-	-	-	-	4325430	4325430
Building	1833327	21728600	-	23561927	745297	232757	-	978054	22583873	1088030
Plant & Machinery	17926020	32775348	19500	50681868	9946883	927643	-	10874326	39807542	7979337
Mining Equipments	78109694	4110000	967039	77553855	83752958	4352081	956982	67148857	10404998	14356738
Furniture & Fixtures	1309060	13250	-	1322310	609966	83640	-	693606	628704	699094
Vehicles	5886736	0	-	5886736	3562570	559240	-	4121810	1764928	2324166
E.D.P. Equipments	521381	27676	-	549057	387505	87618	-	475123	73934	133876
<b>Total</b>	<b>113418921</b>	<b>54955874</b>	<b>986539</b>	<b>167388256</b>	<b>79004979</b>	<b>6243579</b>	<b>956982</b>	<b>84291576</b>	<b>83096680</b>	<b>34413942</b>
Previous Year	112407327	1757274	745680	113418921	71703355	7697452	395826	79004979	34413942	40703972



**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET  
AS AT 31ST MARCH 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>SCHEDULE 5 : INVESTMENTS</b>			
LONG TERM UNQUOTED AT COST			
Action Marble & Granites Pvt. Ltd. 60000 (Previous year 60000) Equity Shares of Rs.10 each fully paid up		3000000	3000000
Aravali Associates Pvt. Ltd. 2000 (Previous year 2000) Equity Shares of Rs.100 each fully paid up		1000000	1000000
Ajay Syntex Ltd. (Share Application Money)			500000
Roop Rajat Builders Pvt. Ltd. (Share Application Money)		1000000	1000000
		<u>5000000</u>	<u>5500000</u>
<b>SCHEDULE 6 : INVENTORIES</b>			
(As taken, valued and certified by the Management)			
Raw Material		15956256	8070175
Finished Goods		3480065	4343280
Traded Goods		1907438	311409
Goods in Transit		472721	586745
Stores & Spares		1449910	1654624
		<u>23266390</u>	<u>14966233</u>
<b>SCHEDULE 7 : SUNDRY DEBTORS</b>			
(Unsecured, considered good)			
Debt Due Over Six Months		9778514	6177017
Others		31411699	35726109
		<u>41190213</u>	<u>41903126</u>
<b>SCHEDULE 8 : CASH &amp; BANK BALANCE</b>			
Cash in Hand		1486140	3008857
Balance with Schedule Bank			
In Current Account		889296	619918
In Fixed Deposit Account		4149144	6568375
(Receipts worth Rs.3086945+1000000 ; previous year Rs. 5701416, pledged with banks)			
In Dividend Account (F.Y. 2007-08)		142986	
Cheques in Hand		5255435	4183732
		<u>11923001</u>	<u>14380882</u>
<b>SCHEDULE 9 : LOANS &amp; ADVANCES</b>			
<i>(UNSECURED CONSIDERED GOOD)</i>			
Advance Recoverable in Cash or Kind or Value to be Received		20949680	15524143
Advance Income Tax		10258967	8109933
Deposit With Govt. & Other Authorities		1969331	1532937
		<u>33177978</u>	<u>25167013</u>
<b>SCHEDULE 10 : CURRENT LIABILITIES &amp; PROVISIONS</b>			
Sundry Creditors		32976164	17593033
Other Current Liabilities		1899289	1772856
Advance from Customers		2506536	3072160
Unclaim Dividend (F.Y. 2007-08)		142986	
		<u>37524975</u>	<u>22438049</u>
<b>SCHEDULE 11 : PROVISIONS</b>			
For Income Tax		8521784	6631836
For Wealth Tax		2731	7269
For F.B.T.		118797	134710
For Proposed Dividend on Equity Shares		3252500	3252500
For Dividend Distribution Tax		552762	552762
		<u>12448574</u>	<u>10579077</u>





**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
31ST MARCH 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31.3.2009	AS ON 31.3.2008
<b>SCHEDULE 12 : SALES &amp; INCOME FROM OPERATION</b>			
Sales		215700078	173695272
Job Work Receipts (TDS Rs. 345747/-; P.Y. Rs.136793)		14078515	5769475
Transportation Receipts (TDS Rs. 4401/-; P.Y. Rs.360414/-)		912000	16278364
		<u>230690593</u>	<u>195743111</u>
<b>SCHEDULE 13 : OTHER INCOME</b>			
Interest Income (T.D.S. Rs 115749+16139; P.Y. Rs.165806)		534830	834858
Gain on Fixed Assets Sale		55324	—
Foregin Exchange Gain		7497228	246705
Rebate & Discount		649516	—
		<u>8736898</u>	<u>1081563</u>
<b>SCHEDULE 14 : INCREASE /(DECREASE) IN STOCK</b>			
Closing Stock		5387503	4654689
Less: Opening Stock		4654689	3785948
		<u>732814</u>	<u>868741</u>
<b>SCHEDULE 15 : MATERIAL, MANUFACTURING &amp; MINING EXP.</b>			
Raw Material Consumed/Sold			
Opening Stock		8656920	7321632
Add : Purchase & Expenses		32821181	31430589
Mining Expenses:-			
Power & Fuel	22171183		26170555
Stores & Spares Consumed	15105183		18028033
Repair & Maintance	2059905		1874947
Royalty	9504200		7105742
		<u>48840471</u>	<u>53179277</u>
		90318572	91931498
Less : Closing Stock		<u>16428977</u>	<u>8656920</u>
		73889595	83274578
Purchases for Trading		56597790	18481024
Power & Fuel		8188780	8020914
Stores Spares & Consumables		20672477	20445345
Repairs & Maintenance to Plant		739841	241480
Construction Expenses		7504648	8093417
Job work Sawing charges		980913	
		<u>168574044</u>	<u>138556758</u>
<b>SCHEDULE 16 : PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>			
Salary,Wages, Bonus & Other Allowance		5061599	2912582
Workmen & Staff Welfare		96752	124625
Contribution to Provident Fund, Gratuity, & Other Funds		538376	361332
Recruitment Exp.		26247	11196
		<u>5722974</u>	<u>3409735</u>

**SCHEDULE 17 : ADMINISTRATIVE & SELLING EXP.**

Bank Charges	1668245	805448
Rent Rates & Taxes	392504	635793
Printing & Stationery	185676	140540
EDP Repair & Maintance	305373	124726
Legal Fees & Professional Charges	577042	204667
Travelling & Coveyance	1086644	789701
Telephone & Telegrame Expenses	446376	420722
Postage & Courier Expenses	185401	129333
Advertisement & Publicity	328653	305115
Vehicle Running & Maintenance	759199	600735
Office Expenses	209545	134372
Secretarial Charges	49690	52090
Insurance Charges	572267	585289
Auditors Remuneration for :		
Audit Fees	16000	16000
Other Matter	5000	5000
Directors Sitting Charges	80000	80000
Directors Remuneration	2165000	1630000
Fees & Subscriptions	15495	21606
Fair & Exhibition	1808992	1132480
Export Freight & Forwarding Exp.	22475832	21847531
Misc. Exp.	180184	67127
Sales Commission	362732	427083
Discount & Rebates	554345	112088
Loss on Sales Of Fixed Assets	—	57852
	<b>34430195</b>	<b>30325297</b>

**SCHEDULE 18 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****(i) BASIS OF ACCOUNTING :**

The Financial Statements are prepared under the historical cost convention on accrual basis and are in accordance with the requirement of the Companies Act, 1956.

**(ii) FIXED ASSETS :**

Fixed Assets are stated at cost less depreciation.

**(iii) DEPRECIATION :**

(a) Depreciation on Fixed assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956. Except on mining equipments depreciation has been provided on written down value method at the rates and manner prescribed in schedule XIV to the Companies Act. 1956.

(b) Cost of lease hold land is not being amortised over the period of lease.

**(iv) VALUATION OF INVENTORIES**

Raw Material	-	At Average cost
Stores, Spares & Tools	-	At Cost
Finished Goods	-	At lower of cost or net realisable value
Goods in transit	-	At cost on the Basis of Bill

**(v) SALES :**

Sales are recognised at the time of dispatch.

**(vi) EXCISE DUTY :**

Excise Duty not Payable during the year.

**(vii) FOREIGN CURRENCY TRANSACTIONS :**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction. Foreign currency denominated assets and liabilities are translated into rupees at the rates of exchange prevailing on the date of balance sheet. All exchange differences are dealt with in the statement of profit and loss account.

**(viii) INCOME TAX :**

Provision for current tax is made on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date.

**(ix) RETIREMENT BENEFITS :**

(a) Contribution made to Provident Fund is charged to Profit and Loss account every month.  
(b) The Company has taken a policy with Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and premium paid to the LIC is charged to Profit & Loss Account.

**(x) INVESTMENTS :**

Investments are classified as long term as per the AS-13 on Accounting for Investments issued by the Institute of Chartered Accountants of India, New Delhi and hence, valued at cost and diminution in the value of investments, if any does not call for provision there against.



- (xi) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company and are in accordance with the applicable Accounting Standards as specified U/s 211 (3C) of the Companies Act 1956.

**B : NOTES ON ACCOUNTS :**

	(Rs. in lacs)	
(1) Contingent Liabilities not provided for in respect of :	2008-2009	2007-2008
(a) Guarantee Furnished to Banks and Govt. Dept. including in respect of letter of credit.	24.63	14.63
(b) Custom duty on goods imported under DEEC scheme on which endorsement are still pending (Rs. 170334 have been deposited under protest.)	7.84	7.84
(c) Differential amount of Excise duty in respect of equipment purchased under EPCG scheme and interest thereon	28.78	25.39
(d) Excise & Custom Duty Foregone Against Bond	46.62	---
<p>(2) The Company has not generally called for balance confirmations of Creditors, Debtors, Loans, Advances and Deposits. The Management has however scrutinised the accounts and confirm that these are current and are payable/recoverable.</p> <p>(3) There are no outstanding due to Small Scale Industrial undertakings as on 31st March 2010 there are no Delayed payments to the suppliers covered under the 'Interest on delayed payments to Small Scale and Auncilliary Undertaking Act, 1993'</p> <p>(4) In the opinion of the Board the investments, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.</p> <p>(5) Promoters have authorised the Company without any consideration to develop and excavate the Marble blocks from their Mines for a period upto March, 2009.</p> <p>(6) Deferred Tax Liability (Net) : In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' (AS22), issued by the Institute of Chartered Accountants of India, the Company has provided for deferred tax as under:</p>		

	Deferred Tax Asset/(Liability) As at 01.04.2008	Current Year (Charge)/Credit	Deferred Tax Asset/(Liability) as at 31.03.2009
Difference between Book & Tax Depreciation	339804	(417070)	756874

- (7) In view of Accounting Standard -17 "Segment Reporting" issued by "The Institute of Chartered Accountant of India" and made mandatory applicable w.e.f. 1st April 2001, the disclosure in respect of Segment information for the year ended 31st March, 2009 is as given below:

(a) Primary Business Segment:

The Company is engaged mainly in the business of Mining, manufacturing of Marble and Sand Stone. These in the context of AS-17 "Segment Reporting" are considered to constitute one single segment.

(b) Secondary Segment Reporting (by Geographical Segments)

The following is the distribution of the Company's consolidated sales by geographical markets, Regardless of where the goods were produced.

	(Rs. In Lacs)	
	Current year	Previous year
Sales to Domestic Market	554.78	715.16
Sales to Overseas Markets	1752.13	1242.27
	-----	-----
	2306.91	1957.43
	-----	-----

The Company has common fixed assets for producing goods for Domestic Market and Overseas Market. Hence, separate figures for fixed assets/addition to fixed assets can not be furnished.

- (8) In view of Accounting Standard -18 "Related Party Disclosures" issued by "The Institute of Chartered Accountant of India" and made mandatory applicable w.e.f. 1st April 2001, the disclosure in respect of related party transactions for the year ended 31st March, 2009 are given below:

i. List of Related Parties:

(a) Key Management Personnel :

Capt. S. K. Inani	-	Managing Director
Dinesh Inani	-	Joint Managing Director

(b) Relative to Key Management Personnel

Nand Lal Inani	-	Director
Rajesh Kumar Inani	-	Director

(c) Enterprises over which Key Management Personnel is able to exercise

significant influence :

Inani Marbles Pvt. Ltd.

Inani Tiles Pvt. Ltd.

Inani Securities & Investments Ltd.

II. Transaction with related party mentioned in (a) above:

Nature of transaction	Current Year	Previous Year
Directors remuneration	21,65,000	16,30,000

III. Transaction with related parties mentioned in (b) above:

Nature of transaction	Current Year	Previous Year
Sitting fees	24,000	24,000

IV. Transaction with related parties mentioned in (c) above:

Nature of transaction	Current Year	Previous Year
Sale of finished & other goods	18,59,555	12,22,886
Purchase of finished goods	36,78,364	51,61,577

Note: Transactions relating to reimbursement of actual expenses to/ from related parties have not been considered above.

- (9) In view of Accounting Standard 20 on "Earning Per Share" issued by the "The Institute of Chartered Accountant of India" and made mandatory w.e.f. 1st April, 2001, the following are the disclosures in respect of the Calculation of earning per share for the year ended 31st March, 2009 :

	2008-2009	2007-2008
(a) Calculation of weighted Average Number of Equity Shares of Rs. 10 each		
Number of shares at the beginning of the year	32,52,500	32,52,500
Shares issued during the year	Nil	Nil
Total equity shares outstanding at the end of Year	32,52,500	32,52,500
Weighted average number of equity shares Outstanding during the year	32,52,500	32,52,500
(b) Net Profit after tax available for equity shareholders(Rs.)	1,58,97,208	1,12,79,084
(c) Basic and diluted earning per share (Rs.)	4.89	3.47

(10) Director's Emoluments:	2008-2009	2007-2008
i) Salaries	21,65,000	16,30,000
ii) Sitting Fees	80,000	80,000
	22,45,000	17,10,000

- (11) Additional information pursuant the provisions of para 3,4C & 4D of part II of schedule VI of the Companies Act, 1956. (to the extent applicable)

I. A. Licensed and Installed Capacity

Item	Unit	Licensed Capacity	Installed Capacity
(a) Marble Slabs	Sq. Mtrs.	N.A.	1,32,600
(b) Marble Blocks	Cft.	N.A.	(1,32,600) N.A.

I.B. Licensed and Installed Capacity (100% EOU)

	Item	Unit	Licensed Capacity	Installed Capacity
(a)	Marble/Serpentine Slabs/Tiles	Sq. Mtrs.	278707	278707
(b)	Quartzide Stone & Other Natural Stone Slabs/Tiles	Sq. Mtrs.	111483	111483

(Installed Capacity is as certified by the Directors and accepted by the Auditors being a technical matter.)



## B. Actual Production

Item	Unit	2008-2009	2007-2008
(a) Marble Slabs	Sq.Mtrs.	98873	97194
(b) Stone Slabs	Sq.Mtrs.	40877	37054
(c) Marble Blocks	C.Ft.	468250	264908
(d) Stone Blocks	C.Ft.	80479	90810

## II. Quantitative information in respect of Stocks, Purchases, Sales and Consumption of Raw Materials:

Unit	2008-2009		2007-2008		
	Quantity	Amount	Qty.	Amount	
<b>(i) Opening Stock</b>					
Marble Slabs	Sq.Mtrs.	9608	4343280	10144	3785948
Marble Slabs(Traded)	Sq.Mtrs.	445	311409	--	--
Marble Blocks	Cft.	21025	2910537	31466	3820375
Stone Blocks	Cft.	40442	5159638	29711	3501257
StoneBlocks(InTransit)	Cu. Fts..	4599	586745	--	--
<b>(ii) Purchase</b>					
Marble Slabs	Sq.Mtrs.	13065	11540854	7887	3752570
Marble Tiles	Sq.Mtrs.	5337	2923369	11392	3234850
Marble Block	Cu. Fts.	91562	18535378	110515	12500946
Stone Blocks	Cu. Fts.	61225	7715306	94087	8872436
Stones Slabs	Sq. Mtrs.	25485	14130123	20583	6457013
Stone Tiles	Sq. Mtrs.	10603	846273	5119	1189293
Granite Slabs	Sq. Mtrs.	23647	23153372	5137	3205413
<b>(iii) Sales</b>					
Marble Slabs	Sq.Mtrs.	114921	60721900	105172	55020574
Marble Tiles	Sq.Mtrs.	5337	3980635	11392	3892345
Marble Blocks	Cu. Fts.	409698	30783623	266395	25614483
Stone Slabs	Sq.Mtrs.	63109	48466212	57637	38465248
Stone Tiles	Sq.Mtrs.	10603	1133720	5119	2552930
Stone Blocks	Cu. Fts.	73332	42607866	119075	44266672
Granite Slabs	Sq. Mtrs.	23647	27880286	5137	3708036
Others	--	--	125836	--	174984
<b>(iv) Raw Materials Consumed</b>					
Marble Block	Cu. Fts.	115824	59711857	119469	61641050*
Stone Blocks	Cu. Fts.	56978	14177738	50492	21633528*
* Includes cost of Blocks sold					
<b>(v) Closing Stock</b>					
Marble Slabs	Sq.Mtrs.	7070	3306970	9608	4343280
Marble Slabs(Traded)	Sq.Mtrs.	--	--	445	311409
Stone Slabs	Sq.Mtrs.	3253	2080533	--	--
Marble Blocks	Cu. Fts.	55315	10455801	21025	2910537
Stone Blocks	Cu. Fts..	52103	5500455	40442	5159638
StoneBlocks(InTransit)	Cu. Fts..	4332	472721	4599	586745
<b>(vi) Value of Imported and Indigenous Raw Materials and Stores &amp; Spares consumed.</b>					
	2008-2009		2007-2008		
	%	Rs.	%	Rs.	
Raw Material					
Imported	9.80	7240523	---	---	
Indigenous	90.20	66649072	100	83274578*	
*(Includes cost of Block Sold)		73889595*	100	83274578*	



## Stores &amp; Spares Consumed

Imported	--	--	--	--
Indigenous	100	35777660#	100	38473378#
Total	100	35777660#	100	38473378#

#Rs. 15105183/- includes in Mining Exp. (Previous Year Rs. 18028033/-)

## (vii) Expenditure in foreign currency on account of :

	2008-2009	2007-2008
Traveling	265540	245832
Fair & Exhibition	1427068	858529
Advance for Plant & Machinery	46224656	4683770
	<u>47917264</u>	<u>5788131</u>

## (viii) Earning in Foreign Exchange :

	2008-2009	2007-2008
FOB Value of goods exported	<u>175212929</u>	<u>124226746</u>

(12) Figures for the Previous year have been regrouped/reclassified to confirm with the figures of the current year wherever necessary.

(13) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

## A. Registration Details :-

Registration No. : 08930 State Code : 17  
Balance Sheet Date : 31-03-2009

## B. Capital raised during the year (Amount in Rs. 000)

(i) Public issue -  
(ii) Right issue -  
(iii) Bonus issue -  
(iv) Private Placement -

## C. Position of mobilisation and deployment of fund (Amount in 000)

Total Liabilities	217053
Total Assets	217053
Source of Funds	
Paid up Capital	32525
Reserve & Surpluses	91471
Secured Loans	93057
Unsecured Loans	--
	<u>217053</u>
Application of Funds	
Net Fixed Assets	151713
Investments	5000
Net Current Assets	59584
Miscellaneous Expenditure	--
Deferred Tax Assets	756
	<u>217053</u>





D.	Performance of Company (Amount in 000)	
	Turn over & other income	239427
	Total Expenditure	215304
	(including Stock effect)	
	Profit Before Tax	24123
	Profit After Tax	15897
	Earnings per Share in Rs.	4.89 *
	Dividend %	10 %
	* Annualised	
E.	General Names of Principal Products/Services of Company (as per monetary terms)	

Items Code No.	6802
Product Description (ITC Code)	Marble & Granite

## SIGNATURE TO SCHEDULE 1 TO 18

As per our Report of even date Attached

For Nyati Mundra & Co.  
Chartered AccountantsFor Jagdish Rathi & Associates  
Chartered Accountants

For and on behalf of the Board

Sd/-  
R. K. Nyati  
PartnerSd/-  
Jagdish Rathi  
(Proprietor)Sd/-  
Capt. S.K. Inani  
(Managing Director)Sd/-  
H.K. Inani  
(Director)Place : Chittorgarh  
Date : 30.06.2009



## INANI MARBLES & INDUSTRIES LTD.

Registered Office : F-17 & 58, RIICO Industiral Area, Chittorgarh (Raj.) 312001

### ATTENDANCE SLIP

15th Annual General Meeting - 30th September, 2009

Regd. Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

I Certify that I am a registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 15th Annual General Meeting of the Company at Hotel Padmini, River View, Near Sainik School, Chittorgarh on Tuesday, 30th September, 2009 at 4 P.M.

Member's/Proxy's Name in Block Letters \_\_\_\_\_

Member's/Proxy's Signature \_\_\_\_\_

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL

## INANI MARBLES & INDUSTRIES LTD.

Registered Office : F-17 & 58, RIICO Industiral Area, Chittorgarh (Raj.) 312001

### FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member/members of the above named Company hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_ as my/  
our proxy to vote for me/us on my/our behalf at the 15th Annual General Meeting of  
the Company to be held on Tuesday, 30th September, 2009 at 4 P.M. and at any  
adourment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Regd. Folio No. \_\_\_\_\_

DP ID No. \_\_\_\_\_ Client No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Affix
Revenue
Stamp

Signature

Note : This form in order to be effective should be duly stamped, completed and deposited at the Registered office of the Company, not less than 48 hours before the time of commencement of the meeting.

**Book-Post**

If undelivered please return to :

**INANI Marbles & Industries Ltd.**

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

Tel. : 0091-1472-256711 to 714 Fax : 0091-1472-256717

E-mail : [inani@sancharnet.in](mailto:inani@sancharnet.in) Website : [www.inanimarbles.com](http://www.inanimarbles.com)

\*Subodh # 248798