

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 11TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF LEXUS GRANITO (INDIA) LIMITED (THE COMPANY) WILL BE HELD ON SATURDAY THE 28th DAY OF SEPTEMBER 2019 AT 03:00 P.M. AT SURVEY NO. 800, OPP. LAKHDHIRPUR VILLAGE, LAKHDHIRPUR ROAD, N.H. 8A, TAL. MORBI, RAJKOT – 363642 GUJARAT TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESSES:

ITEM NO: 1 Adoption of Audited Standalone Financial Statements:

To consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon;

ITEM NO: 2 Re-Appointment of Directors liable to retire by rotation:

To Re-appoint a Director Mr. Hitesh Babulal Detroja (DIN: 02760273) who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

ITEM NO: 3 Ordinary Resolution for appointment of Mr. Jitendrabhai Chandulal Lakhtariya (DIN-08344782) as an Independent Director:

To consider and approve the following ordinary resolution, with or without modification(s):

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, and 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactment(s) thereof and any rules made

thereunder, for the time being in force, Mr. Jitendrabhai Chandulal Lakhtariya (DIN – 08344782), who was appointed as an Additional & Independent Director of the Company with effect from 05th February, 2019, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from 05th February, 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 4 Ordinary Resolution for appointment of Mr. Rakesh Jayantilal Amrutiya (DIN – 08421454) as an Independent Director:

To consider and approve the following ordinary resolution, with or without modification(s):

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, and 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Rakesh Jayantilal Amrutiya (DIN – 08421454), who was appointed as an Additional & Independent Director of the Company with effect from 23rd April, 2019, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from 23rd April, 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO.5: To Approve continuation of payment of Remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. [SEBI (LODR) (Amendment) Regulations, 2018]:

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, and as per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the members of the Company be and is hereby accorded for the continuation of payment of remuneration, which falls in excess of threshold limits as prescribed under Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (SEBI LODR Regulations) to Mr. Anilkumar Babulal Detroja, Managing Director (Promoter), Mr. Babulal Mahadevbhai Detroja, Whole-Time Director (Promoter) and Mr. Nileshbhai Babubhai Detroja, Whole-Time Director (Promoter), Mr. Hitesh Babulal Detroja, Whole-Time Director (Promoter) and Mrs.Parulben Nileshbhai Detroja, Whole-Time Director (Promoter)as per existing terms and conditions as approved by the shareholders in their 9th Annual General Meeting held on 28th September, 2017 till the expiry of their current terms.

“RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Board of Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.”

“RESOLVED FURTHER THAT the Board is be and hereby authorized to take all steps as may be

necessary, proper and expedient to give effect to this Resolution.”

**By the Order of the Board
For LEXUS GRANITO (INDIA) LIMITED**

**Sd/-
Anilkumar Babulal Detroja
(Managing Director)**

**DATE: 24.08.2019
PLACE: Morbi**

**Registered Office:
SURVEY NO. 800, OPP. LAKHDIRPUR VILLAGE,
LAKHDIRPUR ROAD, N.H. 8A, TAL. MORBI,
RAJKOT- 363642
CIN: L26914GJ2008PLC053838**

IMPORTANT NOTES:

(1) PROXY: A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not to be a member of the company (a copy of the proxy form is attached at the last page of the annual report). The instrument appointing the proxy in order to be effective, must be deposited at the registered office of the company not less than 48 hours before the commencement of the AGM. Pursuant to section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) per cent of the total shareholding of the company carrying voting rights. A member holding more than 10 per cent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

(2) EXPLANATORY STATEMENT: The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of business under Item 3 with respect to the Special Business of the above notice annexed hereto. The relevant details as required, under Regulation 26(4) and 36(3) of the SEBI (LODR) Regulations and as per Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment or re-appointment at this Annual General Meeting are also annexed.

(3) AUTHORISED REPRESENTATIVE: Corporate Members intending to send their authorized representative to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

(4) ATTENDANCE SLIP & ANNUAL RETURN: Members/ Proxies/ Authorized Representatives should bring their copy of the Annual Reports and Financial Statements along with their Attendance

Slip attached herewith duly filled and signed in accordance with Specimen Signatures registered with the company to attend the meeting.

(5) JOINT HOLDERS: In case of Joint Holder's attending the Meeting, the Joint Holder who is higher in the Order of name will be entitled to vote.

(6) INSPECTION OF REGISTERS: The Register of Directors & Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Directors are interested maintained under Section 170 and 189 of the Companies Act, 2013 respectively will be available for Inspection by the members at the AGM.

(7) The Company has made necessary arrangements for the members to hold their shares in dematerialized form. Members are also entitled to make nomination in respect of the shares held by them in dematerialized form with their respective DPs. Those members who are holding shares in physical form are requested to dematerialize their shares by approaching any of the registered DPs. In case any member wishes to dematerialize his/her/its shares and needs any assistance, he/she/ it may write to the Company Secretary at the Registered Office of the Company.

(8) CLOSURE OF BOOKS: The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, the 21st Day of September, 2019 to Friday, the 27th Day of September, 2019 (Both Days Inclusive).**

(9) UPDATION OF MEMBER DETAILS: The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their Permanent Account Number details ("PAN"), email address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India ("SEBI") has mandated the submission of PAN by every participant in the securities market.

As per Regulation 40 of Securities and Exchange Board of India Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, **M/s Bigshare Services Private Limited** for assistance in this regard.

(10) INTIMATION OF CHANGE IN THE DETAILS:

Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or contact our Registrar and Transfer Agent i.e. M/s Bigshare Services Private Limited (Mumbai). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends (If any).

(11) DISPATCH OF ANNUAL REPORT: Pursuant to the provisions of Sections 101 and 136 of the Act read with the Companies (Accounts) Rules, 2014 Annual Report for the Financial Year 2018-19, the notice of the 11th Annual General Meeting along with Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for a physical Copy of the document. For members who have not registered their email addresses, physical copies of the Documents are being sent by the permitted mode.

(12) RE-APPOINTMENT OF DIRECTORS: In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Hitesh

Babulal Detroja (DIN: 02760273) Whole Time Director of the Company, retires by rotation at the ensuing meeting & being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.

Brief resume of the Director proposed to be re-appointed, nature of her expertise in specific functional areas, names of Companies in which he hold directorships & memberships/chairmanships of Board Committees, Shareholding & relationships between directors inter-se as stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchange, are provided in the Annexure to the notice.

(13) COMPLIANCE UNDER REGULATION 136(1):

The Annual Report of the Company will be available on the Company's website <https://www.lexustile.com/>. As per Section 136(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cs@lexustile.com.

(14) REMOTE E-VOTING: As per Notification issued by Ministry of Corporate Affairs dated 19th Day of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter IX as per SEBI(ICDR) Regulations, 2018 will be exempted from E-voting provisions. Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on NSE Emerge-SME Platform of National Stock Exchange of India Limited. Therefore, Company is not providing remote e-voting facility to its shareholders.

The Members of the company had appointed M/s Ashok Holani & Co., Chartered Accountants as

Statutory Auditors of the Company at 9th of the Annual General meeting of the company which is valid till the conclusion of the 14th Annual General Meeting of the Company to be held in the Calendar Year 2022, subject to ratification of such appointment by Members at every AGM. The requirement of ratification by Members at every AGM is omitted vide notification dated May 7,2018 issued by the Ministry of Corporate Affairs. Accordingly, the Board has not recommended ratification for the appointment of Statutory Auditors, However the Board has noted the confirmation received from M/s Ashok Holani & Co., Chartered Accountants, to the effect that their appointment is in compliance of Sections 139 and 141 of the Act and rules made thereunder.

(15) INSPECTION: Relevant Documents referred to in the proposed resolutions are available for inspection by members at the Registered Office of the Company between 11.30 A.M. to 12.30 P.M. on all working days up to the date of the Annual General Meeting.

(16) A person who is not a member as on cut-off date should treat this notice for Information purpose only.

(17) As a part of “**Green Initiative in the Corporate Governance**”, the Ministry of Corporate Affairs has permitted the Companies to serve the documents, namely Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditor’s Report, Board’s Report etc. to the Members through e-mail. The Shareholders holding shares in physical form are requested to register their E-mail Address with the Registrar & Share Transfer Agent by sending duly signed request letter quoting their Folio No. name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

(18) Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with the Secretarial Standards on General Meeting (SS 2) issued by the Institute of Company Secretaries of

India, no gifts/coupons shall be distributed at the Meeting.

(19) NRI SHAREHOLDERS: The non-resident Indian shareholders are requested to inform the company immediately about:

1. The change in the residential status on return to India for Permanent settlement.
2. The particulars of NRO bank account in India if not furnished Earlier.

(20) ROUTE-MAP: A route Map showing directors to reach the Venue of the Meeting is given at the end of this Notice.

REQUEST TO MEMBERS:

Members are requested to send their question(s), if any, relating to the financial statements, shareholding etc., to the Company Secretary/Chief Financial Officer at the Registered Office of the Company at least 7 days in advance, so that the answers/details can be kept ready at the AGM.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT") FORMING PART OF THE NOTICE:

ITEM NO.: 3

The Board of Directors of the Company appointed Mr. Jitendrabhai Chandulal Lakhtariya (DIN-08344782) as an Additional & Independent Director on the Board of the Company with effect from 05th February, 2019. he appointed pursuant to Section 161 of the Companies Act, 2013, read with the rules framed there under and the Articles of Association of the Company and other applicable provisions. In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Jitendrabhai Chandulal Lakhtariya will hold office up to the date of the ensuing Annual General Meeting. The details of Mr. Jitendrabhai Chandulal Lakhtariya, as required to be given pursuant to the Listing Regulations and the Secretarial Standards, are as follows:

Mr. Jitendrabhai Chandulal Lakhtariya is an Indian national having 10 years of experience in area of finance of an organization. He has done his course of B.P.ed from Saurashtra University in the year 2010. He worked at M/s Kartik Industries where he was handling all the banking related activity of finance department.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 3 of the Notice for the approval of the shareholders, as in the opinion of the Board; Mr. Jitendrabhai Chandulal Lakhtariya fulfils the conditions for appointment as specified in the Companies Act, 2013. Mr. Jitendrabhai Chandulal Lakhtariya himself is interested in the resolution under Item No.3. Save and except Mr. Jitendrabhai Chandulal Lakhtariya, being appointee, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

ITEM NO.: 4

The Board of Directors of the Company appointed Mr. Rakesh Jayantilal Amrutiya (DIN – 08421454) as an Additional & Independent Director on the Board of the Company with effect from 23rd April, 2019. he appointed pursuant to Section 161 of the Companies Act, 2013, read with the rules framed there under and the Articles of Association of the Company and other applicable provisions. In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Rakesh Jayantilal Amrutiya will hold office up to the date of the ensuing Annual General Meeting. The details of Mr. Rakesh Jayantilal Amrutiya, as required to be given pursuant to the Listing Regulations and the Secretarial Standards, are as follows:

Mr. Rakesh Jayantilal Amrutiya is an Indian national having 10 years of experience in Functional area of an organisation. He has done his course of B.SC (Chemistry) from Saurashtra University in the year 2010. He was recently worked at M/s Rolence Pharma & Chemicals LLP where he was a Production Manager and looks and Manages the entire production activities

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 3 of the Notice for the approval of the shareholders, as in the opinion of the Board, Mr. Rakesh Jayantilal Amrutiya fulfils the conditions for appointment as specified in the Companies Act, 2013. Mr. Rakesh Jayantilal Amrutiya himself is interested in the resolution under Item No.4. Save and except Mr. Rakesh Jayantilal Amrutiya, being appointee, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

ITEM NO.: 5

To Approve continuation of payment of Remuneration to Executive Directors who are Promoters or members of the Promoter Group in

excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. [SEBI (LODR) (Amendment) Regulations, 2018]:

As per the recently introduced **Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018**, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if:

- (a) The annual remuneration payable to such executive director exceeds rupees 5 Crores or 2.5 per cent of the net profits of the Company (calculated as per the provisions of Section 198 of the Companies Act, 2013), whichever is higher; or
- (b) Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the Company (calculated as per Section 198 of the Companies Act, 2013).

Currently, there are five Executive Directors in the Board of the Company who are promoters and members of the promoter group. Mr. Anilkumar Babulal Detroja, Mr. Babulal Mahadevbhai Detroja, Mr. Nileshbhai Babubhai Detroja, Mr. Hitesh Babulal Detroja, and Mrs. Parulben Nileshbhai Detroja, are the promoters of the Company. The Shareholders have approved their remuneration and any alterations in the remuneration payable to them within the limits as prescribed at that time under Companies Act, 2013, while approving the change in their designations in the 9th Annual General Meeting held on 28th September, 2017.

The remuneration of the above-mentioned Executive Directors in aggregate falls in excess of 5 per cent of the net profits of the Company in aggregate. This necessitates seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their terms in order to comply with the

above mentioned recently introduced Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The Board approved the above proposal in their meeting held on 24th August, 2019 after considering the contributions of Mr. Anilkumar Babulal Detroja, Mr. Babulal Mahadevbhai Detroja, Mr. Nileshbhai Babubhai Detroja, Mr. Hitesh Babulal Detroja, and Mrs. Parulben Nileshbhai Detroja towards the overall growth and development of the Company.

The Board recommends the resolution as set out in Resolution No. 3 of the Notice for approval by the Members as Special Resolution.

Except Mr. Anilkumar Babulal Detroja, Mr. Babulal Mahadevbhai Detroja, Mr. Nileshbhai Babubhai Detroja, Mr. Hitesh Babulal Detroja, and Mrs. Parulben Nileshbhai Detroja, and their relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

**By the Order of the Board
For LEXUS GRANITO (INDIA) LIMITED**

**Sd/-
Anilkumar Babulal Detroja
(Managing Director)**

DATE: 24.08.2019

PLACE: Morbi

**Registered Office:
SURVEY NO. 800, OPP. LAKHDIRPUR VILLAGE,
LAKHDIRPUR ROAD, N.H. 8A, TAL. MORBI,
RAJKOT- 363642
CIN: L26914GJ2008PLC053838**

ATTENDANCE SLIP
(to be presented at the entrance)

11th ANNUAL GENERAL MEETING ON SATURDAY, 28th DAY OF SEPTEMBER, 2019 AT 3.00 P.M.
SURVEY NO. 800, OPP. LAKHDHIRPUR VILLAGE, LAKHDHIRPUR ROAD, N.H. 8A, TAL. MORBI, RAJKOT-
363642

Registered Folio/ DP ID & Client ID		
Name and Address of the Shareholder(s) Joint Holder 1 Joint Holder 2		
I/We, hereby record my/our presence at the 7th Annual General Meeting of the Company held at SURVEY NO. 800, OPP. LAKHDHIRPUR VILLAGE, LAKHDHIRPUR ROAD, N.H. 8A, TAL. MORBI, RAJKOT- 363642 on SATURDAY, 28th Day of September, 2019 at 3.00 P.M		
Member's Folio/DP ID/Client ID No. Signature	Member's Proxy's name(in Block Letters)	Member's/Proxy's
Note: 1. Please fill in the Folio/DP ID/Client ID No., Name and Sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.		

**FORM NO. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L26914GJ2008PLC053838

Name of the Company : LEXUS GRANITO (INDIA) LIMITED

Name of the Member(s) :

Registered Address :

E-Mail ID :

Folio No./Client ID :

DP ID :

I/We, being the member(s) of ----- shares of the above-named Company, hereby appoint:

1. Name :-----
 Address :-----
 E-Mail ID :-----
 Signature :-----or failinghim

2. Name :-----
 Address :-----
 E-Mail ID :-----
 Signature :-----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th **Annual General Meeting** of the Company to be held on the **SATURDAY, 28th Day of September, 2019 at 3.00 P.M.** at SURVEY NO. 800, OPP. LAKHDIRPUR VILLAGE, LAKHDIRPUR ROAD, N.H. 8A, TAL. MORBI, RAJKOT-363642, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
ORDINARY BUSINESS	
1.	Adoption of Audited Financial Statements and Consolidated Financial Statements for the year ended March 31, 2019
2.	Appointment of Director liable to retire by rotation.
SPECIAL BUSINESS	
3.	Appointment of a Mr. JitendrabhaiChandulalLakhtariya as a Non-Executive Independent Director

4	Appointment of a Mr. Rakesh Jayantilal Amrutiya as a Non-Executive Independent Director
5	To Approve continuation of payment of Remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. [SEBI (LODR) (Amendment) Regulations, 2018]

Signed this 24th Day of August, 2019

Signature of Shareholder

Signature of Proxy Holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such shall not act as proxy for any other person or shareholder.

***This is only optional. Please put "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" Column against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.*

3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

FOR KIND ATTENTION OF SHAREHOLDERS

Dear Shareholders,

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its "register of members" to incorporate certain new details, as are required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its circular No. 17/2011 dated 21.04.2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We therefore request you to furnish the following details for updation of register of Members and enable the Company to send all the communication to you through electronic mode:

General Information:

Folio No.:	
Name of the first named Shareholder:	
Father's/Mother's/Spouse's Name:	
Address (Registered Office Addressing case the Member is the Body Corporate):	
E-mail id:	
PAN: *	
CIN/Registration No.: * (applicable to Corporate Shareholders)	
UIN (Aadhar Number):	
Occupation:	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of Birth of the Member	

*Members holding shares in DEMAT mode may furnish these details to their respective DP's.

Bank Details:

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	

Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

*A blank cancelled cheque is enclosed to enable verification of bank details.

Signature of Member

Kindly, submit the above details duly filled in and signed at the appropriate place to the Registrar & Share Transfer Agent of the Company viz. "BIGSHARE SERVICES PRIVATE LIMITED., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Marol Maroshi Road, Andheri East, Mumbai-400059, Maharashtra.

The E-mail ID provided shall be updated subject to successful verification of your signature. The members may receive Annual Reports in physical form free of cost by post by making request for the same.

Thanking You,

For LEXUS GRANITO (INDIA) LIMITED

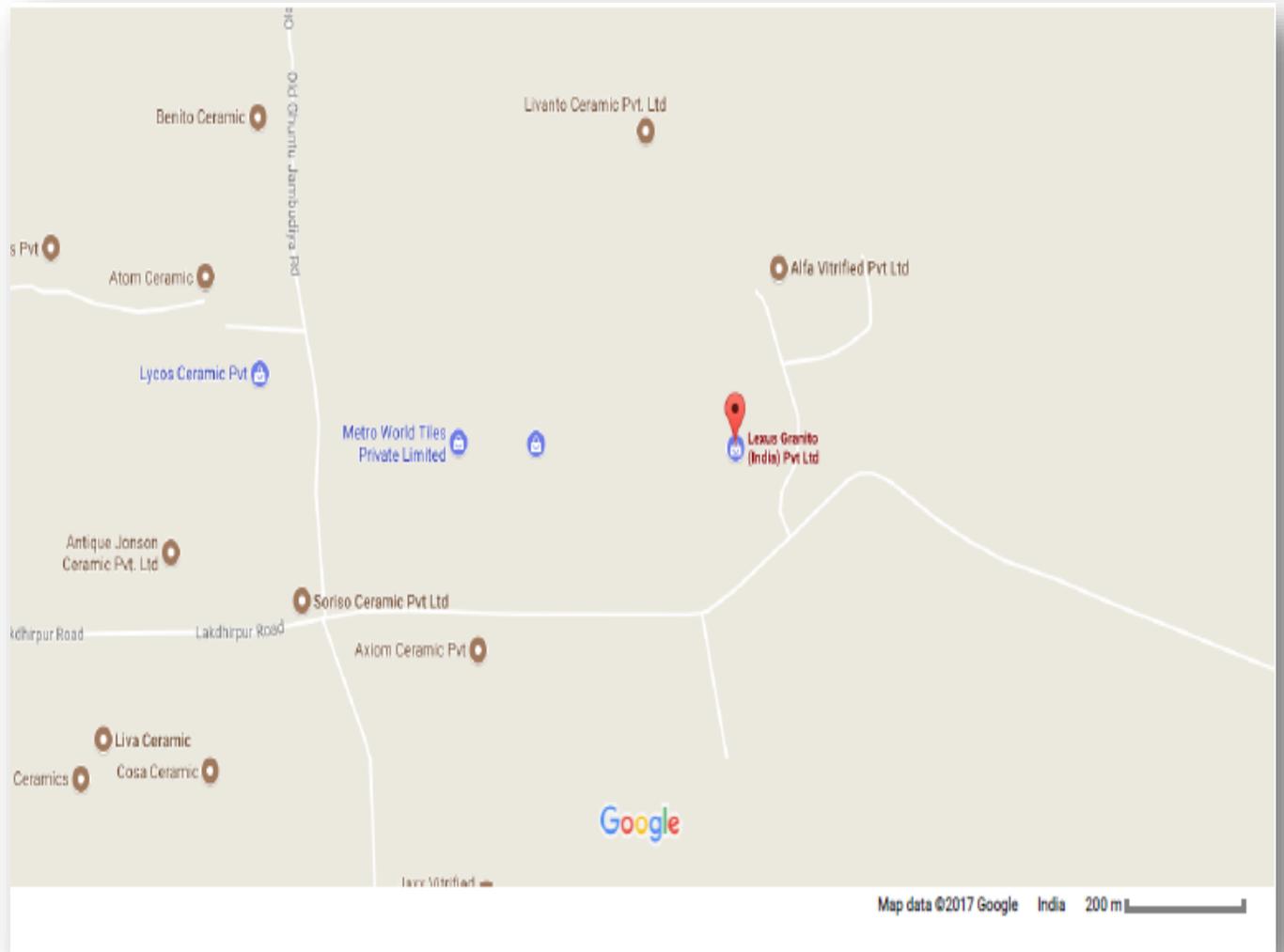
Sd/-

ANILKUMAR BABULAL DETROJA

(Managing Director)

DIN No. 03078203

Route map of the Annual General Meeting



DIRECTORS'S REPORT

Dear Shareholders,

The Directors of your Company with immense pleasure, presenting the 11th Annual Report on the business and operation of the company together with Audited Financial Statements of Accounts and the Auditors Report of your Company for the Financial Year ended on 31st March, 2019.

FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year ended 31st March, 2019 is summarized below:

(Amount in cr.)

Particulars	STANDALONE	
	31.03.2019	31.03.2018
Sales/Income from Business operations (Gross)	132.22	182.96
Less: Excise Duty	-	1.56
Net Sales	132.22	181.39
Other Income	5.85	2.99
Total Revenue	138.07	1.84
Less: Total Expenses	137.55	173.48
Profit/(Loss) before Tax	0.52	10.90
Less: Current tax expense for current year	1.39	2.56
Less: Deferred tax	(1.19)	1.34
Less: MAT Credit Entitlement	-	(.001)
Less: Earlier Year	-	.001
Net Profit/ (Loss) after Tax for the year	0.33	6.99
Earnings per share (Basic)	0.17	4.13
Earnings per share (Diluted)	0.17	4.13

STATE OF COMPANY'S AFFAIRS

BUSINESS OPERATIONS

The Indian tile industry is poised to experience significant growth over the coming year despite facing challenges like Demonetization due to ever-growing populations and needs to home. This optimism stems from the important realities that are expected to catalyze tile demand pan-India.

Nowadays, Ceramic tiles have become necessities of every household. Company's current business model is manufacturing and exporting the tiles in India as well as in International Markets. Housing sector is going to

be the booster for tile industry. According to expert's analysis in the tile industry, the housing sector is at a tipping point and will be the economy's next big growth driver.



Our Company has been operating in both domestic and international markets. Our revenue from domestic and export operations contributed 61.57% and 38.43% respectively of our total revenue from operations for the year ended March 31, 2019. During FY 2018-2019, we exported our products to various countries such as Saudi Arabia, Mexico, Kuwait, Oman, Canada, Nepal, Poland, Taiwan etc. We intend to continue to mark a presence in global markets in our industry by supplying innovative products at competitive prices.

FINANCIAL PERFORMANCE

Our total revenue is Rs. 13,807.703 lakhs in FY 2018-19 as compare to Rs. 18,438.517 lakhs in FY 2017-18. The sales our company declined in the current financial year due to low demand in housing sector and most of the building projects in India are at standstill due to lack of adequate funds and buyers in the market. Further our plant was closed for two to three months during the year due to order of NGT Tribunal for banning use of coal in the manufacturing tiles.

Despite several challenges faced by the company such as acute liquidity position, delayed payment from customers and stopping of production lines due to ban on using coal for manufacture of tiles, we were able to achieve profit after tax of Rs. 33.32 lakhs in F.Y. 2018-19 as compared to Rs. 699.83 lakhs in F.Y. 2017-18. During the year company rating by the rating agencies also declined due to default in payment of interest and timely repayments of debts taken. Overall this was very bad year for the company both in profits and sales.

Your management is striving hard to address all the issues coming in the company and is confident that new strategies now being pursued by the company to focus on low cost tiles is appropriate for achieving the desired result. Considering the brand equity enjoyed by the company and the performance of the company during the year in a tough environment, and several steps taken for improving the performance of the company, the management therefore believes, it is appropriate to prepare the financial statements on going

concern basis. The company has also improved its working capital shortage in the financial year to purchase raw materials at cheaper prices and advances credit to its buyers by taking interest free unsecured loans from the promoters and directors of the company amounting to Rs. 8 crores in the month of March 2019. This will help in improving the liquidity positions. The company has also made changes in its production line and shifted from coal to gas for the manufacture tiles. Now the company plant is running at optimum levels and your directors are hopeful for better performance in the coming years.

TRANSFER TO RESERVES

The board of Directors of the company has transferred amount of Rs. 33,31,927/- to its Reserves & Surplus head of the Balance Sheet during the Financial Year 2018-19.

DIVIDEND

No Dividend has been declared by the company for the year ended March 31, 2019 with a futuristic approach to retain the earnings in the business for expansion from internal accrual for the growth of the company.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the company.

CHANGES IN BOARD OF DIRECTORS AND KMP DURING THE YEAR

APPOINTMENT:

The Board of Directors inform the members of the Company that the appointment of the board of directors took place under the provisions of Section 161 and applicable provisions of Companies Act, 2013, which is as follows: -

1. Mr. Dhiraj Omprakash Sachdev was appointed as Additional Non-Executive Director in the board w.e.f 18.08.2018 and has been appointed as a Non-Executive director in AGM held on 22.09.2018 for a term of five years
2. Mr. Jitendrabhai Chandulal Lakhtariya was appointed as Additional Independent Non-Executive Director of the company on the Board w.e.f. 05.02.2019. His tenure will expire at the ensuing Annual General Meeting; the Board of Directors have recommended his appointment as Independent Directors of the Company to the members in the ensuing AGM.
3. Mr. Rakesh Jayantilal Amrutiya was appointed as Additional Independent Non-Executive Director of the company on the Board w.e.f. 23.04.2019. His tenure will expire at the ensuing Annual General Meeting; the Board of Directors have recommended his appointment as Independent Directors of the Company to the members in the ensuing AGM.

RESIGNATION:

The Board of Directors inform the members of the Company that the resignation of the board of directors took place under the provisions of Section 168 and applicable provisions of Companies Act, 2013, which is as follows: -

1. Mr. Jitendra Rasiklal Gadara has resigned from the post of Non-Executive Independent Director of the company on the Board w.e.f. 19.01.2019 on personal grounds. Mr. Gadara has made a remarkable contribution for the sustainable growth and success of the company. Strategic direction and support extended by him in all the phases the company went through, would always be reminisced at all the times.

2. Mr. Girish Prabhulal Vadaviya has resigned from the post of Non-Executive Independent Director of the company on the Board w.e.f. 05.02.2019 on personal grounds. Mr. Gadara has made a remarkable contribution for the sustainable growth and success of the company. Strategic direction and support extended by him in all the phases the company went through, would always be reminisced at all the times.

3. Mr. Dhiraj Omprakash Sachdev has resigned from the post of Non-Executive Director of the company on the Board w.e.f. 14.05.2019 on personal grounds. Mr. Gadara has made a remarkable contribution for the sustainable growth and success of the company. Strategic direction and support extended by him in all the phases the company went through, would always be reminisced at all the times.

COST AUDIT

The provision of section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable to the Company.

SHARE CAPITAL AND OTHER CHANGES

During the Financial Year 2018-19, there are no changes in the Company took place as stated below: -

1. Authorized Share Capital

As on date of this report the Authorised Share Capital of the company is Rs. 22.00 Crores divided into 2,20,00,000 equity shares of Rs. 10 each.

2. Right Issue

During the year company has not increased its issued and paid-up Equity Share Capital by making any right issue of shares.

3. Bonus Issue

During the Financial Year no shares were issued to existing shareholders as Bonus Shares under any Bonus Issue.

4. Issue of Equity Shares with Differential Rights

Company does not have Equity Shares with differential rights and have not issued any shares with differential rights during the financial year 2018-19.

5. Issue of Sweat Equity Shares

During the Financial Year no shares were issued as Sweat Equity Shares under any Scheme.

6. Issue of Employee Stock Options

During the Financial Year no shares were issued under any Scheme of Employee Stock Option.

7. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

There was no provision made of the money by the company for purchase of its own shares by employees or by trustees for the benefit of employees or by trustees for the benefit of employees.

8. Splitting/Sub Division of shares

No splitting/ sub division of shares was done during the financial year 2018-19.

9. Further Issue of Shares Through Initial Public Offer and Listing of Shares

No further issue of shares was done during the financial year 2018-19.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection fund (IEPF).

DEPOSITS

Company has complied with section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment. Hence the requirement of furnishing the details of the deposits which are not in compliance with chapter V of the Act is not applicable.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The Company has no Subsidiaries and Joint Ventures as on the year ended 31st March, 2019. Details of Associates/Group Companies as on the year ended 31st March, 2019 is as follows along with **(Annexure VII)**. No such subsidiaries or associates ceased to be subsidiaries or associates during the financial year under review.

LEXUS CERAMIC PRIVATE LIMITED (LCPL): -

Lexus Ceramic Private Limited is a Private Company incorporated on April 27, 2007 under the provisions of Companies Act, 1956 and has its registered office situated at Survey No. 793/P, At. PO. Ghuntu, Morbi, Gujarat-363642, India. The Corporate Identification Number is U26914GJ2007PTC050675. The paid-up capital of the Company is Rs. 230.25 Lakhs.

Board of Directors as on the date 31.03.2019:

Category	Name of Directors	DIN
Director	Mr. Sanjaykumar Mahadevbhai Saradava	07877165
Director	Mr. Sandip Vashudevbbhai Aghara	08234892

Main Object:

To carry on in India or elsewhere the business to manufacture, produce, treat, process, design, develop, build, convert, cure, crush, distribute, display, exchange, barter, explore, extract, excavate, finish, formulate, grind, handle, fabricate, import, export, purchase, sell, jobwork, mix, modify, market, operate, prepare, and to act as brokers, agents, stockiests, consignors, franchisers, distributors, suppliers, promoters, wholesalers, retailers, and sales organizers, of all shapes, sizes, varieties, specifications, descriptions, applications and uses of tiles, including ceramic tiles, glazed tiles, mosaics tiles, floor tiles, marble tiles, cement tiles, wall tiles, granite tiles, porcelain tiles, roofing tiles, china tiles, Ceramic Products and by-products thereof, sanitary wares, wash basins, ceramics wares, earth wares, crookeries, pressed wares, decorative wares, garden wares, kitchen wares, potteries insulators, terra-cotta, porcelain ware, bathroom, accessories, pipes, bricks, building

materials, asbestos sheets, poles, blocks, plumbing fixture including fitting, parts, accessories, consumable, components and buy-products thereof.

Financial Performance:

Particulars	2018-19
Equity Share Capital	2,30,25,000
Profit After Tax	--

Nature and Extent of Interest of our Directors:

Hitesh Detroja, Nilesh Detroja and Anilkumar Detroja, Babulal Mahadevbhai Detroja, Parulben Nileshbhai Detroja are directors of our company collectively holds 11,19,500 equity shares constituting 48.62% of total number of equity shares in Lexus Ceramic Private Limited. Hitesh Detroja, Nilesh Detroja, Babulal Mahadevbhai Detroja and Parulben Nileshbhai Detroja also serve as directors in the Company.

LIOLI CERAMICA PRIVATE LIMITED:

Lioli Ceramica Private Limited is a Private Company incorporated on October 28, 2016 under the provisions of Companies Act, 2013 and has its registered office situated at Survey No. 315/P2, Juna Sadulka, Nr. Lemica Paper Mill, 8-A National Highway, Morbi Rajkot, Gujarat-363642, India. The Corporate Identification Number is U26999GJ2016PTC094240. The paid-up capital of the Company is Rs. 6500.00 Lakhs.

Board of Directors as on 31.03.2019:

Category	Name of Directors	DIN
Director	Nilesh Babubhai Detroja	01725545
Director	Manish Rasiklal Gadara	02649306
Director	Hitesh Babulal Detroja	02760273
Director	Anilkumar Babulal Detroja	03078203
Director	Milan Chandubhai Gadara	07776020
Director	Amit Raghavjibhai Gadara	07776886

Main Object:

To carry on in India or elsewhere the business to manufacture, produce, trade, deal, treat, process, design, develop, build, convert, cure, crush, distribute, display, exchange, barter, explore, extract, excavate, finish, formulate, grind, handle, fabricate, import, export, purchase, sell, job work, mix, modify, market, operate, prepare, and to act as brokers, agents, stockiest, consignors, franchises, collaborators, distributors, suppliers, promoters, concessionaires, consultants, C&F agent, wholesaler, retailers, and sales organizers, of all shapes, sizes, varieties, specifications, descriptions, applications and use of tiles, & Sanitary wares, including ceramic tiles, wall glazed tiles, floor tiles, marbles tiles, wall tiles, granite tiles, Vitrified tiles, porcelain tiles, roofing tiles, china tiles, Ceramic Products and by-products thereof, sanitary wares, ceramics wares, earthen wares, crockeries, pressed wares, decorative wares, garden wares, kitchen wares, potteries insulators, terracotta, porcelain ware, glass, bathroom fittings and accessories, pipes, bricks, building materials, asbestos sheets, poles, blocks, plumbing fixture including fittings, parts accessories, consumable, components & by-products thereof.

Financial Performance:

Particulars	2018-19 (In Rs.)
Equity Share Capital	65,00,00,000
Profit After Tax ^{##}	(1.71)

^{##}At the time of preparation of the balance sheet, the financial statements of the company are pending for audit, hence no reporting is made in respect of PAT Figures.

Nature and Extent of Interest of our Directors:

Hitesh Babulal Detroja, Nilesh Babubhai Detroja and Anilkumar Babulal Detroja are directors of our company collectively holds 2,60,33,000 equity shares constituting 40.05% of total number of equity shares in Lioli Ceramica Private Limited. Hitesh Babulal Detroja and Nilesh Babubhai Detroja also serve as directors in the Company.

REGISTRAR & SHARE TRANSFER AGENTS

The Company has appointed M/s Big Share Services Private Limited as its Registrar & Share Transfer Agent.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis on matters related to the business performance as stipulated in the SEBI (LODR) Regulations, 2015 is given as a separate section in the Board Report as **Annexure-VIII**.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**Composition of Board of Directors**

The Board of Directors of Lexus Granito (India) Limited is a balanced one with an optimum mix of Executive and Non-Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making. The Board of the Company is headed by an Executive Chairman. Chairman takes the strategic decisions, frames the policy guidelines and extends wholehearted support to Executive Directors, business heads and associates.

As on 31st March, 2019, The Board of company consists of Eight (8) Directors. The composition and category of Directors is as follows:

Category	Name of Directors	DIN
Chairman and Whole time Director	Mr. Babulal Mahadevbhai Detroja	01725541
Managing Director	Mr. Anilkumar Babulal Detroja	03078203
Whole time Director	Mr. Nilesh Babubhai Detroja	01725545
Whole time Director	Mr. Hitesh Babulal Detroja	02760273
Whole time Director	Ms. Parulben Nileshbhai Detroja	02760294
Non-Executive Independent Director	Mr. Dhiraj Omprakash Sachdev	08195271
Additional Director	Mr. Jitendrabhai Chandulal Lakhtariya	08344782
Non-Executive Independent Director	Mr. Yagneshkumar Ramjibhai Adroja	07814967

Independent Directors

The Board of Directors of the Company informs the shareholders of the Company about the changes in the composition of the board of Directors of the company during the Financial Year 2018-19 as follows:

The Board of Directors appointed Mr. Jitendrabhai Chandulal Lakhtariya and Mr. Rakesh Jayantilal Amrutiya w.e.f. 5th Feb 2019 and w.e.f. 23.04.2019 under Independent category on the board and they will hold office until the ensuing AGM held after his appointment and is eligible for appointment as Independent Directors in the Annual General Meeting held on 28th September, 2019 by the members of the company. Accordingly, requisite resolutions were passed for their appointment as Non-Executive Directors under Independent Category.

Further, sub-section (13) of Section 149, provides that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such Independent Directors. Hence, none of the Independent Directors retire at the ensuing AGMs.

CFO, CS and Managing Director (KMP)

Mr. Dilipbhai N Fultariya was appointed as the Chief Financial Officer (CFO) of the company w.e.f 04th May 2017 as per the provisions of the Companies Act 2013. He handles the finance and accounts of the company and is associated with the company since last seven years.

Mr. Anilkumar Babulal Detroja was appointed as Managing director on the board w.e.f 04th May 2017 for a term of five years and has been handling the management of the company utmost efficiency.

Ms. Payal Jain, M. No. A48898 has been appointed as Company Secretary-cum-Compliance Officer of the company with effect from 02th June 2017.

Appointment of Whole –Time Director

Mr. Babulal Mahadevbhai Detroja, Mr. Nilesh Babubhai Detroja, Mr. Hitesh Babulal Detroja and Ms. Parulben Nileshbhai Detroja were appointed as a Whole-time Directors of the company on the Board w.e.f. 04th May 2017 for a term of five years under the provisions of section 196, 203 and applicable provisions of the Companies Act 2013.

Directors Liable to retire by rotation and be eligible to get Re-Appointed

Pursuant to the provisions of section 152(6) and other applicable provisions of the Companies Act, 2013, Mr.Hitesh Babulal Detroja, though appointed as a Whole Time Director on the board w.e.f 04th May 2017 for a term of five years has been associated with the company as director since 02nd August 2010, is liable to retire by rotation at the ensuing 11th AGM, and being eligible to get re-appointed as Whole Time Director of the company in the ensuing AGM of the company. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

MEETINGS OF INDEPENDENT DIRECTORS

In Compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Regulations) Requirement, 2015; the Independent Directors Meeting of the Company was held on 19.02.2019 and 29.04.2019. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Whenever any new Independent Director is appointed, he/she is made familiar to the business and its operations and also about his role and duties through presentations/programmes by Chairman, Managing Director and Senior Management.

Pursuant to Clause VII of the Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors of the Company are required to hold at least one meeting in a year without the attendance of Non-Independent Directors and Members of Management. All the Independent Directors of the Company shall strive to be present at such meeting.

All Independent Directors were present at the meetings of Independent Directors held on **25.08.2018**.

Name of the Member	Position	Status
Mr. Jitendrabhai Chandulal Lakhtariya**	Chairman	Non-Executive Independent Director
Mr. Rakesh Jayantilal Amrutiya**	Member	Non-Executive Independent Director
Mr. Yagneshkumar Ramjibhai Adroja	Member	Non-Executive Independent Director

***Consequent to the resignation of the Mr. Jitendra Rasiklal Gadara and Mr. Girish Prabhulal Vadaviya decided not to seek re-appointment and has resigned from the post of an Independent Director of the Company w.e.f. 19.01.2019 and 05.02.2019 respectively, the committee was also re-constituted with effect from the Board Meeting held on 06th March, 2019. In the re-constituted committee, Mr.Jitendrabhai Chandulal Lakhtariya was appointed as the chairman and Mr. Rakesh Jayantilal Amrutiya was appointed as the Member.*

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The confirmations were placed before and noted by the Board.

MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and take a view on the Company's policies and strategy apart from other Board matters. The notice for the board meetings is given well in advance to all the Directors.

During the year, the Board of Directors met thirteen times and board meetings were held on the following dates as mentioned in the table:

Sr. No.	Date of Meeting
1	01.05.2018
2	30.05.2018
3	04.06.2018
4	23.06.2018
5	06.08.2018
6	18.08.2018
7	22.09.2018
8	31.10.2018
9	14.11.2018
10	23.01.2019
11	05.02.2019
12	18.02.2019
13	06.03.2019

Frequency and Quorum at these Meetings were in conformity with the provisions of the companies Act,2013 and the “**Listing Regulation**” and the listing agreements entered into by the company with the Stock Exchange. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

DIRECTORS APPOINTMENT, REMUNERATION AND ANNUAL EVALUATION

The Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both non-executive directors and executive directors.

The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration and criteria for determining qualifications, positive attributes, independence of the Director & other matters is attached as **Annexure-IV** to this Report and the same is also available on the website of the Company at the link www.lexustile.com

COMMITTEES OF THE BOARD

The Board of Directors has constituted four Committees, viz.;

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in **Annexure-IX**.

Directors Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) The Directors 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 March 31, 2019 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a '**going concern**' basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS OF THE COMPANY

Statutory Auditors

M/S Ashok Holani & Co., Jaipur (Firm Registration No.:009840C), Statutory Auditor of the Company, hold office for a period of three years from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in 2022. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013, the company has obtained a written consent and certificate from the above mentioned Auditors to the effect that they confirm with the limits specified in the said Section and they had also given their eligibility certificate stating that they are not disqualified for appointment within the meaning of Section 141 of Companies Act, 2013.

Therefore, being eligible, the Board of Directors has appointed M/s Ashok Holani & Co. as Statutory Auditors.

Further, in accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

Secretarial Auditor

Pursuant to provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-

enactment(s) thereof, for the time being in force), the Board of Directors had appointed M/s Manisha Godhara and associates, Company Secretary in Practice, New Delhi having Certificate of practice No.: 13570 was Secretarial Auditor of the Company appointed to conduct Secretarial Audit of the company for the financial year 2018-19.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, in line with the aforesaid compliance, the Board of Directors has appointed M/s Manisha Godhara and associates, Company Secretary in Practice, Jaipur for conducting the Secretarial Audit for the Financial Year 2018-19.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 & the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors had appointed M/s B A Shah & Associates., Chartered Accountant, Rajkot, (M.No.:034222), as Internal Auditor to conduct Internal Audit for the financial year 2018-19.

The Internal Audit Report is received half yearly by the Company and the same is reviewed and approved by the Audit Committee and Board of Directors for each half year for the year 2018-19.

Further, in line with the aforesaid compliance, the Board of Directors has re-appointed M/s B A Shah & Associates, Chartered Accountant, Rajkot, (M.No.:034222), for conducting the Internal Audit for the Financial Year 2018-19.

COMMENTS ON AUDITORS' REPORT

There are qualifications, reservations or adverse remarks made by M/s Ashok Holani & Co. Chartered Accountants, Jaipur, Statutory Auditors in their report for the Financial Year ended March 31, 2019 except the provisions of Sec 197 read with Schedule V of Companies Act, 2013. The comments are as under:

1. According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31st march, 2019 for a period of more than six months from the date on when they become payable

Nature of Tax	Period	Amount (In Lakh)
Tax Deducted at Source	2018-19	10.13
Tax collected at Source	2017-18	11.40
Professional Tax	2018-19	1.46
Cess	2017-18	32.22
Excise Duty	2016-17	24.32
Tax Deducted at Source (Demand)	2011-19	44.61
Total		124.14

2. According to the information and explanations given to us and based on the records of the company examined by us, the company has made defaults in repayment of loans or borrowing/interest to a financial institution, bank, Government or dues to debenture holders. Details as follows: -

S.no	Particulars	Type of Institution	Amount of default	Period of Default
1.	Mas Finance Service Ltd	NBFC	12,20,892.00	1 month
2.	Visu Leasing Finance Private Ltd	NBFC	6,84,639.00	1 month
3.	Jain sons Finlease Ltd	NBFC	18,16,428.00	1 month
4.	AAC SARL	Debenture Holders	41,87,441.00	Six Months
	Grand Total		79,09,400.00	

The management comments on the auditor's report are as under:-

- a). The company is in touch with its legal consultants and trying to revolve the demand outstanding against the company and simultaneously making efforts to pay off the genuine demands
- b). The company was in short of funds during the last year as mentioned by us in our financial operations report and management is striving hard to improve the liquidity position of the company so that these over due are paid and in future no such things happen again as this hamper goodwill of the company.

Observation made by the Auditors are self-explanatory and have been dealt with an Independent Auditors Report & its annexure forming part of this Annual Report and hence do not require any further clarification. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s Manisha Godara and Associates, Secretarial Auditor in the Secretarial Audit Report.

SECRETARIAL AUDIT

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure-I** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of Companies Act, 2013, the Board is required to constitute a corporate social responsibility committee of members, who will manage the CSR activities applicable on the Company to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and duly approved by the Board as well as fix the amount of expenditure to be incurred on the activities and monitor the CSR Policy from time to time.

Our Company constituted the CSR Committee for undertaking the CSR activities as per the provisions of Companies Act, 2013 and SEBI (LODR), 2015.

Taking into account the provisions of Companies Act, 2013, our company is looking for prospective and reliable CSR projects/programmes and considering the projects for making contribution to them with suitable mode of CSR activity. Company would consider the recommendations of CSR Committee and will make plans for spending the amount prescribed as per Companies Act, 2013.

Composition of Corporate Social Responsibility Committee forms part of this report and is included in the Annexure setting out the composition of all the committees of the company.

During the year under review company wasn't able to spend the prescribed amount of CSR expenditure as company wasn't able to find reliable CSR projects/programmes. Further company was unable to spend amount stipulated under CSR for the earlier years due to lack of appropriate CSR Projects. The total amount pending for spending under CSR for the all the year taken together is as under

S.No.	Financial Year	PBT for the year	Avg Net Profits	CSR Amount	Amount Spend	Pending for allocation
1.	2018-2019	5,239,940.97	80,632,273.84	1,612,645.48	0	1,612,645.48
2	2017-18	109,047,069.51	55,176,368.67	1,103,527.37	151,000.00	952,527.37
3	2016-17	80,341,220.00	28,395,962.00	594,062.17	0	594,062.17
Total						31,59,235.02

The Company has incurred a sum of Rs. 1.51 Lakhs (Rupees One Lakh Fifty-One Thousand Only) on CSR initiatives in the areas as per the policy of the company. The CSR Report, forming part of this Report, is furnished in **Annexure XI**.

RISK MANAGEMENT POLICY

The company operates in conditions where economic; environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. The Listing Regulations required that all listed Companies shall lay down the procedure towards risk assessment. It also requires that the Company must frame, implement and monitor the risk management plan of the Company. To overcome this and as per the requirement of Section 134(3)(n) of the Companies Act, 2013 read with the rules made there under, if any, Board has framed a very comprehensive Risk Management Policy to oversee the mitigation plan including identification of element of risk, for the risk faced by the Company, which in the opinion of the Board may threaten the existence of the Company. The objective of the policy is to make an effective risk management system to ensure the long-term viability of the Company's business operations.

Although the Company has adopted the policy regarding the assessment of the risk and its updates are provided to the senior management of the Company the process for the mitigation of the risk is defined under the risk management policy of the company which are available for the access on our website www.lexustile.com.

INTERNAL FINANCIAL CONTROLS

The Company has identified and documented all key internal financial controls, which impact the financial statements. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the financial year 2018-19, the board of directors of the company Canceled the EOGM for issue and allotment of Share warrants exercisable into Equity Shares of face value of Rs. 10/- each of the Company on a preferential basis which was scheduled on **Friday 05th July, 2019** due to concurrence of certain unforeseen circumstances.

Further in-spite of the same there are no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report other than the details given in this board report.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT

No revision of the Financial Statement or Annual Report has been made during Financial Year 2018-19 for any of the three preceding Financial Years.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CORPORATE GOVERNANCE

The Corporate Governance requirements as stipulated under the of SEBI (LODR) Regulations, 2015 is not applicable to the company but the Company adheres to good corporate practices at all times.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2019 as required under Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules 2014, is annexed herewith as **Annexure-II** which forms part of this Board report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Company has not given any loan, guarantee or provided security in connection with a loan and had not made any investment under the Section 186 of Companies Act, 2013.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions that were entered by the Company during the Financial Year were in Ordinary Course of the Business and on Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC-2 in **Annexure-III** is annexed to this report.

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement is disclosed in the financials.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

Pursuant to the amendment in the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a detailed statement is attached as **Annexure-V**.

Apart from that, there are no Employees in the Company whose particulars are required to be disclosed in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in the report.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the company to achieve its business objectives. The morale of employees continued to remain high during the year contributing positively to the progress of the Company. However, aspirations of employees in Company remain to be high. This is a challenge as only growth can fulfil these aspirations and in today's market scenarios one has to perform extraordinarily to achieve growth.

The Company has always provided a congenial atmosphere for work to all sections of the society. Your Company is committed to respect universal human rights. To that end, the Company practices and seeks to work with business associates who believe and promote these standards. The Company is committed to provide equal opportunities at all levels, safe and healthy workplaces and protecting human health and environment. The Company provides opportunities to all its employees to improve their skills and capabilities. The Company's commitment extends to its neighbouring communities to improve their educational, cultural, economic and social well-being.

Your Company is an equal opportunity employer and does not discriminate on the grounds of race, religion, nationality, ethnic origin, colour, gender, age, citizenship, sexual orientation, marital status or any disability not affecting the functional requirements of the position held.

VIGIL MECHANISM & WHISTLE BLOWER

The company has established a Whistle Blower Policy which also incorporates a Vigil Mechanism in terms of the SEBI (LODR) Regulations, 2015 for directors and employees commensurate to the size and the business of the company to promote ethical behaviour, actual or suspected fraud or violation of our code of conduct and ethics. Under the said mechanism, the employees are free to report violations of applicable laws and regulations and the code of conduct. It also provides for adequate safeguards against the victimization of persons who use such mechanism.

The Whistle Blower Policy of the Company is also available on the website of the company at the link www.lexustile.com

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of energy conservation, technology absorption and foreign exchange earnings and outgo are attached as **Annexure-VI** to this Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Our Company is an equal opportunity provider and believes in providing opportunity and key positions to women professionals. At the same time, it has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them.

The Company has zero tolerance towards sexual harassment of Women at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of Women at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under.

The following is the summary of Sexual Harassment Complaints received and disposed off during the year 2018-19.

- a. Number of Complaints of Sexual Harassment at the beginning of the Financial year: NIL
- b. Number of Complaints disposed off during the year: NIL
- c. Number of Complaints pending as on the end of the Financial year: NIL
- d. Nature of action taken by the Company: NA

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company as well as consequences of disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's shares.

The Insider Trading Policy of the Company covering the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for the prevention of Insider Trading is available on the website <http://www.lexustile.com>

INVESTOR GRIEVANCE REDRESSAL

During the financial year under review, there were no pending complaints as per the certificate given by RTA as on dated 08.04.2019 or share transfer cases as on 31st March 2019, as per the certificate given by RTA as on dated 16.04.2019.

POLICIES ADOPTED BY THE COMPANY

Your company has adopted various policies for the smooth working of the company which are as follows:

CODE OF CONDUCT TO REGULATE MONITOR AND REPORT TRADING BY INSIDERS

There are many information's that are important and price sensitive and required to be kept confidential on the part of the company, if the information is disclosed this will harm the image of the company, in the

definition of the insider it will include all the persons connected with the company including the all employee's so policy relating to this is available on the website of the company.

This policy is applicable to all employee's and KMP's of the company to not to disclose the confidential information of the company which affects the performance of the company. The policy of the company for the access is available on the website www.lexustile.com

CODE OF CONDUCT OF BOARD OF DIRECTORS & SENIOR MANAGEMENT

Certain code of conduct is required from the senior management including the Board of Directors of the Company; they have to be abiding by the rules and laws applicable on the company for the good governance and business ethics. It describes their responsibility and accountability towards the company. Policy of the company relating to this is available for the access at the website www.lexustile.com

CORPORATE SOCIAL RESPONSIBILITY

CSR is a broad term describes the company's efforts towards the society, this is mandatory under certain terms of Companies Act 2013, but the benefit of this policy is two handed one hand company get the chance to involve in the social welfare and other hand this will improve the image of the company.

CSR policy creates social awareness among the companies and creates an obligation towards the society. Policy of the company relating to this is available for the access at the website www.lexustile.com

FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

Under Familiarization programme all Independent Directors (IDs) inducted into the Board are given an orientation, presentations are made by Executive Directors (EDs) and Senior Management giving an overview of our operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an orientation on our products, group structure and subsidiaries, board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy.

This policy includes keeping updated to the independent directors about the working of the company and projects in which company is involved various programme are conducted by the company for the ID's. The Policy on the Company's Familiarization Programme for IDs can be accessed at the website www.lexustile.com

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, KMP and all other employees of the Company. As part of the policy, the Company strives to ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

Relationship between remuneration and performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its

goals. Policy relating to the nomination and remuneration of the company is available on the website of the company www.lexustile.com

DETERMINATION OF MATERIALITY OF INFORMATION & EVENTS

From the point of Listed entity, investors of the entity of the also expecting more and more information for the company, so under this policy the management of the company determines the material events of the company and disclosed them for their investors.

Under this policy company may decide all those events and information which are material and important that is compulsory to be disclosed for the investors about the company, policy related to this is available at the website www.lexustile.com

PRESERVATION OF DOCUMENTS

The Corporate records need to be kept at the places and manner defined under the Act, policy relating to that for the safe keeping of the documents is available on website www.lexustile.com

POLICY ON RELATED PARTY TRANSACTIONS

The Objective of the Policy is to set out:

- (a) The materiality thresholds for related party transactions; and
- (b) The manner of dealing with the transactions between the Company and its related parties based on the Act, your company adopted this policy for dealing with parties in a transparent manner available at the website of the company www.lexustile.com

TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

Independent directors are the key part of the board according to the Schedule IV to the Companies Act, 2013 they are skilled, experienced and knowledgeable persons, they are required on the board to take improved and better decisions policy relating to the appointment will be helpful for the board policy of the company is available at the website www.lexustile.com

ARCHIVAL POLICY

This policy deals with the retention and archival of the corporate record, these records are prepared by the employees of the company under this policy any material information relating to the company shall be hosted on the website of the company for the investors and public and remain there for period of five year. The policy of the company for the access is available on the website www.lexustile.com

CODE OF CONDUCT OF INDEPENDENT DIRECTORS

Independent Directors are the persons who are not related with the company in any manner. A code of conduct is required for them for their unbiased comments regarding the working of the company. They will follow the code while imparting in any activity of the company. The policy deals with the code of conduct of the Independent Directors, their duties and responsibilities towards the company, is available at the website www.lexustile.com

RISK ASSESSMENT AND MANAGEMENT

Risk is the part of every one's life, while running any business many kinds of risks are involved. To minimise the business risk and all the factors that will negatively effects the organization every company tries to follows a certain procedure for the forecasting of the risk and its management. Policy relating to this is available on the website www.lexustile.com

WHISTLE BLOWER AND VIGIL MECHANISM:

While running the big organization, there are certain good and bad things that may happen in order to control the fraud, misconduct and malpractices. This procedure is adopted by the company and reporting of this procedure is done under the vigil mechanism, by adopting this kind of system company can control the unethical acts and practices. The policy relating to this is available at the website www.lexustile.com

PREVENTION OF SEXUAL HARRASSMENT

It has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them. The Company has policy against sexual harassment.

GENERAL

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

All the material changes, commitments affecting the financial position of your Company between the end of financial year (March 31, 2019) and the date of report (August 24, 2019) has been mentioned in the board report.

CHANGE IN THE NAME OF THE COMPANY

During the financial year, there has been no change in the name of the Company.

CFO CERTIFICATION

The company has obtained Compliance Certificate from Mr. Dilipbhai N Fultariya, Chief Financial Officer of the company, pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year 2018-19 was placed before the Board of Directors of the Company and is attached as **Annexure-X** to this Report.

DECLARATION AFFIRMING COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm and declare that all the Board Members and Senior Management Personnel have individually affirmed compliance with the Code of Conduct adopted by the Company for the Financial Year ended 31st March, 2019 being attached to this report as **Annexure-XII**

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Central & State Government, Local Authorities, Clients, Vendors, Advisors, Consultants and Associates at all levels for their continued guidance and support. Your Directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the Company.

For and on behalf of the Board of Directors

Sd/-

**ANIL KUMAR BABULAL DETROJA
(MANGAING DIRECTOR)**

Place: Morbi

Date: August 24, 2019

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to Section 204, 9(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

Lexus Granito (India) Limited

Survey no. 800, Opp. Lakhdirpur Village,

Lakhdirpur Road, N. H. 8A, Tal. Morbi,

Rajkot - 363642 Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Lexus Granito (India) Limited**” (hereinafter called the “company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31,2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (“the Act”) and Companies Act, 1956 (to the extent applicable) the rules made there under including any re-enactment thereof;

(ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit Period;

We have also examined compliance with the applicable clauses of the following:

- I. The Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;
- II. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted during the financial year under report;

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

We further report that: -

The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to External Commercial Borrowings were not attracted during the financial year under report.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or consent of all directors were received in writing for shorter board meeting notice consents (if any), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

Management Responsibility:

i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;

ii. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;

iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;

iv. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

v. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Manisha Godara and Associates
Company Secretaries
FRN: S2014RJ268900**

Date: 24-08-2019

Place: New Delhi

**Sd/-
Manisha Godara
A36531
CP 13570**

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN****for the financial year ended on 31st March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L26914GJ2008PLC053838
ii.	Registration Date	08 th May 2008
iii.	Name of the Company	Lexus Granito (India) Limited
iv.	Category/Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
v.	Address of the Registered office and contact details	Survey No. 800, Opp. Lakhdirpur Village, Lakhdirpur Road, N.H. 8A, Tal. Morbi, Rajkot- 363642 Gujarat Contact Details: - +91 7567500110
vi.	Whether listed company	Listed (Yes) (National Stock Exchange Limited)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next to keys hotel) Marol Maroshi Road, Andheri East, Mumbai-400059 (Maharashtra)

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

S. No.	Name and Description of main products/ services	NIC Code 2008 of the Product/	% to total turnover of the company
1	Manufacturing, trading and dealing in all types, styles and natures of Tiles and Sanitary ware	2391	100%

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1.	Lioli Ceramica Private Limited	U26999GJ2016PTC094240	Associate	40.05%	Section 2(6)
2.	Lexus Ceramic Private Limited	U26914GJ2007PTC050675	Associate	48.62%	Section 2(6)

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter/Pro moter Group									
1) Indian									
Individual/ HUF	2,018,553	0	2,018,553	10.52	2,018,553	0	2,018,553	10.52	0
a) Central Govt	0	0	0	0	0	0	0	0	0
b) State Govt(s)	0	0	0	0	0	0	0	0	0
c) Bodies Corp	11,004,966	0	11,004,966	57.35	11,004,966	0	11,004,966	57.35	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	4,07,205	0	4,07,205	2.12	4,07,205	0	4,07,205	2.12	0
Sub-total(A)(1):	13,430,724	0	13,430,724	69.99	13,430,724	0	13,430,724	69.99	0
2) Foreign									
f) NRIs Individuals	0	0	0	0	0	0	0	0	0
g) Other- Individuals	0	0	0	0	0	0	0	0	0
h) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Banks / FI	0	0	0	0	0	0	0	0	0
j) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2): -	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) +(A)(2)	13,430,724	0	13,430,724	69.99	13,430,724	0	13,430,724	69.99	0
B. Shareholding – Public / Other than Promoters									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Alternate	165,000	0	165,000	0.86	17,000	0	17,000	0.09	-0.77

Investment Funds)									
Sub-total(B)(1)	165,000	0	165,000	0.86	17,000	0	17,000	0.09	-0.77
2. Non-Institutions									
a) Bodies Corp.	1,199,663	0	1,199,663	6.25	20,01,000	0	20,01,000	10.42	4.17
b) Individuals	934,337	0	934,337	4.86	16,40,000	0	16,40,000	8.55	3.69%
(i) Individual shareholders holding nominal share capital upto Rs. 2lakhs									
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2,458,001	0	2,458,001	12.80	20,56,000	0	20,56,000	10.71	-2.09
C) Others	1,002,999	0	1,002,999	5.23	46,000	0	46,000	0.24	-4.99
Sub-total(B)(2)	5,595,000	0	5,595,000	29.15	57,43,000	0	57,43,000	29.92	0.77
Total Public Shareholding (B)=(B)(1) + (B)(2)	5,760,000	0	5,760,000	30.01	5,760,000	0	5,760,000	30.01	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	19,190,724	0	19,190,724	100	19,190,724	0	19,190,724	100	

ii. Shareholding of Promoters and Promoter Group

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Pavan Blackrock Private Limited	9050974	47.17	0	9050974	47.17	0	0.00
2.	Anilkumar Babulal Detroja	778600	4.06	0	778600	4.06	0	0.00

3.	Nilesh Babulal Detroja	764511	3.98	0	764511	3.98	0	0.00
4.	Hitesh Babulal Detroja	475442	2.48	0	475442	2.48	0	0.00
5.	Lexus Ceramic Private Limited	1953992	10.18	0	1953992	10.18	0	0.00
6.	Babulal Detroja	357205	1.86	0	357205	1.86	0	0.00
7.	Narberambhai Dalsaniya	25000	0.13	0	25000	0.13	0	0.00
8.	Maulikbhai Makasana	20000	0.10	0	20000	0.10	0	0.00
9.	Parulben Detroja	5000	0.03%	0	5000	0.03%	0	0.00
	Total	13430724	69.99%	0	13430724	69.99%	0	

iii. **Change in Promoters' Shareholding (please specify, if there is no change)**

S. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	13430724	69.99%	-	-
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease e.g. allotment /transfer/ bonus/ sweat equity etc.):			0.00	0.00
	At the End of the year	-	-	13430724	69.99%

iv. **Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No	Name of shareholder	Shareholding		Change during the year			Cumulative shareholding during the year (01-04-18 to 31-03-19)	
		No. of shares at the beginning (01-04-18) /end of the year (31-03-19)	% of total shares of the company	As on benpos date*	Increase / decrease in shareholding	Reason	No. of Shares	% of total shares of the company
1	SAINATHKRIPA COMMERCIAL LLP	888000	4.63					
				No Change				
2	PIYUSH JASWANTLAL SHAH	297000	1.55					
				26.10.2018	15000	Buy	312000	1.63
				14.12.2018	10000	Buy	322000	1.68

		322000	1.68					
3	RISHI KAJARIA	231000	1.20					
				24.08.2018	69000	Buy	300000	1.56
		300000	1.56					
4	MAVERICK SHARE BROKERS PRIVATE LIMITED – COLLETRAL A/C. (NSE)	0	0.00					
				25.01.2019	259900	Buy	259900	1.35
		259900	1.35					
5	CHETAN KAJARIA	216000	1.13					
				06.04.2018	20000	Sell	196000	1.02
		196000	1.02					
6	PANTOMATH STOCK BROKERS PRIVATE LIMITED	236000	1.23					
				06/04/2018	1000	Sell	235000	1.22
				13/04/2018	2000	Buy	237000	1.23
				20/04/2018	1000	Sell	236000	1.23
				08/06/2018	72000	Sell	164000	0.85
				15/06/2018	3000	Buy	167000	0.87
				22/06/2018	2000	Buy	169000	0.88
				29/06/2018	1000	Sell	168000	0.88
				06/07/2018	1000	Buy	169000	0.88
				13/07/2018	1000	Sell	168000	0.88
				20/07/2018	1000	Buy	169000	0.88
				03/08/2018	3000	Buy	172000	0.90
				10/08/2018	1000	Buy	173000	0.90
				17/08/2018	3000	Sell	170000	0.89
				24/08/2018	1000	Buy	171000	0.89
				31/08/2018	7000	Sell	164000	0.85
				07/09/2018	2000	Sell	162000	0.84
				14/09/2018	2000	Sell	160000	0.83
				21/09/2018	1000	Sell	159000	0.83
				28/09/2018	1000	Buy	160000	0.83
				05/10/2018	1000	Buy	161000	0.84
				12/10/2018	4000	Sell	157000	0.82
				26/10/2018	6000	Sell	151000	0.79
				09/11/2018	8000	Sell	143000	0.75
				23/11/2018	1000	Sell	142000	0.74
				21/12/2018	11000	Sell	131000	0.68
				31/12/2018	5000	Sell	126000	0.66
				18/01/2019	13000	Buy	139000	0.72
				25/01/2019	7000	Sell	132000	0.69
				01/02/2019	1000	Buy	133000	0.69
				08/02/2019	1000	Sell	132000	0.69
				08/03/2019	2000	Sell	130000	0.68
				15/03/2019	2000	Sell	128000	0.67
				29/03/2019	1000	Sell	127000	0.66
		127000	0.66					

7	ANAYA COMMERCIAL LLP	96000	0.50					
				31.08.2018	27000	Buy	123000	0.64
				15.02.2019	11000	Sell	112000	0.58
		112000	0.58					
8	RAGHAV KAPOOR	45000	0.23					
				27/07/2018	5000	Buy	50000	0.26
				10/08/2018	10000	Buy	60000	0.31
				17/08/2018	1000	Buy	61000	0.32
				28/09/2018	6000	Buy	67000	0.35
				26/10/2018	2000	Buy	69000	0.36
				02/11/2018	16000	Buy	85000	0.44
				16/11/2018	4000	Buy	89000	0.46
				23/11/2018	1000	Buy	90000	0.47
				30/11/2018	10000	Buy	100000	0.52
				07/12/2018	11000	Buy	111000	0.57
		111000	0.57					
9	AJINKYA MERCANTILE PRIVATE LTD	0	0.0					
				07.09.2018	110000	Buy	110000	0.57
		110000	0.57					
10	RISHI KAJARIA HUF	51000	0.27					
				27.07.2018	49000	Buy	100000	0.52
		100000	0.52					

(v) Shareholding of Directors and Key Managerial personnel:

S. No.	Name of shareholder	Shareholding		Change during the year			Cumulative shareholding during the year (01-04-18 to 31-03-19)	
		No. of shares at the beginning (01-04-18) /end of the year (31-03-19)	% of total shares of the company	Date	Increase / decrease in shareholding	Reason	No. of shares	% of total shares of the company
1	Babulal Mahadevbhai Detroja	357205	1.86					
				No Change				
2	Nilesh Babulal Detroja	764511	3.98					
				No Change				
3	Hitesh Babulal Detroja	764511	3.98					
		475442	2.48					
4	Parulben Nileshbhai Detroja	475442	2.48					
		5000	0.03					
				No Change				
		5000	0.03					
		778600	4.06					

5	Anilkumar Babulal Detroja			No Change				
		778600	4.06					
6	Jitendrabhai Chandulal Lakhtariya	0	0.00					
				No Change				
		0	0.00					
7	YagneshKumar Ramjibhai Adroja	0	0.00					
				No Change				
		0	0.00					

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	527,941,948	152,598,847	-	680,540,795
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	527,941,948	152,598,847	-	680,540,795
Change in Indebtedness during the financial year				
- Addition		3,74,01,449		3,74,01,449
- Reduction	7,73,31,408		-	-7,73,31,408
Net Change	7,73,31,408	3,74,01,449	-	-3,99,29,959
Indebtedness at the end of the financial year				
i) Principal Amount	450,610,540			64,06,10,836
ii) Interest due but not paid		19,00,00,296	-	
iii) Interest accrued but not due				
Total (i+ii+iii)	450,610,540	19,00,00,296	-	64,06,10,836

I. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Babulal Detroja (Chairman & Whole-time Director)	Nilesh Detroja (Whole-time Director)	Anil Kumar Detroja (Managing Director)	Hitesh Detroja (Whole-time Director)	Parulben Nileshbhai Detroja (Whole-time Director)	Total Amount
1(a)	Gross salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961	12,00,000	12,00,000	12,00,000	12,00,000	10,80,000	58,80,000
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
c	Profits in lieu of salary under Section 17 (3) Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total(A)	12,00,000	12,00,000	12,00,000	12,00,000	10,80,000	58,80,000
	Ceiling as per the Act	Rs. 84,00,000					

B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Jitendrabhai Chandulal Lakhtariya	Mr. Yagneshkumar Ramjibhai Adroja	
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL

	Total (2)	NIL	NIL	NIL
	Total(B)= (1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

S. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Payal Jain Company Secretary	Dilipbhai N Fultariya (CFO)	
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961 (b)Value o f perquisites u/s 17(2) Income-tax Act,1961 ©Profits in lieu of salary under section 17(3) Income-tax Act,1961	1,68,000	8,85,000	10,53,000
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit -others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
6.	Total	1,68,000	8,85,000	10,53,000

II. PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			NIL		
Punishment					

Compounding	
Place: Morbi	Sd/- ANILKUMAR BABULAL DETROJA (MANAGING DIRECTOR) (DIN- 03078203)
Date: 24.08.2019	

ANNEXURE -III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts / arrangement s / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
-	-	-	-	-	-	-	-	-

2. Details of material contracts or arrangement or transactions at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangement s / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
1	Kartik Industries (Companies/firm/entities in which Director is significantly influenced)	Purchase of Goods	12 Months	Transaction entered between the parties are at Arm's Length Basis at Rs. 20,51,61,443/-	-	-

Sd/-

Place: Morbi
Date: 24.08.2019

ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

ANNEXURE IV

NOMINATION & REMUNERATION POLICY

INTRODUCTION

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

CONSTITUTION OF THE COMMITTEE

The Board of Directors of the Company (Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be the Independent Directors. The Chairman of the Committee shall be an Independent Director.

OBJECTIVE AND PURPOSE OF THE POLICY

The objective of the policy is to ensure that-

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

ROLE OF THE COMMITTEE:

The role of the NRC will be the following: -

- (a) To formulate criteria for determining qualifications, positive attributes and independence of a Director.

- (b) To formulate criteria for evaluation of Independent Directors and the Board.
- (c) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (d) To carry out evaluation of Director's performance.
- (e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (g) To devise a policy on Board diversity, composition, size.
- (h) Succession planning for replacing Key Executives and overseeing.
- (i) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- (j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders bypassing a special resolution.

TERM/TENURE

Managing Director/Whole Time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and

disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

Remuneration to Managing Director/Whole Time Director:

The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

Remuneration to Non-Executive/Independent Director:

The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- (i) The Services are rendered by such Director in his capacity as the professional; and
- (ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

Sd/-

ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

Place: Morbi

Date: 24.08.2019

ANNEXURE –V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company along with Percentage increase in each director, CEO, CFO, Manager and CS for the financial year 2018-19:

S. No.	Name of the Director & KMP's	Designation	Ratio of the Remuneration to the Median Remuneration to the Employees	Percentage change in the Remuneration (%)
1	Babulal Mahadevbhai Detroja	Whole- Time Director	3.99	-85.71%
2	Nilesh Babubhai Detroja	Whole- Time Director	3.99	-85.71%
3	Hitesh Babulal Detroja	Whole-Time Director	3.99	-85.71%
4	Parulben Nileshbhai Detroja	Whole-Time Director	3.59	NA
5	Anilkumar Babulal Detroja	Managing Director	3.99	-85.71%
6	Dilipbhai N Fultariya	Chief Financial Officer	2.94	9.58%
7	Payal Jain	Company Secretary	0.55	29.99%

NOTE:

- The Non-Executive Directors and Independent Directors of the Company are entitled for sitting fee as per the statutory provisions of the Companies Act 2013.
 - The median was calculated on the CTC Basis.
2. The median remuneration of employees of the Company during the financial year (2018-19) was Rs.25,054/-
3. The percentage Increase in the median remuneration of the employees in the FY (2018-19): N.A.

4. There were 120 permanent employees on the rolls of Company as on March 31, 2019.
5. Key parameters for the variable component of Remuneration availed by the Directors:
There is no variable component of remuneration avail by the Directors.
6. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
 - Average Increase in median salary of the company's employees excluding KMPs: NA
 - Average decrease in the remuneration of KMP's: 43.33%
 - The total managerial remuneration for the Financial Year 2017-18: Rs. 3.47 Crores
 - The total managerial remuneration for the Financial Year 2018-19: Rs. 69.33 Lakhs
7. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DISCLOSURE UNDER SCHEDULE V PART II SECTION 2 OF THE COMPANIES ACT, 2013:

The Details of the Remuneration paid/to the Directors for the year 2018-19 are given below:

DIRECTORS	SALARY	BONUS	PERQUISITES	COMMISSION	SITTING FEES	AMOUNT IN TOTAL
Mr. Babulal Mahadevbhai Detroja	12,00,000	--	--	--	--	12,00,000
Mr. Nileshbhai Babubhai Detroja	12,00,000	--	--	--	--	12,00,000
Mr. Hitesh Babulal Detroja	12,00,000	--	--	--	--	12,00,000
Mrs. Parulben Nileshbhai Detroja	10,80,000	--	--	--	--	10,80,000
Mr. Anilkumar Babulal Detroja	12,00,000	--	--	--	--	12,00,000
Mr. Yagneshkumar Chandulal lakhtariya	--	--	--	--	--	--
Mr. Yagneshkumar Ramjibhai Adroja	--	--	--	--	--	--
Mr. Rakesh Jayantilal Amrutiya	--	--	--	--	--	--

Mr. Jitendra Rashiklal Gadara and Mr. Girish Prabhulal Vadaviya decided not to seek re-appointment and has resigned from the post of an Independent Director of the Company w.e.f. 19.01.2019 and 05.02.2019 respectively. The Salary, Bonus, perquisites, commission, sitting fees etc given to them during their period was NIL.

The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director of the Company. Beside this, the Managing Director and Whole-Time Directors are also entitled to encashment of leave and Gratuity at the end of the Tenure, as per the rules of the Company.

NOTES:

- The Agreement with Mr. Anilkumar Babulal Detroja, Managing Director, Mr. Babulal Mahadevbhai Detroja, Whole-Time Director, Mr. Hitesh Babulal Detroja, Whole-Time Director, Mrs. Parulben Nileshbhai Detroja are for a period of 5 years. Either party to the Agreement is entitled to terminate the Agreement by giving to the other party 3 months advance notice in writing.
- The Company presently does not have the scheme for grant of stock options either to the Executive Directors or employees.
- There is no separate provision for payment of severance fees to the Directors.
- The Non-Executive Directors does not hold equity shares in the Company.

Place: Morbi
Date: 24.08.2019

Sd/-
ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

ANNEXURE –VI

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Maintenance and repairs of all equipment and machineries are carried out timely to ensure optimum energy efficiency.

B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:

The Company continuous to use the latest technologies for improving the productivity and quality of its products and services. Our R&D and technical experts constantly visit international markets to identify and keep pace with the latest technological available.

Benefits derived through such efforts:

- (a) The Company has developed a culture of staying informed about the latest developments in related technology as well as constantly updating our equipment and processes. Such innovations have led us to be in the forefront amongst our competitors.
- (b) Technology absorption efforts have not only allowed us to develop new products but also improve our existing ones.

FOREIGN EXCHANGE EARNING & OUTGO:

The company mainly has its dealings with Dubai, Canada, Mexico, Nepal, Taiwan, Poland, etc.

Particulars	2018-19	2017-18
1. Total foreign exchange used out go.	8,61,898.00	21,22,869.00
2.Total foreign exchange earned	49,24,14,970.00	88,48,83,554.00

Sd/-

Place: Morbi
Date:24.08.2019

ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

ANNEXURE-VII

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Sl. No.	-
2.	Name of the subsidiary	--
3.	The date since when subsidiary was acquired	--
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	--
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	--
6.	Share capital	--
7.	Reserves & surplus	--
8.	Total assets	--
9.	Total Liabilities	--
10.	Investments	--
11.	Turnover	--
12.	Profit before taxation	--
13.	Provision for taxation	--

14.	Profit after taxation	--
15.	Proposed Dividend	--
16.	Extent of shareholding (In percentage)	--

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Lexus Ceramic Private Limited	Lioli Ceramic Private Limited
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2018
2. Date on which the Associate or Joint Venture was associated or Acquired	April 27, 2007	October 28,2016
3. Shares of Associate/Joint Ventures held by the company on the year end		
No. of Shares	11,19,500	2,60,33,000
Amount of Investment in Associates/ Joint Venture	1,11,95,000	26,03,30,000
Extend of Holding (In percentage)	48.62%	40.05%
4. Description of how there is significant influence	Hitesh Detroja, Nilesh Detroja, Anilkumar Detroja, Babulal Mahadevbhai Detroja, Parulben Nileshbhai Detroja are directors of Lexus Granito (India) Limited and collectively holds 11,19,500 equity shares constituting 48.62% of total number of equity shares in Lexus Ceramic Private Limited. Hitesh Detroja, Nilesh Detroja, Babulal Mahadevbhai Detroja and Parulben Nileshbhai Detroja also serve as directors in the Company.	Hitesh Babulal Detroja, Nilesh Babubhai Detroja, and Anilkumar Babulal Detroja are directors of Lexus Granito (India) Limited and collectively holds 2,60,33,000 equity shares constituting 40.05% of total number of equity shares in Lioli Ceramica Private Limited. Hitesh Babulal Detroja, Nilesh Babubhai Detroja, Anilkumar Babulal Detroja also serve as directors in the Company
5. Reason why the associate/joint venture is not consolidated	Not required as per Law.	Not required as per Law.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	--	--
7. Profit/Loss for the year		
i. Considered in Consolidation	--	--

ii. Not Considered in Consolidation		(1.71)**
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** The Financials for the Year 2018-19 are not Audited at the time of preparation of this Annual Report.

Annexure –VIII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Lexus Granito (India) Limited Presenting Management Discussion and Analysis Report covering the operational and financial performance of the company for the year 2018-19 the core business of the company is manufacturing, trading and marketing of vitrified ceramic tiles and wall tiles.

BUSINESS OVERVIEW

Our Company is promoted and managed by Anilkumar Babulal Detroja, Hitesh Babulal Detroja, Nilesh Babubhai Detroja and Pavan Blackrock Private Limited. Our individual promoters manage and control the major affairs of our business operations. Our total revenue is Rs. 13,807.703 lakhs in FY 2018-19 as compare to Rs. 18,438.517 lakhs in FY 2017-18 and profit after tax of Rs. 33.319 lakhs in F.Y. 2018-19 as compare to Rs. 699.83 lakhs from F.Y. 2017-18. It is the vision of our promoters which has been instrumental in defining the business strategy of our Company.

Our Company is engaged in manufacturing, trading and marketing of vitrified ceramic tiles and wall tiles for the domestic and international markets. Our manufacturing facility is situated at Morbi, Gujarat and is spread over more than 4 hectares. Our manufacturing facility is well equipped with requisite plant and machineries and other facilities. We also have an in-house laboratory, enabling the company to develop new colors, besides facilitating conducting of tests and analysis of various products. Our quality system with respect to manufacture of our products has been ISO 9001:2008 certified. Further we have also been issued Certificate of Compliance by UK Certification & Inspection Ltd for our quality systems covering the design, manufacture and final inspection of the products. We manufacture and market our products under the brand name —LEXUS.

OPPORTUNITIES

The Company has carved a niche for itself in the industrial shoe/ uppers segment both internationally and in the domestic market. The quality of the Company's products and services provided is well recognized. Embarking on this strength we are constantly working towards expanding the market for Company's products to other countries apart from our present work areas.

RISK & CONCERNS

To sustain and grow in global market one must be ready for some level of uncertainty. Greater the uncertainty, higher the risk. The risk management function is integral to the Company and its objectives include ensuring that critical risks are identified, continuously monitored and managed effectively in order to protect the Company's business. The Company operates in an environment which is affected by various factors some of which are controllable while some are outside the control of the company. The Company proactively takes reasonable steps to identify and monitor the risk and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed here under:

- Macroeconomic Factors
- Political Factors
- Changes in government policy and legislation
- Raw Material Price Increase
- Foreign Exchange Fluctuation

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has a well-established and comprehensive internal control system. Documents, policies and authorization comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Internal Auditors are regularly presented to and reviewed by the Audit Committee of the Board. The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

FINANCIAL PERFORMANCE

The summarized financial performance of the Company as compared to last year is shown as under:

Particulars	2018-19	2017-18	% change
Revenue from operations	1,322,214,525	1,813,939,879	-27.11%
Other Income	58,555,785	29,911,841	95.76%
Profit before tax	5,239,941	109,047,069	-95.19%
Net Profit after tax	3,331,927	69,983,072	-95.24%
Payment of Dividend (including Interim and DDT)	-	-	-
EPS	0.17	4.13	-

HUMAN RESOURCE

Human resource remains a valuable asset of our business. The Company continues to lay emphasis on attracting and retaining talent. Personnel developmental initiatives including training, both technical and

managerial, are regularly conducted to enhance human potential. As on 31st March, 2019 the Company has 120 employees. The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The company has established a full-fledged Human Resources Department, which is entrusted with the responsibility of retaining and developing the skills of all its employees. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the Company to achieve its business objectives.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

Company's Health and Safety policy commits to comply with applicable Legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

FORWARD LOOKING STATEMENT

The success of our business depends substantially on our ability to implement our business strategies effectively. Company is planning to expand its operations in the domestic tiles market of India by appointing its dealers throughout in India. The company also planning to acquire other business involved in the same line of business activity. This will result in increasing the market capturing of the company and will also increase the turnover and as a result the profits of the Company.

OCCUPATIONAL HEALTH, SAFETY, AND ENVIRONMENT

The emphasis on Occupational Health, Safety and Environment continues at all of the operations of the Company throughout India. The Company is committed to the best standards in safety and continuously monitors matters related to this.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 Company has constituted the CSR Committee for undertaking the CSR activities as per the provisions of Companies Act, 2013 and SEBI (LODR), 2015. Considering the provisions of Companies Act, 2013, our company is looking for prospective and reliable CSR projects/programmes and considering the projects for making contribution to them with suitable mode of CSR activity.

During the year under review company wasn't able to spend the prescribed amount of CSR expenditure as company wasn't able to find reliable CSR projects/programmes. Further company was unable to spend amount stipulated under CSR for the earlier years due to lack of appropriate CSR Projects. The total amount pending for spending under CSR for the all the year taken together is as under

S.No.	Financial Year	PBT for the year	Avg Net Profits	CSR Amount	Amount Spend	Pending for allocation
1.	2018-2019	5,239,940.97	80,632,273.84	1,612,645.48	0	1,612,645.48
2	2017-18	109,047,069.51	55,176,368.67	1,103,527.37	151,000.00	952,527.37

3	2016-17	80,341,220.00	28,395,962.00	594,062.17	0	594,062.17
Total						31,59,235.02

The Company has incurred a sum of Rs. 1.51 Lakhs (Rupees One Lakh Fifty-One Thousand Only) on CSR initiatives in the areas as per the policy of the company. The CSR Report, forming part of this Report, is furnished in **Annexure XI**.

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis report describing the Company's objectives, projects estimate, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and overseas market in which the company operates, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

ANIL KUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

Place: Morbi
Date: 24.08.2019

COMMITTEES OF THE BOARD

The Board of Directors has constituted four Committees, viz.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

1. AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also reviews the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee's Composition meets with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of the "SEBI LODR "Regulations" 2015. The Members of the Nomination committee possesses sound knowledge / expertise / exposure. The Committee comprised of 3 members as on 31st March, 2019. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the Nomination & Remuneration committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on
			25.08.2018
Mr. Girish Prabhulal Vadaviya***	Chairman	Non-Executive Independent Director	Yes
Mr. Jitendra Rasiklal Gadara***	Member	Non-Executive Independent Director	Yes
Mr. Yagneshkumar Ramjibhai Adroja	Member	Non-Executive Independent Director	Yes

***Consequent to the resignation of the Mr. Jitendra Rasiklal Gadara on 19th January,2019 and Mr. Girish Prabhulal Vadaviya on 05th February,2019, the Nomination and Remuneration committee was also re-constituted with effect from the Board Meeting held on 06th March, 2019. In the re-constituted committee, Mr. Yagneshkumar Ramjibhai Adroja was appointed as a Chairman and Mr. Jitendrabhai Chandulal Lakhtariya as a Member. Further Mr. Rakesh Jayantilal Amrutiya was appointed as the Members of the committee with effect from 26th April,2019.

Terms of Reference

The terms of reference of the "Nomination/Remuneration Committee" are as under:

1. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
2. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
3. Formulation of criteria for evaluation of performance of independent directors and Board of Directors
4. Devising a policy on diversity of board of directors
5. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
8. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.

The company has duly formulated the Nomination and Remuneration Policy which is also available at the company website. The Policy formulated by Nomination and Remuneration Committee includes director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as specified under section 178(3) of the Companies Act, 2013 and same was approved by the Board of Directors of the Company.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The stakeholders Relationship Committee meets with the requirement of the section 178 of the Companies act 2013, and regulation 20 of the SEBI LODR "Regulations" 2015. The Stakeholders Relationship Committee

is mainly responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee comprised of 3 members as on 31st March, 2019. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the said committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on
			25.08.2018
Mr.Yagnesh kumar Ramjibhai Adroja	Chairman	Non-Executive Independent Director	Yes
Mr. Hitesh Babulal Detroja	Member	Whole-Time Director	Yes
Ms. Parulben Nileshbhai Detroja	Member	Whole-Time Director	Yes

Terms of Reference

The terms of reference of the Stakeholder's Relationship Committee are as under:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee meets with the requirement of the Section 135 and Schedule VII of the Companies Act 2013. The Committee comprised of 3 members as on the date of 31st March, 2019. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the said committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on
			30.05.2018
Mr. Babulal Mahadevbhai Detroja	Chairman	Whole-Time Director	Yes
Mr. Girish Prabhulal Vadaviya**	Member	Non-Executive Independent Director	Yes
Mr. Nilesh Babubhai Detroja	Member	Whole-Time Director	Yes

***Consequent to the resignation of the Mr. Girish Prabhulal Vadaviya on 05th February, 2019, the Corporate Social Responsibility committee was also re-constituted with effect from the Board Meeting held on 06th March, 2019. In the re-constituted committee Mr. Jitendrabhai Chandulal Lakhtariya was appointed as the Members of the committee.

Terms of Reference

The terms of reference of CSR Committee shall, inter-alia, include the following:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The company has duly formulated the Policy on Corporate Social Responsibility which is also available at the company website. The Policy was approved by the Board of Directors of the Company.

Place: Morbi
Date: 24.08.2019

Sd/-
ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

ANNEXURE X

CFO CERTIFICATION

To,
The Board of Directors,
Lexus Granito (India) Limited,

Morbi, Gujarat

I, **Dilipbhai N Fultariya** CFO (Chief Financial Officer) of the Lexus Granito (India) Limited, to the best of my knowledge and belief, certify that:

I have reviewed Financial Statements (Balance-Sheet, Statement of profit and loss account, and all the schedules and notes on accounts) and the Cash flow Statement Results and Board Report for the year ended 31st March, 2019 on my knowledge, belief and information:

- i. These financial statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading.
- ii. These financial statements present a true and fair view of the Company's affairs and are in compliance with the applicable laws and regulations.

To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2019, which are fraudulent, illegal or violative of the Company's code of conduct.

That I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I have become aware and the steps that I had taken or propose to take to rectify the identified deficiencies.

- i. There has not been any significant change in internal control over financial reporting during the year under reference;
- ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- iii. There have been no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Dilipbhai N Fultariya
(Chief-Financial Officer)

Date:24.08.2019

Place: Morbi

ANNEXURE- XI

DECLARATION ON CODE OF CONDUCT

As provided under Regulation 34(3) read with Schedule V of the Securities & Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulations 2015. The members of the Board of Director and Senior

Management have affirmed compliance with code of conduct of Board of Directors and Senior Management for the year ended 31st March 2019.

ANILKUMAR BABULAL DETROJA
(MANAGING DIRECTOR)
(DIN- 03078203)

Place: **Morbi**
Date: **24.08.2019**

INDEPENDENT AUDITORS' REPORT

To,
The Members of,
LEXUS GRANITO INDIA LIMITED,
Jaipur

Opinion

We have audited the standalone financial statements of LEXUS GRANITO INDIA LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2019 and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at March 31, 2019 and its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matters	How the matter was addressed by auditors
1.Default in payment to lenders As disclosed in note 8 of the financial statements, the company has recorded Rs.41.87 Lacs as interest accrued and overdue and Rs.37.22 Lacs as principal loan payment overdue.	Our audit procedure over default in lender included Review of cash flow statement of the company and ascertaining recoverability of dues to the company Discussion with management about timing over these overdues.

<p>2. Unilateral extinguishment trade Payables As disclosed in note 19 and note 1(c)(11) of the financial statements, the company has recorded other income of Rs. 566.70 Lacs by credit written back of trade payables</p>	<p>Our audit procedure for verification of Unilateral extinguishment trade payables is as follows:</p> <p>Challenge management assessment of the extinguishment of trade payables liability.</p> <p>Assessing the impact of this act on the current business performance and considering the potential impact of other parties on the Companies brand.</p>
<p>3. Evaluation of uncertain tax positions As disclosed in note 1(c)(12) of the financial statement, the Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes</p>	<p>Our audit procedure for Evaluation of uncertain positions are as follows:</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.</p>
<p>4. Recoverability of Indirect tax receivables As disclosed in note 12 of the financial statement, the company has refundable value added tax amounting to Rs.165.55 which are pending to adjudication.</p>	<p>Our audit procedure for recoverability of indirect tax receivables are as follows:</p> <p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to

the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1.As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the order.

2.As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of the section 197(16) of the Act;
In our opinion and to the best of our information and according to the explanations given to us, remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund

Place: Jaipur

Dated: 24.06.2019

ASHOK HOLANI AND COMPANY
Chartered Accountant
FRN: 009840C

Sd/-
RAHUL JANGIR
Partner
Membership No. 435804

Annexure A referred to in paragraph 7 of our report of even date to the members of LEXUS GEANITO (INDIA) LIMITED on the financial statements of the company for the year ended March 31,2019.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. a The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b According to the information and explanations given to us and based on the records of the company examined by us, fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- c According to the information and explanations given to us and based on the records of the company examined by us, the total assets of the company includes various immovable properties and the title deeds of the immovable properties held are in the name of the company.
2. According to the information and explanations given to us and based on the records of the company examined by us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
3. The company has granted one unsecured loan amounting to Rs.0.58 Lacs to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest
 - (b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.
 - (c) There is no such amount which overdue more than 90 Days of is above mentioned loan
4. According to the records of the company examined by us and as per the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- 7 a According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31st march, 2019 for a period of more than six months from the date on when they become payable

Nature of Tax	Period	Amount (In Lakh)
Tax Deducted at Source	2018-19	10.13
Tax collected at Source	2017-18	11.40
Professional Tax	2018-19	1.46
Cess	2017-18	32.22
Excise Duty	2016-17	24.32

Tax Deducted at Source (Demand)	2011-19	44.61
Total		124.14

- b According to the information and explanations given to us and based on the records of the company examined by us, there are no outstanding dues of Income tax or Sales tax or Service tax or Duty of Customs or duty of excise or value added tax which should be deposited on account of any dispute except as mentioned below:

Name of the statute	Nature of Dues	Period	Forum where dispute is pending	Outstanding Amount involved (Rs.In Lakh)
Income Tax Act	Income Tax	2014-15	CIT (A)	1.84
Income Tax Act	Income Tax	2015-16	CIT (A)	48.46
Income Tax Act	Income Tax	2016-17	CIT (A)	288.59
Grand Total				338.89

- 8 According to the information and explanations given to us and based on the records of the company examined by us, the company has made defaults in repayment of loans or borrowing/interest to a financial institution, bank, Government or dues to debenture holders. Details as follows: -

S.no	Particulars	Type of Institution	Amount of default	Period of Default
1.	Mas Finance Service Ltd	NBFC	12,20,892.00	1 month
2.	Visu Leasing Finance Private Ltd	NBFC	6,84,639.00	1 month
3.	Jain sons Finlease Ltd	NBFC	18,16,428.00	1 month
4.	AAC SARL	Debenture Holders	41,87,441.00	Six Months
	Grand Total		79,09,400.00	

- 9 According to the information and explanations given to us and based on the records of the company examined by us, company has not raised money by way of initial public offer during the year. Hence, clause 3(ix) of the Order is not applicable to it.
- 10 During our examination of the books and records of the company carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the company or on the company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- 11 According to the records of the company examined by us and as per the information and explanations given to us, the company has complied with the provisions of Section 197 read with Schedule V to the Act.
- 12 In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Hence, clause 3(xii) of the Order is not applicable to it.
- 13 According to the information and explanations given to us and based on the records of the company examined by us, the company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable rules, and where applicable, for all transactions with the related parties and the details of the related party transaction have been disclosed in the financial statements in note no. 24.11a and 24.11bas required by the applicable accounting standards.
- 14 According to the information and explanations given to us and based on the records of the company examined by us, the company has not made any preferential allotment or private placement of shares during the year. Hence, clause 3(xiv) of the Order is not applicable to it.
- 15 According to the records of the company examined in course of our audit and as per information and explanations given to us, the company has not entered in any non-cash transaction with directors or persons connected with him. Hence, provisions of Section 192 are not applicable to the company.

- 16 According to information and explanations provided to us and on the basis of records of the company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: **Jaipur**

Dated: **24.05.2019**

ASHOK HOLANI AND COMPANY
Chartered Accountant
FRN: 009840C

RAHUL JANGIR
Partner
M. No. 435804

Annexure B referred to in paragraph 8(g) of our report of even date to the members of LEXUS GRANITO INDIA LIMITED on the Financial Statements of the company for the year ended March 31, 2019.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **LEXUS GRANITO INDIA LIMITED**. (“The Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: **Jaipur**

Dated: **26.06.2019**

ASHOK HOLANI AND COMPANY
Chartered Accountant
FRN : 009840C

RAHUL JANGIR
Partner
Membership No. 435804

LEXUS GRANITO (INDIA) LIMITED
Balance Sheet as at 31st March, 2019

(Amount in Rs.)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	19,19,07,240	19,19,07,240
(b) Reserves and surplus	3	49,44,74,858	49,11,42,932
3. Non-current liabilities			
(a) Long-term borrowings	4	32,10,87,527	31,06,73,481
(b) Deferred tax liabilities (Net)	24.10	1,21,02,417	2,40,96,039
(c) Other Long term Liabilities		-	-
(d) Long Term Provisions	5	56,57,899	34,03,328
4. Current liabilities			
(a) Short-term borrowings	6	21,89,56,494	22,12,12,992
(b) Trade payables	7	45,11,30,354	60,36,96,374
(c) Other current liabilities	8	16,21,70,614	20,74,44,133
(d) Short-term provisions	9	1,58,21,691	2,17,77,281
TOTAL		1,87,33,09,095	2,07,53,53,799
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible Assets	10	59,49,89,931	70,88,43,491
(ii) Intangible Assets		3,38,340	3,59,175
(iii) Capital work-in-progress		-	-
(iv) Intangible Assets under Development			
(v) Fixed Assets held for sale			
		59,53,28,271	70,92,02,666
(b) Non-current investments	11	2,36,19,100	2,35,85,432
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	8,76,04,855	8,21,35,886
(e) Other non-current assets	13	1,21,95,999	1,32,00,471
2. Current assets			
(a) Inventories	14	75,15,77,491	62,32,33,645
(b) Trade receivables	15	38,75,76,644	60,03,38,612
(c) Cash and cash equivalents	16	5,08,641	89,66,162
(d) Short-term loans and advances	17	1,48,98,094	1,46,90,925
(e) Other Current Assets		-	-
TOTAL		1,87,33,09,095	2,07,53,53,799

FOR ASHOK HOLANI & CO.
Chartered Accountants

Sd/-

RAHUL JANGIR

M.No. - 435804

PARTNER

Date : 24.06.2019

Place:- Morbi

For and on behalf of the Board of Directors of
Lexus Granito (India) Limited

Sd/-

Anilkumar B Detroja

Managing Director

DIN: - 03078203

Sd/-

Dilip Fultariya

Chief Financial Officer

Sd/-

Nilesh B Detroja

Whole Time Director

DIN: - 01725545

Sd/-

Payal Jain

Company Secretary

LEXUS GRANITO (INDIA) LIMITED
Statement of Profit and Loss for the year ended 31st March 2019

(Amount in Rs.)

Particulars	Notes No.	For the Year ended on March 31, 2019	For the year ended on March 31, 2018
I. Revenue from operations	18	1,32,22,14,525	1,81,39,39,879
II. Other income	19	5,85,55,785	2,99,11,841
III. Total Revenue (I + II)		1,38,07,70,310	1,84,38,51,720
IV. Expenses:			
Cost of materials consumed	20(a)	29,80,47,062	48,65,81,218
Purchase of Stock-In-trade	20(b)	2,82,12,868	34,88,28,692
Cost of inventories of finished goods, work in progress	20(c)	(14,44,10,322)	(25,49,87,640)
Employee benefits expense	21	7,84,84,515	11,41,64,054
Finance costs	22	8,22,90,346	8,96,81,483
Depreciation and amortization expense	10	13,04,32,035	14,00,58,847
Other expenses	23	90,24,73,864	81,04,77,997
Total expenses		1,37,55,30,369	1,73,48,04,650.84
V. Profit before exceptional and extraordinary items and tax (III-IV)		52,39,941	10,90,47,069
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		52,39,941	10,90,47,069
VIII. Extraordinary Items-		-	-
IX. Profit before tax (VII- VIII)		52,39,941	10,90,47,069
X. Tax expense:			
(1) Current tax		1,39,01,637	2,56,74,144
(2) MAT Credit			(52,677)
(3) Deferred tax	24.10	(1,19,93,623)	1,34,08,111
(4) Current tax expense relating to prior years			34,419
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		33,31,927	6,99,83,072
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		33,31,927	6,99,83,072

FOR ASHOK HOLANI & CO.

Chartered Accountants

Sd/-

RAHUL JANGIR

M.No. - 435804

PARTNER

Date : 24.06.2019

Place:- Morbi

For and on behalf of the Board of Directors of

Lexus Granito (India) Limited

Sd/-

Anilkumar B Detroja

Managing Director

DIN: - 03078203

Sd/-

Dilip Fultariya

Chief Financial Officer

Sd/-

Nilesh B Detroja

Whole Time Director

DIN: - 01725545

Sd/-

Payal Jain

Company Secretary

LEXUS GRANITO (INDIA) LIMITED
Cash flow Statement for the year ended 31st March, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit & Loss Account	52,39,941	10,90,47,069
Adjustments For:		
Depreciation and Amortisation	13,04,32,035	14,00,58,846
Finance Cost	8,22,90,346	8,96,81,483
Interest Income	(12,38,015)	(13,34,421)
MAT Credit Entitlement	-	52,677
Earlier Year Tax	-	(34,419)
Prior Period Expenses	-	-
Operating Profit/ (Loss) before working capital changes	21,67,24,309	33,74,71,235
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(12,83,43,846)	(26,97,31,766)
Trade receivables	21,27,61,968	(28,25,75,738)
Short-term loans and advances	(2,07,169)	8,02,66,450
Other Current Assets	-	-
Other Non Current assets	10,04,472	(20,39,813)
	8,52,15,425	47,40,80,867
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(15,25,66,019)	17,97,06,686
Other Current Liabilities	(4,52,73,519)	9,05,56,881
Other long-term liabilities	-	-
Long-term provisions	22,54,571	-
Short Term Provisions	(59,55,590)	(55,16,854)
	(20,15,40,557)	26,47,46,713
Cash Generated from Operations	10,03,99,176	12,81,37,081
Net income tax (paid) / refunds	(1,39,01,637)	(2,56,74,144)
Net Cash From/ (Used In) Operating Activities (A)	8,64,97,539	10,24,62,937
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(1,65,57,640)	(7,81,00,686)
Investment Purchased	(33,668)	-
Long-term loans and advances	(54,68,969)	1,50,46,971
Proceeds From Sale Of Fixed Assets	-	-
Proceeds From Sale Of Investment	-	-
Net Increase/(Decrease) in Investment in term deposits	-	-
Interest received	12,38,015	13,34,421
- Others	-	-
Net Cash From/ (Used In) Investing Activities (B)	(2,08,22,262)	(6,17,19,294)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	-	5,76,00,000
Proceeds from Security Premium	-	17,88,00,112
Proceeds from long-term borrowings	1,04,14,046	(18,43,38,031)
Dividends Paid (including dividend distribution tax)	-	-
Net increase/ (decrease) in working capital borrowings	(22,56,498)	(2,51,239)
Finance cost paid during the year	(8,22,90,346)	(8,96,81,483)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Cash From Financing Activities (C)	(7,41,32,797)	(3,78,70,640)
Net Increase / (Decrease) in Cash (A)+(B)+(C)	(84,57,520)	28,73,003
Cash and Cash equivalents at the beginning of the year	89,66,162	60,93,158
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
Cash and Cash equivalents at the end of the year	5,08,641	89,66,162

FOR ASHOK HOLANI & CO.

Chartered Accountants

Sd/-

RAHUL JANGIR

M.No. - 435804

PARTNER

Date : 24.06.2019

Place:- Morbi

For and on behalf of the Board of Directors of

Lexus Granito (India) Limited

Sd/-

Anilkumar B Detroja

Managing Director

DIN: - 03078203

Sd/-

Dilip Fultariya

Chief Financial Officer

Sd/-

Nilesh B Detroja

Whole Time Director

DIN: - 01725545

Sd/-

Payal Jain

Company Secretary

Accounting Policies: -

Note 1(a). Background of the Company

Lexus Granito (India) Limited (the "Company") is a Limited company incorporated in India under the provisions of the Companies Act 1956. The CIN is L26914GJ2008PLC053838. The company is engaged in manufacturing, trading, and marketing of vitrified ceramic tiles and wall tiles in domestic and international market. The company is listed on the SME Platform of National Stock Exchange Limited

The registered office of the company is situated Survey No. 800 Opposite Lakhdirpur Village, Lakhdirpur Road, Lakhdirpur, N.H. 8A, Tel. Morbi, Lakhdirpur, Rajkot-363642, Gujarat, India.

Note (1b). Significant Accounting Policies: -

1. Basis of Accounting: -

The financial statements are prepared in accordance with the applicable Accounting Standards as prescribed under **section 133 of The Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014** under the Historical cost convention, on accrual basis.

The Financial Statements are prepared under the Historical Cost Conversion using the accrual method of accounting, in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India. However, the insurance claims and other than cash compensatory incentives are accounted on the basis of receipt. The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis, except in case of significant uncertainties relating to the income.

2. Revenue Recognition: -

Revenue has been considered as per AS 9- Revenue Recognition issued by Institute of Chartered Accountants of India.

3. Taxes on Income: -

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates.

Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years if any.

In the previous year deferred Tax Liability amounting to 2,40,96,039.00 was standing in the books of accounts and in current year deferred tax liability stands to Rs 1,21,02,417.00. The difference is due to tax liability on timing difference of depreciation and Provision for Gratuity.

4. Provisions and Contingent Liability: -

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the Obligation.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

5. Tangible Assets & Capital Work-In-Progress: -

Tangible Assets are stated at cost less Depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

6. Impairment of Assets: -

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining impairment in the carrying amount of fixed assets, the management has concluded that sincere coverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Asset of the company.

7. Depreciation: -

a. Tangible Assets

Depreciation on tangible assets is provided on "Written down Value Method" over the useful lives of the assets estimated by the management. The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013. The useful life of various assets are mentioned in the below mentioned chart.

S No	Major Head	Assets Included	Useful Life
1.	Building	Building	30 Years
2.	Plant and Equipment	All Plant and machinery	15 Years
3.	Furniture & Fittings	All Furniture and Fixtures	10 Years
4.	Office Equipment	Air Conditioner, EPBX, Telephone, CC TV Camera, Mobile	10 Years
5.	Vehicle	Bike & Cars	10/8 Years
6.	Computer and Data Processing Units	Computers and Printers	3 Years
7.	Intangible Assets	Computer Software	10 Years

b. Intangible assets

The company has also acquired various software etc which are categorized under the Intangible asset's category. As per provisions of the Accounting Standard No. 26 "Intangible assets" and provision of Schedule II of the companies Act, 2013, the cost of the same have been amortized over a period of 4 years on straight Line basis.

8. Earnings Per Share: -

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all periods presented.

The calculation of Weighted Average Number of Equity Shares is described below: -

Particulars	Current Year			Previous Year		
	No. of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the beginning of the year	1,91,90,724	365	1,91,90,724	1,34,30,724	365	1,34,30,724
Shares issued during the year: -						
By way of Bonus Issue						
Other than Bonus Issue						
By way of IPO				57,60,000	222	35,03,342
Total Shares outstanding at the end of the year	1,91,90,724		1,91,90,724	1,91,90,724		1,69,34,066

9. Investments: -

Investments are either classified as current or non-current based on management's intention. Long term investments are stated at cost less other than temporary decline in the value of such investments, determined separately for each individual investment.

10. Foreign Currency Transactions: -

- a). Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.
- b). Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the year ended rates.
- c). Any income or expense on account of exchange difference between the date of transaction and on settlement date or on translation is recognized in the profit and loss account as income or expense except in cases where they relate to the acquisition of fixed assets in which case, they are adjusted to the carrying cost of such assets.
- d). As per the information provided by the management, the company has not entered into any forward contracts.

11. Valuation of Inventories: -

The inventories are physically verified at regular intervals by the Management. The valuation of stock of Raw materials, stores and Spares are valued at cost as per the provisions of Accounting Standard No.2 "Valuation of Inventories"

The stock of the Work-in Progress has been valued at estimated production cost.

The Inventories of Finished Goods is valued at estimated market price only in place of accepted principal of cost or market price whichever is lower as per the regular practice of the company from past years.

12. Gratuity Valuation: -

The company has not taken any defined retirement benefits plans for making provision of retirement benefits of its employees. However, company has taken valuation report of actuary for quantification of gratuity liability of the company and has made provision of the same in the books of accounts.

13. Duty Drawback: -

Duty Drawback is recorded on receipt basis. Management is not able to estimate the amount of claim receivable, therefore the duty drawback is recorded on receipt basis rather than on accrual basis.

14. Preliminary Expenses: -

During the current year the company does not have any preliminary expenses which are expensed from profit and loss account.

15. Prior Period Expenses: -

Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods. Prior period expenses for previous years have been expensed out during the current year and disallowed while computing total income as per income tax act.

16. Management Remuneration: -

Disclosures with respect to the remuneration of directors and employees as required under section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in the below mentioned table: -

A. Remuneration to Managing Director, WTD and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD/other	
1.	Gross Salary	12,00,000.00	46,80,000.00	58,80,000.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961			
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Any other Benefits	-	-	-
	Total	12,00,000.00	46,80,000.00	58,80,000.00
	Ceiling as per the Act			84,00,000.00

B. Remuneration to key managerial personnel other than MD/ Manager/ WTD: -

S. No	Particulars of Remuneration	Name of Managerial Person other than MD/WTD/Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	0.00	8,85,000.00	1,68,000.00	10,53,000.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961				
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961				
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Any other Benefits	-	-	-	-
	Total	0.00	8,85,000.00	1,68,000.00	10,53,000.00

17. Cash and Cash Equivalents: -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

18. Segment Reporting: -

The activities of the company are such that the According to AS-17 "Segment Reporting: is not applicable in the company.

Note 1(c). Notes to Accounts: -

1. The Financial Statements for the year ended on 31st March 2019 are prepared based on Schedule III of Companies Act ,2013.
2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not

necessarily be same as those appearing in the respective audited financial statements for the previous year.

3. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

4. Related Party Disclosure (AS18): -

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the below mentioned table: -

Nature of Transaction	Period	
	2018-19	2017-18
1. Mr. Anilbhai Babubhai Detroja		
Remuneration (Gross Paid)	12,00,000	84,00,000
Unsecured Loan	2,20,80,000	8,00,000
Loan Repaid	20,000	23,10,000
Equity Contribution		
2. Mr. Nileshbhai Babulal Detroja		
Remuneration (Gross Paid)	12,00,000	84,00,000
Unsecured Loan	3,28,44,000	44,000
Loan Repaid	0.00	14,80,000
Equity Contribution		
3.Mr. Hiteshbhai Babulal Detroja		
Remuneration (Gross Paid)	12,00,000	84,00,000
Unsecured Loan	2,61,47,171.28	2,50,000
Loan Repaid	0.00	25,10,000
Equity Contribution		
4. Mr. Babulal Mahadevbhai Detroja		
Remuneration (Gross Paid)	12,00,000	84,00,000
Unsecured Loan	0.00	0.00
Loan Repaid	0.00	54,50,000
5. Parulben Nilesh bhai Detroja		
Remuneration (Gross Paid)	10,80,000	10,80,000
6. Payal Jain (CS)		
Remuneration (Gross Paid)	1,68,000	1,29,241
7. Lexus Ceramic Pvt. Ltd.		
Purchases of Fixed Assets		
Loans and Advances	40,97,015	40,96,015
8. Kartik Industries		
Purchase Goods	20,51,61,443	11,00,58,608
Trade Receivable		
Trade Payable		31,78,653
9. Pawan Blackrock Pvt Ltd		
Repayment of Unsecured Loan	2,10,000	2,61,32,128
Unsecured Loan	0.00	1,51,889
Loans and Advances	58,111	
10.Lioli Ceramic Pvt Ltd		
Sales of Goods	0.00	26,561
Trade Receivable	26,561	26,561

5. Accounting for Taxes on Income (AS 22) Deferred Tax liability/Asset in view of Accounting Standard – 22: -

“Accounting for Taxes on Income” as at the end of the year/period is reported in the below mentioned table: -

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred tax Liability/(Assets)	2,40,96,039	1,06,87,928
Tax effect of items constituting deferred tax liability		
On difference between depreciation as per books and as per tax	(1,13,66,401)	1,34,08,111
On expenditure deferred in the books but allowable for tax purposes		
On items included in Reserves and surplus pending amortization into the Statement of Profit and Loss		
Others (DTA reversed during the year)		
Tax effect of items constituting deferred tax liability		
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee	(6,27,222)	
Provision for doubtful debts / advances		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961		
On difference between depreciation as per books and as per tax		
Unabsorbed depreciation carried forward		
Brought forward business losses		
On items included in Reserves and surplus pending amortization into the Statement of Profit and Loss		
Others - Preliminary Expenses		
Tax effect of items constituting deferred tax assets		
Net deferred tax Liability	1,21,02,417	2,40,96,039

The Company has recognized deferred tax liability on depreciation as per books of accounts and depreciation allowable as per Income Tax Act 1961.

The net deferred tax liability is classified as non-current liabilities and disclosed on the face of the Balance Sheet.

6. Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.
7. Unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are subject to confirmations.
8. The management of the company has carried out an exercise to ascertain impairment of Fixed Assets, if any, In the opinion of the management of the company there are no indication of impairment of assets as at 31/03/2019 and therefore no effect of impairment is required to be given in the books of accounts.
9. Cash balance is taken as valued & certified by management.
10. The Inventories of finished goods is valued at market price as against the accepted provision of cost of market price whichever is lower.
11. The company has written off following amounts (Exceeding Rs. 2 Lacs) during the financial years from its books of accounts. These amounts have been unilateral written off without any third-party confirmation of records.

S.No.	Name of Party	Amount
1.	Harisun Ceramic Pvt Ltd Morbi	78,00,000.00
2.	Vardhman Vitrified Pvt Ltd Morbi	44,57,980.00
3.	Vidres India Ceramic Pvt Ltd	43,31,509.00
4.	Shivam Logistics Ghandidham	40,20,660.00
5.	S R Trading Co Morbi	33,99,120.00
6.	Sologres Granito Private Limited Morbi	28,66,920.00
7.	Kamudhenu Industries Beawar	24,99,999.00
8.	Charlie Impex Morbi	22,94,275.00
9.	Charlie Empire Morbi	20,35,426.00
10.	Techno Craft Morbi	14,27,044.00
11.	Electro Products-Rajkot	13,61,656.00
12.	Foshan Hua Ming Da Trading Co Ltd	13,00,882.00
13.	Shree Mahalaxmi Trading Company Mulbagal	9,31,174.00
14.	Shree Kastbhanjan Packaging –Morbi	8,87,226.00
15.	Perfect International Morbi	8,17,088.00
16.	Shiv Enterprises Morbi (China Clay)	8,00,000.00
17.	Aman Agency Katihar	6,96,895.00
18.	Face Impex Pvt Ltd.-Morbi	6,43,820.00
19.	Rajinder Singh	6,14,577.00
20.	Hariom Trading Morbi	5,12,824.00
21.	Shreeji Sales Agency	5,00,000.00
22.	Other parties (Constituting Less than 5 Lacs)	1,24,71,702.00
	Total	5,66,70,777.00

12. Pending Litigations and Criminal Proceedings: -

As details provided by management and further verified by us, apart from those as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, directors, promoters and group entities and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by Company, default increment of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V to the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Promoters, directors and group entities.

Further, there is no show-cause notices/claims served on Company, promoters, directors or group entities from any statutory authority/revenue authority that would have a material adverse effect on the business.

a. Outstanding Statutory Dues Related to Indirect Tax:-

The total amount outstanding dues relating to indirect tax which are verified through the online portals of GST or payable in the books of accounts are attached in the below mentioned table: -

Period	Due (Amount in Lacs)	Related to Statue
2016-17	24.32	Excise Duty
2017-18	32.22	GST- CESS
2017-18	188.75	GST

b. Outstanding Statutory Dues Related to Direct Tax: -

The total amount outstanding relating to direct tax which are verified through the online portals of income tax and traces portal or payable in the books of accounts are attached in the below mentioned table: -

Period	Due (Amount in Lacs)	Related to Statue
2014-15	1.84	Income Tax (Demand)
2015-16	65.81	Income Tax (Demand)
2011-19	44.61	Income Tax-TDS (Demand)
2018-19	44.43	Tax Deducted at Sources
2017-18	11.40	Tax Collected at Sources
2018-19	2.64	Professional tax
2017-18	288.59	Income Tax (Demand)

Notes forming part of Financial Statements
For the year ended March 31, 2019

(Amount in Rs.)

Notes on Accounts (Standalone)

The previous year figures have been regrouped, wherever necessary to confirm to the current year presentation

Note 2 Share Capital

Particulars	As at 31st March 2019		As at 31 March, 2018	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
(a) Authorised				
Equity shares of Rs.10/- each with voting rights	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000
Equity shares of ` Rs.10/- each with voting rights	1,91,90,724	19,19,07,240	1,91,90,724	19,19,07,240
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	1,91,90,724	19,19,07,240	1,91,90,724	19,19,07,240
Total	1,91,90,724	19,19,07,240.00	1,91,90,724	19,19,07,240.00

Refer Notes 2.1 to 2.4 below

Note 2.1 Reconciliation of of number of Equity Share outstanding is set as below:

Particulars	As at 31st March 2019		As at 31 March, 2018	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
As at the start of the year	1,91,90,724	19,19,07,240	1,34,30,724	13,43,07,240
Add: preferential allotment During the Year			-	-
Add: Shares Issued Under the IPO	-	-	57,60,000	5,76,00,000
As at the end of the year	1,91,90,724	19,19,07,240	1,91,90,724	19,19,07,240
	1,91,90,724	19,19,07,240	1,91,90,724	19,19,07,240

Note 2.2 Shareholders holding more than 5% of the Equity share in the company

Name of the Shareholders	As at 31st March, 2019		As at 31 March, 2018	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Pavan Blackrock Pvt. Ltd.	90,50,974	9,05,09,740	90,50,974	9,05,09,740
Lexus Ceramic Pvt. Ltd.	19,53,992	1,95,39,920	19,53,992	1,95,39,920
Nileshbhai Babulal Detroja		-	7,14,551	71,45,510
	1,10,04,966	11,00,49,660	1,17,19,517	11,71,95,170

Note 2.3 Rights, preferences and restrictions attached to the equity shares

The Company has only one class of shares referred to as equity shares having a par value of 10/-Each holder of equity shares is entitled to one vote per share.

Note 2.4 Dividend declared/paid

The Company has not declared and paid any dividends during the year.

Note 3 Reserves and surplus

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Securities Premium		
Opening balance	29,84,92,872	11,96,92,760
Add: Additions during the year	-	-
Add: Proceeds received from IPO		20,16,00,000
Less: IPO Expenses		2,27,99,888
Closing balance	29,84,92,872	29,84,92,872
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	19,26,50,060	12,26,66,988
Add: Profit for the year	33,31,927	6,99,83,072
Closing balance	19,59,81,986	19,26,50,060
Total	49,44,74,858	49,11,42,932

Note 4 Long-term borrowings

Particulars	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
	As at 31 March, 2019	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2018
A. Bonds/ Debentures				
Unsecured				
13.05% Lexus Granito 2020 (640 Redeemable Non-convertible unsecured Debentures of face value of Rs. 100000)	6,40,00,000	-	6,40,00,000	-
Total (A)	6,40,00,000		6,40,00,000	-
B. Term loans				
a). From banks				
Secured				
1.State Bank of India Term Loan-1	4,26,83,286	3,84,00,000	8,12,83,089	3,72,00,000
2.State Bank of India Term Loan-2	11,29,87,428	3,60,00,000	11,30,54,066	7,20,00,000
3.HDFC Bank Limited	-	-	-	3,89,392
4.HDFC Bank Limited	7,26,029	8,57,302	15,83,332	7,45,871
5.HDFC Bank Limited	-	-	-	4,73,205

Total (B)		15,63,96,743	7,52,57,302	19,59,20,487	11,08,08,469
b). From other parties					
Unsecured					
1.Hdfc Bank Limited		1,72,326	19,04,293	20,76,619	16,32,481
2.Jain Sons Finlease Limited		1,28,00,000	-	1,28,00,000	
3.Jain Sons Finlease Limited		-	-	-	1,52,62,956
4.Mas Financial Services Limited		24,09,787	1,33,49,389	1,57,59,176	1,17,04,728
5.Visu Leasing and Finance Private Limited		-	1,00,55,830	1,00,55,830	92,45,688
Total (C)		1,53,82,113	2,53,09,512	4,06,91,625	3,78,45,853
Total (A+B+C)		23,57,78,856	10,05,66,815	30,06,12,112	14,86,54,322
B. Loans and advances from related parties (Refer note no.24.13(a) and (b))					
Unsecured					
Anilbhai Babubhai Detroja		2,20,80,000	-	8,00,000	-
Hiteshbhai Babubhai Detroja		2,61,47,171	-	2,50,000	-
Nileshbhai Babubhai Detroja		3,28,44,000	-	44,000	-
Vardhman Vitrified Pvt Ltd-Morbi		-	-	44,57,980	-
Vinayak Poliplast Pvt Ltd		10,00,000	-	10,00,000	-
Muktaben B Detroja		2,37,500.00	-	3,57,500	-
Pankaj B. Detroja [Prop. Pavan Corporation]		30,00,000.00	-	30,00,000	-
Pavan Blackrock Pvt Ltd		-	-	1,51,889	-
Total		8,53,08,671	-	1,00,61,369	-
Grand Total		32,10,87,527	10,05,66,815	31,06,73,481	14,86,54,322

Note 4.1 Additional Information to Secured/Unsecured long-term borrowings

The Long-term Portion of term loans are shown under long term borrowings and current maturities of long term borrowings are shown under the current liabilities are per disclosure requirements of the revised schedule III.

Note 4.2 Details of securities and terms of repayments

- I. Unsecured
(A). Bonds/Debenture

The company has issued 640 rated, listed, taxable, transferable, redeemable non convertible unsecured debenture of face value of Rs.100000 each. The debenture carries 14.50% Rate of interest and payable half yearly. The debentures are redeemable in two installments of Rs.3.20 Cr due on 08.04.2020 and 12.06.2020

II. Secured

(B) Term Loans

(a) Banks

1. State Bank Of India - Note 4(B)(a)(1 to2)

The company has taken 2 term loans from State Bank Of India amounting as T/L No.1 for Rs.15 Cr and T/L No.2 for Rs.21 Cr for setting up company's Plant situated at Surey No.800, Off NH-8A, Lakhdipur Road, Village Ghutu, Morbi. The Loans are secured on EQM of company Factory Land & Building, Directors and Shareholders personal immovable property and corporate guarantee of Lexus Ceramic Pvt Ltd. The Loans are further secured by lien of company mutual funds held in State Bank Of India. The Loans carries ROI of 13.65%. The Loans are repayable in 60 Months from Sanction and last Installment is due on March 2022.

2. HDFC Bank Limited -Note 4(B)(a)(4)

Secured on hypothecation of Mercedes Benz Car owned by the Directors of the company as specified in the schedule annexure to the loan agreement executed on 20.12.2017. The Loan is repayable in 36 Monthly Installments of Rs. 85,450/-. The Period of Maturity w.r.t balance sheet date is 1 years and 9 months.

(b). Others

1) HDFC Bank Limited -Note 4(B)(b)(1)

Unsecured Business Loan as specified in the schedule annexure to the loan agreement executed on 28.03.2017. The Loan is repayable in 36 Monthly Installments of Rs. 1,74,554/-. The Period of Maturity w.r.t balance sheet date is 1 years and 1 months.

2) Jainson Finlease Ltd -Note 4(B)(b)(2)

Unsecured Business Loan as specified in the schedule annexure to the loan agreement executed on 27.03.2017. The Loan is repayable in two equal bullet payments in 38th and 41th month from the date of execution of loan agreement. The Period of Maturity w.r.t balance sheet date is 2 and 0 months.

3) Mas Financial Services Ltd -Note 4(B)(b)(4)

Unsecured Loan as specified in the schedule annexure to the loan agreement executed on 01.06.2017. The Loan is repayable in 35 Monthly Installments of Rs. 12,20,892/-. The Period of Maturity w.r.t balance sheet date is 1 years and 2 months.

4) Visu Leasing and Finance Pvt Ltd -Note 4(B)(b)(5)

Unsecured Loan as specified in the schedule annexure to the loan agreement executed on 19.01.2017. The Loan is repayable in 24 Monthly Installments of Rs. 9,98,482.04/-. The Period of Maturity w.r.t balance sheet date is 0 years and 11 months.

Note 4.3 Details of Long-term Borrowings guaranteed by some of directors and others

The terms loan with State Bank of India has been guaranteed by all the directors of the company.

Note 5 Long-term provisions

Particulars	As at 31st March, 2019	As at 31 March, 2018
(a) Provision for employee benefits:		
(i) Provision for Gratuity	56,57,899	34,03,328
(ii) Provision for Bonus		
(iii) Provision for Ex- Gratia		
(iv) Provision for leaves		
Total	56,57,899	34,03,328

Note 6 Short-term borrowings

Particulars	As at 31 March, 2019	As at 31 March, 2018
(A) Loans repayable on demand		
From banks		
Secured		
a) State Bank Of India Exports Packing Credit Limit	-	3,89,87,684
b) State Bank Of India Cash Credit Limit	21,89,56,494	18,22,25,308
Unsecured		
	21,89,56,494	22,12,12,992
From Other Parties		
Secured		
Unsecured		
	-	-
Total	21,89,56,494	22,12,12,992

6.1 Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2019	As at 31 March, 2018
<u>Loans repayable on demand</u>			
<u>from banks:</u>			
a) State Bank of India	Secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. The loan is further secured by EQM of the factory Land & Building, EQM of Directors and their family members immovable property and lien on the units of mutual funds of the company in the Bank. The Loan carries ROI of 6.75% on monthly rests.	-	3,89,87,684
a) State Bank of India	Secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. The loan is further secured by EQM of the factory Land & Building, EQM of Directors and their family members immovable property and lien on the units of mutual funds of the company in the Bank. The Loan carries ROI of 13.65% on monthly rests.	21,89,56,494	18,22,25,308
Total - From banks		21,89,56,494	22,12,12,992

6.2 Details of short-term borrowings guaranteed by some of the directors or others:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Loans repayable on demand from banks	21,89,56,494	22,12,12,992

Note 7: Trade payables

Particulars	As at 31st March, 2019	As at 31 March, 2018
Trade payables:		
Acceptances	45,11,30,354	60,36,96,374
Other than Acceptances		
Total	45,11,30,354	60,36,96,374

Note 7.1 "For the disclosure of the suppliers under the Micro, small and medium enterprises Development Act, 2006 refer note no. 24.3.

Note 8 Other current liabilities

Particulars	As at 31st March, 2019	As at 31 March, 2018
(a) Current maturities of long-term debt (Refer Note (i) below)	10,05,66,815	14,86,54,322
(b) Interest accrued but not due on borrowings	27,71,287	27,71,287
(c) Interest accrued and due on borrowings	42,85,018	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	3,63,47,515	3,23,00,568
(ii) Advances from customers	1,45,75,798	2,37,17,956
(iii) Loan payment over due	36,24,182	-
Total	16,21,70,614	20,74,44,133

Note (1) For the Current Maturities of long-term borrowings (refer note 4 and note 4.1 in Note 4- Long term borrowings for details of borrowings, guarantee and details of current maturities.

Note 9 Short-term provisions

Particulars	As at 31st March, 2019	As at 31 March, 2018
(a) Provision for employee benefits:		
(i) Provision for Gratuity	-	
(ii) Provision for Bonus		
(iii) Provision for Ex- Gratia		
(iv) Provision for leaves		
(b) Provision - Others:		
(i) Provision for Income tax	1,37,84,480.00	2,11,39,979
(Tax provision Rs. 1,39,01,637/- less advance tax and TDS 1,71,157/- and previous year tax provision was 2,32,72,390/- less TDS/Advance Tax 21,32,411/-)		
(ii) Provision - others		
a. Provision for Review Fees	5,73,370	5,73,370
b. Provision for Others	14,63,841	63,932
Total	1,58,21,691	2,17,77,281

Note 10 Fixed assets

Tangible Assets	Gross Block			Depreciation and Amortisation			Net Block		
	Balance as at 1 April, 2018	Additions	Disposals	Balance as at 31st March 2019					
Land (Free Hold)	5,92,297	-	-	5,92,297	-	-	-	5,92,297	5,92,297
Factory Building	6,88,66,983	74,36,950	-	7,63,03,933	1,83,35,349	54,46,259	2,37,81,609	5,25,22,324	5,05,31,634
Plant & Machinery	71,01,19,601	-	-	71,01,19,601	38,64,61,228	62336603	44,87,97,831	26,13,21,770	32,36,58,373
Electrification	2,74,18,420	-	-	2,74,18,420	70,80,567	37,02,603	1,07,83,170	1,66,35,250	2,03,37,853
Furniture & Fixture	61,67,610	-	-	61,67,610	40,09,684	6,08,002	46,17,687	15,49,923	21,57,926
Vehicles	1,86,79,959	-	-	1,86,79,959	1,26,13,345	21,08,109	1,47,21,454	39,58,505	60,66,614
Plant & Machinery	35,76,38,176	85,84,300	-	36,62,22,476	5,23,15,598	5,59,25,264	10,82,40,862	25,79,81,614	30,53,22,578
Computer System	1,80,383	1,77,808	-	3,58,191	73,131	1,24,932	1,98,063	1,60,129	1,07,252
Office Equipment	79,464	3,35,782	-	4,15,246	10,499	1,36,628	1,47,127	2,68,119	68,965
Total (A)	1,18,97,42,893	1,65,34,840	-	1,20,62,77,733	48,08,99,402	13,03,88,401	61,12,87,802	59,49,89,931	70,88,43,491
Previous year Total	79,13,11,852	39,84,31,041	-	1,18,97,42,893	34,08,60,548	14,00,38,854	48,08,99,402	70,88,43,491	45,04,51,304
B. Intangible Assets									
Software	9,24,083	22,800		9,46,883	5,64,908	43,635	6,08,543	3,38,340	3,59,175
Total (B)	9,24,083	22,800	-	9,46,883	5,64,908	43,635	6,08,543	3,38,340	3,59,175
Previous year	5,88,874	3,35,209	-	9,24,083	5,44,915	19,993	5,64,908	3,59,175	43,959

Total									
Grand Total (A+B)	1,19,06,66,976	1,65,57,640	-	1,20,72,24,616	48,14,64,310	13,04,32,035	61,18,96,345	59,53,28,271	70,92,02,666
Previous year	79,19,00,726	39,87,66,250	-	1,19,06,66,976	34,14,05,463	14,00,58,847	48,14,64,310	70,92,02,666	45,04,95,263

Note 11 Non-current Investments

Particulars		As at 31st March, 2019			As at 31 March, 2018		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost):							
A.	<u>Trade</u>						
(a)	Investment in equity instruments						
(b)	Investment in preference shares						
(c)	Investment in debentures or bonds						
B.	<u>Non-Trade</u>						
(a)	Investment in equity instruments						
	SBI Mutual Fund	-	2,35,30,000	2,35,30,000	-	2,35,30,000	2,35,30,000
	Geeta Power	-	74,100	74,100		40,432	40,432
(b)	Investment in preference shares						
(c)	Investment in debentures or bonds						

	Total - Trade (A)	-	2,36,04,100	2,36,04,100	-	2,35,70,432	2,35,70,432
C.	<u>Other investments</u>						
	(i) Of Related Parties						
				-			-
D	Other non-current investments						
	National Saving Certificates	-	15,000	15,000	-	15,000	15,000
	Total - Other investments (B)	-	15,000	15,000	-	15,000	15,000
	Total (A+B)	-	2,36,19,100	2,36,19,100	-	2,35,85,432	2,35,85,432
	Less: Provision for diminution in value of investments						
	Total			2,36,19,100			2,35,85,432
	Aggregate amount of quoted investments	-			-		
	Aggregate market value of listed and quoted investments						
	Aggregate value of listed but not quoted investments						
	Aggregate amount of unquoted investments		2,69,21,515	2,69,21,515		2,53,25,260	2,53,25,260

Note 12 Long-term loans and advances

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Loans and advances to related parties		
Unsecured, considered good		-
Less: Provision for doubtful loans and advances		-
(b) Security deposits		
Unsecured, considered good	65,00,588	67,43,648
	65,00,588	67,43,648
Less: Provision for doubtful deposits	-	-
	65,00,588	67,43,648
(c) Loans and advances to employees		
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
(d) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	-
(e) Balances with government authorities	-	-
Unsecured, considered good	-	-
(i) Balance with government Authority	7,25,27,252	6,49,16,223
	7,25,27,252	6,49,16,223
(f) Others (Advance recoverable in cash or Kind)		
Unsecured, considered good	85,77,015	1,04,76,015
Doubtful		-
	85,77,015	1,04,76,015
Less: Provision for other doubtful loans and advances	-	-
	85,77,015	1,04,76,015
Total	8,76,04,855	8,21,35,886

Note: 12.1 Long-term loans and advances include amounts due from:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Directors *		-
Other officers of the Company *		-
Firms in which any director is a partner (give details per firm)		-
Private companies in which any director is a director or member	40,97,015	40,96,015
	40,97,015	40,96,015

Note 13 Other non-current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Long Term trade receivables		
Secured Considered Good		
Unsecured Considered Good		
Doubtful		
(b) Deposits		
(i) Bank Deposit with More than 12 Months	1,21,95,999	1,32,00,471
Total	1,21,95,999	1,32,00,471

Note 14 Inventory*(At lower of cost and net realizable value)*

Particulars	As at 31 March, 2019	As at 31 March, 2018
Raw Materials	10,26,39,480	8,29,09,412
Packing Materials	2,92,83,438	5,24,81,058
Stores Spares Materials	5,05,15,976	4,68,06,550
Fuel Materials	80,629	2,59,534
Colour & Chemical	1,41,51,798	3,02,81,243
Semi Finished Goods	7,76,93,019	5,93,69,061
Finished Goods	47,72,13,151	35,11,26,788
Total	75,15,77,491	62,32,33,645

Note 15 Trade receivables

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	22,88,04,970	20,02,77,841
Unsecured, considered good	-	-
Doubtful	-	-
	22,88,04,970	20,02,77,841
Less: Provision for doubtful trade receivables	-	-
	22,88,04,970	20,02,77,841
Other Trade receivables		
Secured, considered good	15,87,71,674	40,00,60,771
Unsecured, considered good	-	-
Doubtful	-	-
	15,87,71,674	40,00,60,771

Less: Provision for doubtful trade receivables	-	-
	15,87,71,674	40,00,60,771
Total	38,75,76,644	60,03,38,612

Note 15.1 Trade receivables include debts due from:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Directors *		
Other officers of the Company *		
Firms in which any director is a partner		
Private companies in which any director is a director or member	26,561	26,561
	26,561	26,561

Note 16 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Cash on hand		
(i) Cash	5,08,641	7,47,679
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	-	82,18,483
(ii) In Deposit Accounts (Refer Note (i) below)	-	
(iii) earmarked accounts		
Total	5,08,641	89,66,162
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	5,08,641	89,66,162

Note 17 Short term Loans and Advances

Particulars	As at 31st March 2019	As at 31 March, 2018
(a) Loans and advances to related parties		
Unsecured, considered good		-
	-	-
Less: Provision for doubtful loans and advances		-
	-	-
(b) Security deposits		
Unsecured, considered good		-
	-	-
Less: Provision for doubtful deposits		-
	-	-
(c) Loans and advances to employees and others		

Unsecured, considered good		
Doubtful		-
	-	-
Less: Provision for doubtful loans and advances		-
	-	-
(d) Prepaid expenses - Unsecured, considered good	2,75,260	4,41,710
(e) Balances with government authorities		-
Unsecured, considered good		
(i) CENVAT credit receivable		
(ii) Service Tax Input receivable	7,33,446	7,33,446
(iii) GST Credit	26,23,365	60,61,698
(iv) Coal Cess Input	19,02,051	19,02,051
(v) Advance Income Tax	-	-
(vii) TDS Receivable FY 2018-19	-	-
	52,58,862	86,97,195
(f) Others (Advance recoverable in cash or Kind)		
Unsecured, considered good	93,63,972	55,52,020
Doubtful		-
	93,63,972	55,52,020
Less: Provision for other doubtful loans and advances		-
	93,63,972	55,52,020
Total	1,48,98,094	1,46,90,925

Note 17 .1 Short-term loans and advances include amounts due from:

Particulars	As at 31st March 2019	As at 31 March, 2018
Directors *	-	-
Other officers of the Company *	-	-
Firms in which any director is a partner (give details per firm)	-	-
Private companies in which any director is a director or member	58,111	-
	58,111	-

Note 18 Revenue from operations

	Particulars	As at 31 March, 2019	As at 31 March, 2018
(a)	Sale of products (Refer Note (i) below)	1,28,14,61,687	1,76,08,75,741
(b)	Other operating revenues (Refer Note (ii) below)	4,07,52,838	6,87,26,947
	Total	1,32,22,14,525	1,82,96,02,688

	Particulars	As at 31 March, 2019	As at 31 March, 2018
(i)	Sale of products comprises:		
	a.) Traded Goods		
	Vitrified Tile	2,69,53,889	30,31,08,088
	Wall Tile	46,94,041	2,79,68,521
	Coal	2,02,012	10,40,33,573
	Packing Material	1,15,700	1,89,500
	Store and Spares	-	66,000
	Raw Material	12,78,011	32,45,460
		3,32,43,653	43,86,11,142
	b.) Manufacture Goods		
	Vitrified Tile	89,66,58,814	1,07,58,92,452
	Wall Tile	34,71,97,452	24,48,56,403
	Broken Tile	18,53,519	15,15,745
	Scrap and Waste	25,08,250	-
		1,24,82,18,034	1,32,22,64,599
	Total - Sale of traded goods	1,28,14,61,687	1,76,08,75,741
(ii)	Other operating revenues		
	Duty Drawback Income	95,15,833	1,66,24,206
	MEIS Income	1,44,61,988	2,57,67,203
	Freight Income	15,72,045	11,12,358
	Insurance on Sales	11,61,870	11,52,630
	Foreign Exchange Rate Difference	1,40,41,103	1,30,70,196
	Excise Duty on Stock	-	1,10,00,354
		4,07,52,838	6,87,26,947
	Total - Other operating revenues	1,32,22,14,525	1,82,96,02,688

Note 19 Other income

	Particulars	As at 31 March, 2019	As at 31 March, 2018
(a)	Interest income (Refer Note (i) below)	12,38,015	13,34,421
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	5,73,17,770	2,85,77,420
	Total	5,85,55,785	2,99,11,841

Note	Particulars	As at 31 March, 2019	As at 31 March, 2018
(i)	Interest Income		
	Interest Income on FD	8,53,812	9,78,930
	Interest on Security Deposit	3,15,161	2,67,047
	Interest Income from Late Payment	69,042	-
	Interest Income for Excise Duty Rebate	-	88,444
	Total	12,38,015	13,34,421
(ii)	Other non-operating income comprises:		
	Insurance Claim Received	2,26,567	1,11,731
	Kasar	2,68,865	1,33,863
	Compensation Income	-	35,41,750
	Gain on Mutual Fund	-	17,39,828
	Other Direct Income	32,000	-
	Rate difference	1,19,561	-
	Credit Written Back	5,66,70,777	2,30,50,248
	Total	5,73,17,770	2,85,77,420

Note 20.a Cost of materials consumed

Particulars	As at 31 March, 2019	As at 31 March, 2018
Opening stock	8,29,09,412	14,11,49,859
Add: Purchases	31,77,77,130	42,83,40,770
Less: Closing stock	10,26,39,480	8,29,09,412
Total	29,80,47,062	48,65,81,218
Material consumed comprises:		
Raw Materials	29,70,31,888	48,38,73,853
Purchase of Semi Finished Goods	10,15,174	27,07,365
Total	29,80,47,062	48,65,81,218

Note 20.b Purchase of traded goods

Particulars	As at 31 March, 2019	As at 31 March, 2018
Traded goods		
Vitrified Tile	2,24,11,675	25,63,21,553
Wall Tile	39,30,240	1,96,24,636
Coal	2,53,440	6,99,02,071
Packing and Material	1,09,226	7,250
Store and Spares	-	62,000
Raw Material	15,08,287	29,11,182
Total	2,82,12,868	34,88,28,692

Note 20.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at 31 March, 2019	As at 31 March, 2018
A. Inventories at the end of the year: (As verified and certified by the management)		
Finished goods	47,72,13,151	35,11,26,788
Work in Progress	7,76,93,019	5,93,69,061
Total A	55,49,06,170	41,04,95,849
Inventories at the beginning of the year:		
Finished goods	35,11,26,788	13,97,88,209
work In Progress	5,93,69,061	1,57,20,000
Total B	41,04,95,849	15,55,08,209
Net (increase) / decrease	(14,44,10,322)	(25,49,87,640)

Note 21: Employee benefits expense

Particulars	As at 31 March, 2019	As at 31 March, 2018
Salaries & Wages	7,20,74,018	10,61,03,008
Contribution to Provident and Other Funds	36,67,684	16,38,946
Staff Welfare Expenses	27,42,813	64,22,100
Total	7,84,84,515	11,41,64,054

Note 22: Finance costs

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Interest expense on:		
(i) Borrowings	7,45,15,450	7,57,26,385
(ii) Trade payables	24,96,815	11,50,809
(b) Other borrowing cost		
(Interest on Income tax, Service tax, Vat)	-	38,62,752
Bank Charges	52,78,081	89,41,537
Total	8,22,90,346	8,96,81,483

Note 23: Other expenses

Particulars	As at 31 March, 2019	As at 31 March, 2018
Manufacturing Expenses		
Packing Materials Consumed	6,17,79,012	6,97,88,300
Stores Spares Materials Consumed	5,53,02,973	3,97,44,393
Power & Fuel Materials Consumed	53,49,25,877	39,77,27,490
Color and Chemical	9,75,52,329	6,29,80,597
VAT Setoff - Credit Reverse on OGS Sales	-	23,52,281

Job works Expenses	11,53,793	7,20,000
R & D Sample Expenses	-	17,304
Machinery Repair & Maintenance	44,90,895	1,78,60,560
Clearing & Forwarding Expense	1,87,82,290	3,45,69,591
Freight	9,06,70,353	13,38,89,935
Total	86,46,57,523	75,96,50,451
Administrative Expenses		
Advertisement Expenses	-	8,62,292
Corporate Social Responsibility	-	1,51,000
CST Sales Tax Expense (Kar Samadhan)	-	36,07,940
Custom Duty	-	1,48,370
Debenture Trusteeship Fees	-	2,00,000
Discount	37,73,887	26,91,728
Donation	-	1,20,000
ECGC Premium	1,69,037	4,31,038
Electricity Connection Charges	23,85,829	3,81,693
Exhibition Expenses	-	39,10,800
Insurance	12,96,104	18,34,662
Legal & Professional Fees	35,32,624	68,07,755
License Fees	7,13,850	1,34,277
Loading Charges	-	6,33,675
Miscellaneous expenses	1,31,956	3,67,667
Marketing Tour Expenses	1,09,91,377	96,34,103
Annual Listing and membership Expenses	1,02,073	1,23,499
NCD Reviewing Fees	19,20,000	18,83,178
Office Expenses	6,73,825	6,46,780
Office rent	57,61,008	61,42,200
Payments to auditors (Refer to note)	3,12,000	2,95,000
Late fees and Penalty expense	9,67,260	2,21,572
Postage & Courier	7,76,872	6,89,752
Printing & Stationary	12,77,984	19,07,564
Prior Period Item	-	14,500
Repair & Maintenance	2,79,786	24,23,343
ROC Filing Fees	49,300	13,800
Security Services Expenses	1,58,106	-
Telephone & DTH Expense	9,09,380	11,44,477
Hotel and Travelling Expense	16,34,085	34,04,881
Total	3,78,16,341	5,08,27,546
Grand Total	90,24,73,864	81,04,77,997

3. The Income Tax Department (DC/ACIT, CIR, Morbi) has passed an order dated 26.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2015-16 by adding Rs. 1,76,79,000/- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs. 51,92,370/-. The assessee company has filed an appeal to CIT (Appeals) dated 05.01.2019 against the said order and deposited Rs. 3,46,474/- of total demand raised, the matter is pending for adjudication.	48,45,596.00	
4. The Income Tax Department (DC/ACIT, CIR, Morbi) has passed an order dated 28.12.2018 under sec. 143(3) determining total income of the assessee company for the AY 2016-17 by adding Rs. 9,71,65,236/- to the total income disclosed by the assessee in the ITR and issued notice for demand amounting to Rs. 2,98,55,349/-. The assessee company has filed an appeal to CIT (Appeals) dated 02.01.2019 against the said order and deposited Rs. 9,96,070/- of total demand raised, the matter is pending for adjudication.	2,88,59,279.00	
	3,83,49,862.00	10,82,277.00
(b) Guarantees*	-	-
1.The State Bank of India Rajkot issued Bank Guarantee to Gujrat Gas Limited on 21.07.2015 on behalf of the company for Rs. 1,65,00,000/- from the period 21.07.2015 to 01.08.2017. It is further renewed upto 01/08/2019 for Rs. 2,10,53,097/-	2,10,53,097.00	1,65,00,000.00
2.The State Bank of India Rajkot Issued Bank Guarantee to Paschim Gujarat Vij Company Limited on 11.06.2015 on behalf of the company for Rs 2,41,46,000/-and renewed it till 11.05.2019 as applied by the company time to time.	2,41,46,000.00	2,41,46,000.00
3.The State Bank of India issued Bank Guarantee to The President of India acting through Asst. Comm., Comm. of Customs on 09.03.2012 on behalf of company for Rs 18,00,000/-and renewed it till 08.03.2020 as applied by the company time to time.	18,00,000.00	18,00,000.00
4.The State Bank of India Rajkot issued Bank Guarantee of Rs. 513376/- to Gujarat Energy Transmission Corporation Limited on behalf of the company on 22.09.2017 that is valid upto 30.04.2019.	5,13,376.00	-
4.The State Bank of India Rajkot issued Bank Guarantee of Rs. 400,000/- to Gujrat Pollution Control Board on behalf of the company on 06.03.2019 that is valid upto 05.03.2020.	4,00,000.00	-
	4,79,12,473.00	4,24,46,000.00
(c) Other money for which the Company is contingently liable	-	-
Total (A+B+C)	8,62,62,335.00	4,35,28,277.00

* For all the Bank Guarantees issued by the State Bank of India Rajkot on behalf of the company, the company has made Fixed Deposit of Rs. 1,18,37,978/- (one crore eighteen lakh thirty-seven thousand nine hundred seventy-eight Rupees) in the State Bank of India Rajkot.

(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	Tangible assets	-	-
	Intangible assets	-	-
	(b) Uncalled liability on shares and other investments partly paid	-	-
	(c) Other commitments (specify nature)	-	-

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2019	As at 31 March, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 24.4 Value of imports calculated on CIF basis:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Raw materials	17,26,925	68,83,774
Components	-	-
Spare parts	11,50,426	57,17,639
	28,77,351	1,26,01,413
Capital goods	-	-
Grand Total	28,77,351	1,26,01,413

Note 24.5 Expenditure in foreign currency

Particulars	As at 31 March, 2019	As at 31 March, 2018
Royalty		
Know-how		
Professional and consultation fees		
Interest		
Other matters		
Non-Convertible Debenture review fees	8,61,898.00	18,83,178.00
Advertisement Expense	-	2,39,691.00
Total	8,61,898.00	

Note 24.6 Details of consumption of imported and indigenous items*

Particulars	As at 31 March, 2019	As at 31 March, 2018
<u>Imported</u>		
Raw materials	17,26,925.00	60,41,949.00
Components	-	-
Spare parts	11,50,426.00	28,58,819.50
Total	28,77,351.00	89,00,768.50
<u>Indigenous</u>	As at 31 March, 2019	As at 31 March, 2018
Raw materials	29,63,20,137	48,05,39,269
Components		
Spare parts	5,41,52,547	3,68,85,574
Total	35,04,72,684	51,74,24,842
	35,33,50,035	52,63,25,611

Details of consumption of imported and indigenous items for the current year is provided by management.

Note 24.7 Earnings in foreign exchange:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Export of goods calculated on FOB basis	49,24,14,970	1,09,77,11,329
Royalty, know-how, professional and consultation fees		
Interest and dividend		
Other income, indicating the nature thereof.		

Note 24.8 Amounts remitted in foreign currency during the year on account of dividend

Particulars	As at 31 March, 2019	As at 31 March, 2018
Amount of dividend remitted in foreign currency		
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)		
Total number of shares held by them on which dividend was due		
Year to which the dividend relates		

Note 24.9 Earnings Per Share

Particulars	As at 31 March, 2019	As at 31 March, 2018
<u>Basic & Diluted</u>		
Net profit / (loss) for the year attributable to the equity shareholders	33,31,927	6,99,83,072
Weighted average number of equity shares	1,91,90,724	1,69,34,066

Par value per share		
Earnings per share - Basic & diluted	0.17	4.13

Note 24.10 Deferred Tax (Liability)/asset

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax Asset		
Difference in value of book balances and tax balance		-
Tax effect of items constituting deferred tax assets	-	-
Deferred Tax Liability		
Difference in value of book balances and tax balance	(4,31,11,512)	4,05,53,221
Tax effect of items constituting deferred tax liability	(1,19,93,623)	1,34,08,111
Total	(1,19,93,623)	1,34,08,111
Previous Year	2,40,96,039	1,06,87,928
Deferred Tax Expense / (Saving)	(1,19,93,623)	1,34,08,111
	1,21,02,417	2,40,96,039

Note 24.11 Employee benefit plans

Particulars	As at 31 March, 2019	As at 31 March, 2018
Defined contribution plans The Company is participating under the recognized provident fund during the year for defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.	7,71,582.00	10,67,418.00
Defined benefit plans The Company did not make any payment in any plan for securing the liability of gratuity for its employees, However the company has made provision for gratuity in its books of accounts on the basis of actuarial valuation.	22,54,571.00	

Note 24.12 Expenditure on Research & development

During the year, the company has not incurred any expenditure on research & development.

Note 24.13 Related party transactions

24.13 (a) Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Babulal Mahadevbhai Detroja, Mr Anilkumar Babulal Detroja, Mr Nilesh Babulal Detroja, Ms. Parulben Nileshbhai Detroja, Mr Dilipnhai N Fultariya, Mrs. Payal Jain
Relatives of KMP	
Company in which KMP / Relatives of KMP can exercise significant influence	Lexus Ceramic Pvt. Ltd., Kartik Industries, Pawan Blackrock Pvt. Ltd.

Note: Related parties have been identified by the Management.

24.13 (b) Details of related party transactions during the year ended 31st March, 2019 and balances outstanding as at 31st March, 2019:

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods			20,51,61,443	20,51,61,443
Purchase of Assets				-
Sale of Goods			-	-
Receiving of services				-
Agency arrangements				-
Maintenance Charges Paid				-
Transfer of research and development				-
Remuneration to Directors	58,80,000			58,80,000
Salary Paid	10,53,000			10,53,000
Rent Paid				-
Interest Paid				-
Finance (including loans and equity contributions in cash or in kind)	7,97,67,171		-	7,97,67,171
Guarantees and collaterals provided				-
Management contracts including for deputation of employees				-
Provision for doubtful receivables, loans and advances				-
Write off / write back made during the year				-
<u>Balances outstanding at the end of the year</u>				-
Trade receivables			26,561	26,561
Loans and advances			41,55,126	41,55,126
Trade payables			-	-
Borrowings	8,10,71,171		-	8,10,71,171
Provision for doubtful receivables, loans and advances				-